

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

**MOTION RECORD
(Returnable August 1, 2025)**

July 23, 2025

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

TO: SERVICE LIST

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TAB A

**ONTARIO
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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

NOTICE OF MOTION
(returnable August 1, 2025)

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”**), will make a motion to a Judge presiding over the Commercial List on August 1, 2025 at 11:00 a.m., or as soon after that time as the motion can be heard, via judicial videoconference at Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- ☐ in writing under subrule 37.12.1 (1);
- ☐ in writing as an opposed motion under subrule 37.12.1 (4);

- ☐ in person;
- ☐ By telephone conference;
- ☒ By video conference [Zoom details to be provided by the Court].

1. **THE MOTION IS FOR AN ORDER** (the “**Discharge Order**”), substantially in the form contained in the Motion Record at Tab C:

- (a) abridging the time for service and filing of this Notice of Motion and the Motion Record or, in the alternative, dispensing with same, if necessary;
- (b) approving the Sixth Report of the Receiver dated July 23, 2025 (the “**Sixth Report**”), and the activities of the Receiver set out therein;
- (c) authorizing the Receiver to release the West Pond Loan Funds to the Mortgage Fund and High Yield Mortgage Fund (as those terms are defined below) in their proportionate interests;
- (d) approving the Receiver’s methodology and proposal to make a final distribution to investors of certain Crystal Wealth Funds, and authorizing the Receiver to make such final distribution;
- (e) approving the Receiver’s final statement of receipts and disbursements (the “**Final SRD**”);
- (f) approving the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP (“**A&B**”), for the period from March 1, 2020 to June 20, 2025, as described and detailed in the Sixth Report and in the Bando and Collett Affidavits (as defined below);
- (g) authorizing the Receiver to return or destroy the records of the Company;

- (h) discharging GTL as Receiver and releasing GTL from any and all liability that the Receiver has or may hereafter have by reason of, or in any way arising from, the acts or omissions of GTL, while acting in its capacity as Receiver, except for any gross negligence or wilful misconduct on the Receiver's part; and
- (i) such further and other relief as counsel may advise and this Court may permit.

2. A blackline of the proposed form of Discharge Order against the Commercial List Model Receivership Discharge Order is included in the Motion Record at Tab D.

GROUND FOR THE MOTION:

3. The grounds for the motion are:

- (a) all capitalized terms used herein, unless otherwise defined, are intended to have the same meaning as ascribed to them in the Receiver's Reports (as hereafter defined);

Background

- (b) pursuant to an Order of the Honourable Justice Newbould issued April 26, 2017 (the "**Appointment Order**"), GTL was appointed as the Receiver, without security, of the Chrysalis Account and of all the assets, undertakings and properties of the Crystal Wealth Group;
- (c) the proceedings were commenced by way of application (the "**Application**") made by the Ontario Securities Commission under section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**"). On April 7, 2017, the Ontario Securities Commission (the "**OSC**") issued a temporary order (the "**Temporary Order**") providing, among other things, that the trading of units of all of the Crystal Wealth Funds cease and that trading in securities held by the Crystal Wealth

Funds cease. On April 28, 2017, the OSC extended the Temporary Order to October 3, 2017. On October 2, 2017, the OSC further extended the Temporary Order to April 10, 2018, with certain amendments. On April 9, 2018, the OSC further extended the Temporary Order to July 5, 2017;

- (d) the Respondent, Crystal Wealth Management System Limited (the “**Company**”), created and managed the Crystal Wealth Funds, which are structured as open-ended mutual fund trusts, and distributed on an exempt basis, pursuant to offering memoranda. Prior to the Appointment Order, as the investment fund manager and portfolio manager of the Crystal Wealth Funds, the Company managed the day-to-day business of the Crystal Wealth Funds and was required to make investment decisions consistent with each Fund’s investment objectives;
- (e) the Respondent, Smith, was the directing mind, and sole officer and director of the Company;
- (f) the circumstances leading to the Receiver’s appointment, and a detailed description of the Crystal Wealth Funds and the steps and actions taken by the Receiver since the Appointment Order, are summarized in the First Report to the Court of the Receiver dated June 22, 2017 (the “**First Report**”), the Supplement to the First Report to Court dated June 29, 2017 (the “**Supplement to the First Report**”), the Second Report to the Court of the Receiver dated November 24, 2017 (the “**Second Report**”), the Supplement to the Second Report of the Receiver dated February 8, 2018 (the “**Second Report Supplement**”), the Third Report of the Receiver dated May 3, 2018 (the “**Third Report**”), the Supplement to the Third Report of the Receiver dated May 14, 2018 (the “**Third Report Supplement**”), the Fourth Report of the Receiver dated July 20, 2018 (the “**Fourth Report**”), the Fifth Report of the Receiver dated May 19, 2020 (the “**Fifth**

Report”), and the Sixth Report filed herein (collectively, the “**Receiver’s Reports**”);

The Receiver’s Initiatives Following the Fifth Report and the Third Distribution

- (g) pursuant to the Receivership Order, the Receiver was authorized to, amongst other things, initiate, prosecute and continue the prosecution of any and all proceedings with respect to the Crystal Wealth Group, and to settle or compromise any such proceeding;
- (h) as outlined in the Receiver’s Reports, since the Receiver’s appointment in 2017, and following the third distribution to investors in 2020 following the Fifth Report, the Receiver has undertaken numerous initiatives to monetize, where possible, the assets of the Crystal Wealth Group for the benefit of investors;
- (i) to date and including the final distribution proposed in the Sixth Report, the Receiver has monetized and distributed approximately \$103,603,000 of the \$193,198,912 which the Company represented as being the assets under management at the time of the Receiver’s appointment;
- (j) If the Receiver’s proposed final distribution is permitted as recommended in this Sixth Report, the Receiver will have monetized and distributed approximately \$116,000,000 to unitholders of the Crystal Wealth Funds since the Receiver’s appointment;
- (k) the Receiver’s monetization efforts to date have included: (i) the sale of On-Book Assets (i.e. equity investments traded on active market exchanges); (ii) the sale and/or restructuring of Off-Book Assets (i.e. Residential Mortgages, Factoring Contracts), where possible; (iii) commencing litigation and/or bankruptcy proceedings against third parties, and pursuing same through to judgment,

distribution, settlement or abandonment where the cost of further pursuit was likely to exceed any anticipated recoveries; and (iv) engaging with the OSC, investors (unitholders), stakeholders, creditors, other persons having knowledge of the business and affairs of the Crystal Wealth Group and conducting examinations of certain persons having such information;

- (l) for the reasons set out in the Receiver's Reports, the Receiver is of the view that it has fulfilled its mandate of protecting and advancing the interests of the investors of the Crystal Wealth Funds, and that further pursuit will not justify the professional costs to be incurred as compared with uncertain recoveries;

Proposed Release of the West Pond Loan Funds

- (m) the Company advanced a \$4,500,000 term-loan to Pond Technologies Inc. (the "**Pond Loan**" and "**Pond**", respectively) on December 15, 2015. Subsequent to the initial advance under the Pond Loan, the Company entered into participation agreements assigning its rights to a stated portion of the Pond Loan to the Mortgage Fund, the High Yield Mortgage Fund, and an individual, Suzanne West ("**West**"), resulting in the following participation amounts in the Pond Loan: (i) Mortgage Fund – \$2,950,000 or 65.56%; (ii) High Yield Mortgage Fund – \$550,000 or 12.22%; and; (iii) West - \$1,000,000 or 22.22%;
- (n) the Receiver received payments from the Pond Loan totaling \$6,543,855. Based on the Pond Loan allocation noted above, \$1,454,190 was allocated to West's participation interest in the Pond Loan (the "**West Pond Loan Funds**");
- (o) the Receiver has been unable to trace West's \$1,000,000 principal contribution in the Pond Loan being paid by West to the Company or to any of the Funds;

- (p) as well, West did not file a claim under the Claims Procedure Order before the Claims Bar Date of August 3, 2017, although her participation agreement provided for the Company to repurchase West's *pro rata* interest by January 2017;
- (q) the Receiver made efforts to contact West's company between December 2017 and February 2018, and learned that West passed away in March 2018. In preparing for the proposed final distribution, the Receiver located West's estate executor to notify them of the Receiver's intention to include the West Pond Loan Funds as part of the proposed final distribution to investors, and inquired whether any documentation is available to substantiate her \$1,000,000 payment;
- (r) the Receiver has not been provided with any such documentation as of yet, and is seeking authorization to release the West Poan Loan Funds to the Mortgage Fund and the High Yield Mortgage Fund in their proportionate interests in the Pond Loan, so that these amounts become available for distribution to investors;

Proposed Final Distribution and Discharge

- (s) on June 30, 2017, this Court issued Orders authorizing, among other relief:
 - (i) that the Receiver may rely on the Unit Holder Listing (as defined in the First Report) to make distributions, without further approval of the Court, of the proceeds obtained from the divestiture of certain assets of the Crystal Wealth Funds to investors; and
 - (ii) a Creditor Claims Procedure Order to address the filing of certain creditor claims as against the Crystal Wealth Group;
- (t) the Receiver recommends and requests the approval of this Court for the Receiver to be authorized to make a final distribution to investors of certain Crystal

Wealth Funds, which have sufficient funds available, as proposed in the Sixth Report;

- (u) the Receiver made a similar request to make an interim distribution to investors as part of the Second Report, the Fourth Report and the Fifth Report, which interim distribution requests were granted by this Honourable Court;
- (v) the process of reviewing and assessing the creditor claims filed in accordance with the Creditor Claims Procedure Order has been completed, and the Sixth Report details the Receiver's treatment or determination of these claims;
- (w) the Receiver is recommending a per unit distribution for twelve of the fourteen Crystal Wealth Funds as a result of the Receiver's efforts in realizing the remaining investments. Two of the Crystal Wealth Funds do not have any further funds available. As a result, the investors in such Crystal Wealth Funds will not receive a distribution other than what they have previously received;
- (x) for the purposes of the final distribution, the Receiver has also held back funds necessary to satisfy actual and future estimated Receiver and legal fees. To the extent any remaining funds become available to distribute after completion of the Receiver's remaining duties, the Receiver is seeking authorization to apply the same methodology for any further distribution as set out in the Sixth Report;
- (y) the Receiver is seeking a discharge upon completion of the Remaining Duties (as defined in the Sixth Report) and upon the Receiver filing a certificate with the Court confirming that it has completed the administration of the Company's estate;
- (z) the Receiver has sold or realized upon the Property to the best of its ability and the administration of these proceedings has otherwise come to an end;

Additional Grounds for Approval Sought

- (aa) the Receiver has filed with the Court its Sixth Report, and the Receiver's activities have been reasonable and responsible in accordance with the Receiver's mandate as provided by the Appointment Order;
- (bb) the circumstances that exist make the Discharge Order sought by the Receiver appropriate;
- (cc) the Receiver and its counsel, A&B, have accrued fees and expenses in their capacities as Receiver and counsel thereto, respectively, which fees and expenses require the approval of this Court pursuant to the Appointment Order;
- (dd) the Receiver is of the view that its accounts and the accounts of its counsel, A&B, are reasonable, given the efforts undertaken by the Receiver and its counsel in fulfilling the Receiver's mandate pursuant to the Appointment Order;
- (ee) the facts set out in the Sixth Report;
- (ff) the Receiver's Final SRD;
- (gg) the fee affidavit of Bruce Bando sworn June 25, 2025 (the "**Bando Affidavit**");
- (hh) the fee affidavit of Dillon Collett sworn July 3, 2025 (the "**Collett Affidavit**");
- (ii) section 129 of the *Securities Act*, R.S.O. 1990, c. S.5.;
- (jj) the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, including section 100 thereof;
- (kk) rules 1.04, 1.05, 2.03, 3.02, 11, 16, 31.07(4), 37 and 41 of the *Rules of Civil Procedure*;

(ll) the inherent and equitable jurisdiction of this Honourable Court; and

(mm) such further and other grounds as counsel may advise and this Court may permit.

4. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

(a) the Sixth Report, inclusive of the appendices thereto;

(b) the Bando and Collett Affidavits; and

(c) such further and other material as counsel may submit and this Court may permit.

July 23, 2025

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

TO: THE ATTACHED SERVICE LIST

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SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at Toronto**

NOTICE OF MOTION

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

TAB B

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

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Applicant

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CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, CLJ EVEREST LTD., 1150752 ONTARIO LIMITED, CRYSTAL WEALTH MEDIA STRATEGY, CRYSTAL WEALTH MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED RESOURCE AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SIXTH REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

July 23, 2025



**Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4**

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Appendix 38	Crystal Wealth Funds Complete Reporting
Appendix 39	Order of Justice Perell dated July 18, 2022
Appendix 40	Final Statement of Receipts and Disbursements for CLJ Everest
Appendix 41	Affidavit of Bruce Bando dated June 25, 2025
Appendix 42	Affidavit of Dillon Collett dated July 3, 2025

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SIXTH REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER OF THE RESPONDENTS**

July 23, 2025

BACKGROUND AND INTRODUCTION

THE OSC APPLICATION AND APPOINTMENT ORDER

- 1 The Ontario Securities Commission (the “**OSC**”) issued a temporary order on April 7, 2017 (as extended by the OSC on April 13, 2017 and April 28, 2017 (the “**Temporary Order**”)), providing that the trading of units of all of the Crystal Wealth Funds cease, that trading in securities held by the Crystal Wealth Funds cease, and prohibiting the trading in or acquisition of securities by Clayton Smith (“**Smith**”) and Crystal Wealth Management System Limited (the “**Company**”), with limited exception that permitted Smith and the Company to liquidate exchange-traded securities in the Crystal Wealth Funds with such proceeds being deposited into the bank account of the relevant Crystal Wealth Fund. On October 2, 2017, the OSC extended the Temporary Order to April 10, 2018 (the “**First Extension Order**”), while modifying the Temporary Order issued April 7, 2017 to remove the portions of paragraphs 4 and 5 thereof referring to Smith in his capacity as advising representative, given that Smith’s registration was automatically suspended when he was terminated by the Receiver. On April 9, 2018, the OSC further extended the Temporary Order to July 5, 2018 (the “**Second Extension Order**”). The Temporary Order issued April 7, 2017, the First Extension Order and the Second Extension Order are attached hereto as **Appendix “1”** to this Sixth Report of the Receiver (the “**Sixth Report**”).

- 2 On April 26, 2017, on application of the OSC to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), the Honourable Justice Newbould issued an Order (the “**Appointment Order**”) appointing Grant Thornton Limited as: (i) receiver and manager (in such capacities, the “**Receiver**”), without security, of all of the assets, undertakings and properties (collectively, the “**Property**”) of 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**”), and of all contents, including funds, contained in the Chrysalis Account. The proceedings were commenced by way of application made by the OSC (the “**OSC Application**”) under section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”). The said receivership proceedings shall be referred to herein as the “**Receivership Proceedings**”. Copies of the Appointment

Order and the Endorsement of the Honourable Justice Newbould are attached hereto as **Appendix “2”**.

- 3 Staff of the OSC and Clayton Smith executed a Settlement Agreement dated May 28, 2018 (the “**Smith Settlement Agreement**”), a copy of which was included in the Receiver’s Fourth Report to Court dated July 20, 2018 (the “**Fourth Report**”). On June 14, 2018, the OSC issued an Order approving the Smith Settlement Agreement, and released Oral Reasons for Approval of Settlement, copies of which were also included in the Fourth Report. The Receiver was not involved in connection with the negotiation of the Smith Settlement Agreement, or the OSC hearing in which it was approved, but a discussion of this matter was included in the Fourth Report.
- 4 As a consequence of the foregoing, the July 4, 2018 hearing date to further extend the Temporary Order was vacated by Order of the Commission issued June 14, 2018, attached hereto as **Appendix “3”**.
- 5 A summary of the circumstances leading to the appointment of the Receiver is outlined in the Receiver’s First Report to Court dated June 22, 2017 (the “**First Report**”), which is attached hereto, without appendices, as **Appendix “4”**. The complete OSC Application can be found on the Receiver’s case website at www.GrantThornton.ca/CrystalWealth (the “**Case Website**”).

THE FIRST REPORT APPROVAL MOTION – JUNE 30, 2017

- 6 On June 22, 2017, the Receiver provided the Court with its First Report and served a motion record in support of a motion to, among other things, approve a proposed Sales Process (as defined and described in the First Report) to be conducted by the Receiver, by which prospective purchasers and managers could submit bids to the Receiver to either purchase the assets of certain Crystal Wealth Funds (as defined below), or to take over the management of certain Crystal Wealth Funds. On June 29, 2017, the Receiver provided the Court with its Supplement to the First Report dated June 29, 2017 (the “**First Report Supplement**”) which is attached hereto, without appendices, as **Appendix “5”**.
- 7 On June 30, 2017, the Honourable Justice Hainey issued an Order and Endorsement (the “**June 30, 2017 Order and Endorsement**”) and a Creditor Claims Procedure Order (the “**Creditor Claims Procedure Order**”) that, among other things, approved:

- a) the Receiver's First Report and the activities of the Receiver set out therein;
- b) the Sales Process; and
- c) a Creditor Claims Procedure for non-investor claims against the Crystal Wealth Group.

Copies of the June 30, 2017 Order and Endorsement and the Creditor Claims Procedure Order are attached hereto as **Appendix "6"**.

THE SECOND REPORT APPROVAL MOTION – DECEMBER 11, 2017

- 8 On November 24, 2017, the Receiver provided the Court with its Second Report to Court dated November 24, 2017 (the "**Second Report**") and served a motion record (the "**November 24, 2017 Motion**") in support of a motion to, among other things: (i) approve the Receiver's methodology and proposal to make an interim distribution to the investors in certain Crystal Wealth Funds, and authorize the Receiver to make such interim distribution; (ii) direct certain entities and/or individuals to provide the Receiver and its counsel with certain requested but still outstanding information required by the Receiver for a proper account reconciliation and assessment of the Crystal Wealth Group; and (iii) authorize the Receiver to examine certain individuals. A copy of the Second Report, without appendices, is attached hereto as **Appendix "7"**.
- 9 The Second Report detailed the Receiver's significant concerns over the quality and ultimate collectability of many of the recorded investments of the Crystal Wealth Funds.
- 10 On December 11, 2017, the Honourable Justice Myers issued an Order and Endorsement (the "**December 11, 2017 Order and Endorsement**") that approved, among other things, the Receiver's activities as set out in the Second Report, and which authorized the Receiver to proceed with its proposed interim distribution to the investors of certain Crystal Wealth Funds. Copies of the December 11, 2017 Order and Endorsement are attached hereto as **Appendix "8"**.
- 11 The Receiver proceeded to make an initial interim distribution to investors in certain of the Funds on January 18, 2018 in the approximate aggregate amount of \$31,000,000.

THE SECOND REPORT SUPPLEMENT APPROVAL MOTION – FEBRUARY 20, 2018

- 12 On February 8, 2018, the Receiver provided the Court with a Supplement to the Second Report to Court dated February 8, 2018 (the “**Second Report Supplement**”) and served a motion record (the “**February 8, 2018 Motion**”) in support of a motion for, among other things, approval by the Court of: (i) an Asset Purchase Agreement dated February 2, 2018 entered into between the Receiver and Bron Releasing Inc. (the “**APA**”) pursuant to which Media Loan assets of the Media Fund would be sold to Bron Releasing Inc.; and (ii) an Assignment Agreement entered into between the Receiver, as assignee, and Bron Studios Inc. and Bron Animation Inc., each as assignors, (the “**Assignment Agreement**”), which Assignment Agreement was conditional upon the completion of the transaction set out in the APA. A copy of the Second Report Supplement, without appendices, is attached hereto as **Appendix “9”**.
- 13 On February 20, 2018, the Honourable Justice Dunphy issued an Order and Endorsement (the “**February 20, 2018 Order and Endorsement**”) that, among other things, approved the relief as sought in the February 8, 2018 Motion. Copies of the February 20, 2018 Order and Endorsement are attached hereto as **Appendix “10”**.
- 14 On March 23, 2018, the transaction subject of the APA was completed. On March 26, 2018, the Receiver’s Certificate was filed with this Honourable Court confirming that the APA transaction had been completed to the satisfaction of the Receiver.

THE THIRD REPORT AND THIRD SUPPLEMENT APPROVAL MOTION – MAY 15, 2018

- 15 On May 3, 2018, the Receiver served its Third Report to Court dated May 3, 2018 (the “**Third Report**”) and served a motion record (the “**May 3, 2018 Motion**”) in support of a motion to, among other things, obtain an order: (i) approving an Agreement of Purchase and Sale dated April 11, 2018 and the amendment thereto dated April 17, 2018 (the “**Palmer APS**”) entered into by the Receiver, as vendor on behalf of CLJ Everest Ltd. (“**CLJ Everest**”), and Daniel Palmer, as purchaser, regarding the sale of a property municipally known as 5043 Mount Nemo Crescent, Burlington, Ontario (the “**Mount Nemo Property**”); (ii) vesting title in the Mount Nemo Property to Daniel Palmer free and clear of any liens, claims, and encumbrances; and (iii) vesting in Xynergy Medical Capital LLC (“**Xynergy**”) all of the rights, title and interests in the Geodata Participation (as defined in the Second Report) and the SSI Participation (as defined in the Third Report), being assets

of the Medical Fund. A copy of the Third Report, without appendices, is attached hereto as **Appendix “11”**.

- 16 On May 14, 2018, the Receiver served and filed with the Court a Supplement to the Third Report to Court dated May 14, 2018 (the **“Third Report Supplement”**) in support of the May 3, 2018 Motion. A copy of the Third Report Supplement, without appendices, is attached hereto as **Appendix “12”**.
- 17 On May 15, 2018, the Honourable Justice Pattillo issued an Order and Endorsement (the **“May 15, 2018 Order and Endorsement”**) that approved, among other things, the relief as sought in the May 3, 2018 Motion. Copies of the May 15, 2018 Order and Endorsement are attached hereto as **Appendix “13”**.
- 18 On May 18, 2018, the transaction subject to the Palmer APS was completed.

THE FOURTH REPORT APPROVAL MOTION – AUGUST 20, 2018

- 19 On July 20, 2018, the Receiver served its Fourth Report and a motion record (the **“July 20, 2018 Motion”**) in support of a motion to, among other things, obtain an order: (i) approving the Receiver’s methodology and proposal to make a further interim distribution to the investors of certain Crystal Wealth Funds, and authorizing the Receiver to make such interim distribution; (ii) directing certain individuals examined by the Receiver to answer outstanding undertakings and questions taken under advisement at their examinations; and (iii) approving the Receiver’s engagement of Adair Goldblatt Bieber LLP (**“AGB LLP”**) as the Receiver’s lawyer of record in an Ontario Superior Court of Justice (Commercial List) action (CV-18-595063-00CL) against BDO Canada LLP (**“BDO”**) (the action herein referred to as the **“BDO Action”**). A copy of the Fourth Report, without appendices, is attached hereto as **Appendix “14”**.
- 20 On August 20, 2018, the Honourable Justice Conway issued an Order and Endorsement (the **“August 20, 2018 Order and Endorsement”**) that approved, among other things, the relief as sought in the July 20, 2018 Motion. Copies of the August 20, 2018 Order and Endorsement are attached hereto as **Appendix “15”**.
- 21 The Receiver proceeded to make a second interim distribution on September 28, 2018, in the approximate aggregate amount of \$25 million.

THE FIFTH REPORT APPROVAL MOTION – JUNE 2, 2020

- 22 On May 22, 2020, the Receiver served its Fifth Report dated May 19, 2020 (the “**Fifth Report**”) and served a motion record (the “**May 22, 2020 Motion**”) in support of a motion to, among other things, obtain an order: (i) approving the settlement of the BDO Action, on the terms set out in the Settlement Agreement entered into between BDO and the Receiver dated January 14, 2020 (the “**BDO Settlement Agreement**”), on a contingent basis subject to the AMP Contingency (as defined in the Fifth Report), and authorizing and directing the Receiver to consummate and carry out and complete the terms of the BDO Settlement Agreement; (ii) approving the Receiver’s methodology and proposal to make a third interim distribution to the investors of certain Crystal Wealth Funds, including the proceeds of funds which the Receiver will receive pursuant to and arising from the BDO Settlement Agreement, and authorizing the Receiver to make such interim distribution; and (iii) approving the fee resolution entered into by the Receiver and AGB LLP in settlement of any and all claims to compensation or payment otherwise that AGB LLP has pursuant to the AGB LLP Engagement Letter attached as Confidential Appendix “1” to the Fourth Report. A copy of the Fifth Report, without appendices, is attached hereto as **Appendix “16”**.
- 23 The Honourable Justice Koehnen issued an Order dated June 2, 2020 and Endorsement dated June 5, 2020 (the “**June 2, 2020 Order and Endorsement**”) approving, among other things, the relief sought in the May 22, 2020 Motion, including the Settlement Agreement and proposed methodology for distribution to unitholders of the Crystal Wealth Funds, which reflected that the Receiver receive a total consideration of \$32,500,000 under that BDO Settlement Agreement, subject to the OSC approving that at least \$2,500,000 of an Administrative Monetary Penalty agreed to between the OSC and BDO (the “**AMP Payment**”) be paid to the Receiver as well. Copies of the June 2, 2020 Order and Endorsement are attached hereto as **Appendix “17”**.
- 24 The Receiver proceeded to make a third interim distribution on July 30, 2020 in the approximate aggregate amount of \$47 million.

PURPOSE OF THE SIXTH REPORT

- 25 The purpose of this Sixth Report is to inform the Court of the Receiver’s activities since the Fifth Report and to support the Receiver’s request for an order, among other things:

- a) approving this Sixth Report, including the actions and activities of the Receiver as described in this Sixth Report;
- b) approving the Receiver's methodology and proposal to make a final distribution to the investors of certain Crystal Wealth Funds, and authorizing the Receiver to make such final distribution;
- c) approving the Receiver's Final Statement of Receipts and Disbursements for the period ending July 2, 2025;
- d) approving the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP ("**A&B**") for the period of March 1, 2020 to June 20, 2025, , and the allocation of the fees and disbursements of the Receiver and its counsel, as described and detailed in the Sixth Report and in the Bando Affidavit and the Collett Affidavit (as defined below); and
- e) terminating these proceedings and discharging the Receiver upon the filing of the Receiver's Discharge Certificate.

26 While there has been a significant passage of time since the Fifth Report, the Receiver has been actively working to complete a substantial number of open matters in the administration in order to realize additional recoveries for the investors of the Crystal Wealth Funds (as defined below), which are further described in this Sixth Report.

RESTRICTIONS AND TERMS OF REFERENCE

27 In preparing this Sixth Report, the Receiver has relied upon unaudited and certain audited financial information, the Crystal Wealth Group's books and records, certain financial information obtained by third parties, and discussions with and examinations of various individuals (collectively, the "**Information**"). Except as described in this Sixth Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook.

28 This Sixth Report has been prepared for the use of this Court to provide general information and an update relating to the Receivership Proceedings for the purpose of

assisting the Court in making a determination as to whether to approve the relief sought in this Sixth Report. This Sixth Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Sixth Report contrary to the provisions of this paragraph.

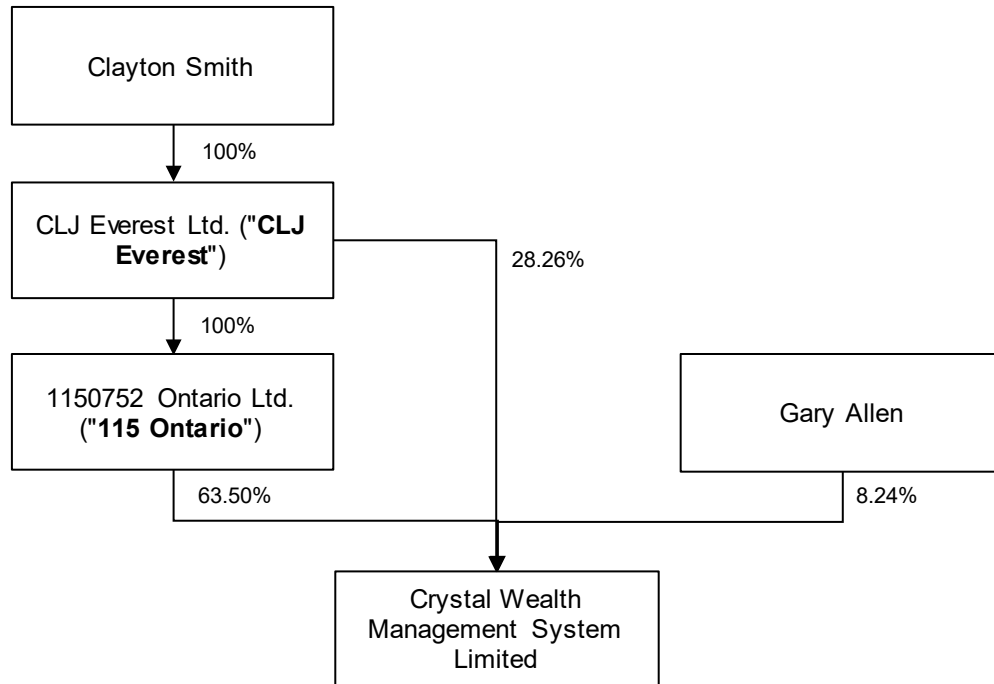
29 Capitalized terms not defined in this Sixth Report are as defined in the First Report, the First Report Supplement, the Second Report, the Second Report Supplement, the Third Report, the Third Report Supplement, the Fourth Report and the Fifth Report (collectively, the “**Prior Reports**”). All references to dollars are in Canadian currency unless otherwise noted.

30 Copies of materials filed in these Receivership Proceedings are available on the Receiver’s Case Website at: www.GrantThornton.ca/CrystalWealth.

CORPORATE STRUCTURE

31 At the time of the Appointment Order, the Company was a corporation registered with the OSC in the categories of: “Exempt Market Dealer”, “Investment Fund Manager”, “Portfolio Manager”, and “Commodity Trading Manager”.

32 At the time of the Appointment Order, Smith was the controlling mind of the Company, was listed as the sole director and officer, and held a controlling interest of 91.76% in the Company. The ownership structure of the Company was as follows:



- 33 At the time of the Appointment Order, Smith was registered in Ontario with the OSC as a dealing representative, an advising representative in the category of “Portfolio Manager”, and an advising representative in the category of “Commodity Trading Manager”. Smith was also registered as the Company’s chief executive officer, chief compliance officer and ultimate designated person. Moreover, Smith held the position of chief financial officer.
- 34 The Company created and managed the following 15 proprietary investment funds:
- a) Crystal Wealth Mortgage Strategy (the “**Mortgage Fund**”);
 - b) Crystal Enlightened Resource and Precious Metals Fund (the “**Resource Fund**”);
 - c) Crystal Wealth Enlightened Factoring Strategy (the “**Factoring Fund**”);
 - d) Crystal Wealth Medical Strategy (the “**Medical Fund**”);
 - e) Crystal Enlightened Bullion Fund (the “**Bullion Fund**”);
 - f) Crystal Wealth Media Strategy (the “**Media Fund**”);
 - g) Crystal Wealth High Yield Mortgage Strategy (the “**High Yield Mortgage Fund**”);

- h) Crystal Wealth Infrastructure Strategy (the “**Infrastructure Fund**”);
 - i) Crystal Wealth Enlightened Hedge Fund (the “**Hedge Fund**”);
 - j) Crystal Wealth Conscious Capital Strategy (the “**Conscious Capital Fund**”);
 - k) ACM Income Fund;
 - l) ACM Growth Fund;
 - m) Absolute Sustainable Dividend Fund (the “**Sustainable Dividend Fund**”);
 - n) Absolute Sustainable Property Fund (the “**Sustainable Property Fund**”); and
 - o) Crystal Wealth Retirement One Fund (the “**Retirement Fund**”);
- (collectively, the “**Crystal Wealth Funds**”, and individually, a “**Fund**”).

- 35 A detailed description of the Crystal Wealth Funds and the investments contained therein are outlined in the First Report and Second Report.
- 36 As mentioned in the First Report, the Retirement Fund was originally launched on or about January 2015 and was discontinued in March 2017. The listing of unit holders provided by International Financial Data Services (Canada) Limited (“**IFDS**”, a third-party that maintained the listing of investors) indicated that there were zero investors in the Retirement Fund and it had a NAV of \$0. Accordingly, the Receiver took no further action with respect to the Retirement Fund.
- 37 The Crystal Wealth Funds were structured as open-ended mutual fund trusts. Units in each of the Crystal Wealth Funds were distributed to investors on an exempt basis, pursuant to offering memoranda (“**OMs**”). The Company managed the day-to-day business of the Crystal Wealth Funds and was required to make investment decisions consistent with each of the Crystal Wealth Funds’ investment objectives.

EXECUTIVE SUMMARY

- 38 As outlined in the Prior Reports and in this Sixth Report, since the Receiver's appointment in 2017, the Receiver has undertaken numerous initiatives in order to monetize, where possible, the represented assets of the Crystal Wealth Group for the benefit of its stakeholders and investor body. To date, the Receiver has monetized and distributed approximately \$103,603,000 of the \$193,118,912 which the Company represented as being the assets under management at the time of the Receiver's appointment. As set out in the Receiver's Second Report, the Receiver had significant concerns upon its appointment over the quality and ultimate collectability of a large portion of this recorded value.
- 39 As set out in the Prior Reports and this Sixth Report, the Receiver's monetization efforts to date have included: (i) the sale of On-Book Assets (i.e. equity investments traded on active market exchanges); (ii) the sale and/or restructuring of Off-Book Assets (i.e. Residential Mortgages, Factoring Contracts), where possible; (iii) commencing litigation and/or bankruptcy proceedings against third parties, and pursuing same through to judgment, distribution, settlement or abandonment where the cost of further pursuit was likely to exceed any anticipated recoveries; and (iv) engaging with the OSC, investors (unitholders), stakeholders, creditors, other persons having knowledge of the business and affairs of the Crystal Wealth Group and conducting examinations of certain persons having such information. An overview of such the Investment Categories (On-Book and Off-Book assets classes) is further discussed in paragraph 49 below.
- 40 For the reasons set out in the Prior Reports and in this Sixth Report, the Receiver is of the view that it has fulfilled its mandate of protecting and advancing the interests of the investors of the Crystal Wealth Funds. The Receiver believes it has monetized the assets of the Crystal Wealth Funds to the extent reasonably possible, such that further pursuit will not justify the professional costs to be incurred as compared with uncertain recoveries.
- 41 The Receiver accordingly files this Sixth Report for the purposes set out at paragraph 25 above, including to support its request that the Court terminate these proceedings and discharge the Receiver upon the filing of the Receiver's Discharge Certificate.

THE RECEIVER'S PROPOSED FINAL DISTRIBUTION

42 As will be explained in further detail in this Sixth Report, the Receiver is now in a position to make a final distribution to individual investors of certain Crystal Wealth Funds, after the allocation of professional fees and provision for a claim filed and accepted by the Receiver pursuant to the Creditor Claims Procedure Order.

43 The following table demonstrates the calculated proposed per unit final distribution to investors of certain of the Crystal Wealth Funds using the same allocation methodology used in the first three interim distributions, including the allocation of the Receiver's fees and the Receiver's legal fees. The database of investors is that contained in the records of IFDS pursuant to the June 30, 2017 Order. Cash balances for each of the Crystal Wealth Funds are set out in the table below as at July 2, 2025. The total cash balance consists of all Canadian dollar denominated funds.

Fund	In 000's					Per Unit				
	Cash Balance July 2, 2025	Inter-fund Investment Proceeds	Gross Available Cash	Holdbacks	Available Proceeds for Third Distribution	Fourth Distribution	Third Distribution	Second Distribution	First Distribution	Total Distributions Made by the Receiver
Mortgage Fund	\$ 7,103	\$ 28	\$ 7,131	\$ (150)	\$ 6,981	\$ 2.603	\$ 3.621	\$ 1.625	\$ 1.445	\$ 9.295
Resource Fund	159	24	183	(4)	180	\$ 0.297	\$ 0.050	\$ 1.944	\$ 2.931	\$ 5.221
Factoring Fund	1,214	0	1,214	(173)	1,041	\$ 0.289	\$ 4.205	\$ -	\$ -	\$ 4.493
Medical Fund	698	21	719	(29)	690	\$ 1.009	\$ 3.337	\$ 1.678	\$ 2.858	\$ 8.882
Bullion Fund	103	-	103	(9)	94	\$ 1.142	\$ 3.568	\$ -	\$ 2.021	\$ 6.731
Media Fund	809	-	809	(65)	744	\$ 0.138	\$ 2.577	\$ 2.479	\$ 1.181	\$ 6.375
High Yield Mortgage Fund	1,296	229	1,524	(22)	1,503	\$ 2.771	\$ 2.342	\$ 2.642	\$ 2.923	\$ 10.679
Infrastructure Fund	185	-	185	(19)	167	\$ 0.217	\$ -	\$ -	\$ 2.193	\$ 2.410
Hedge Fund	-	-	-	-	-	\$ -	\$ -	\$ -	\$ 0.125	\$ 0.125
Conscious Capital Fund	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
ACM Income Fund	243	197	440	(2)	438	\$ 0.414	\$ 2.612	\$ 2.404	\$ 0.623	\$ 6.054
ACM Growth Fund	227	76	303	(2)	302	\$ 0.252	\$ 1.024	\$ 0.179	\$ 4.882	\$ 6.336
Sustainable Dividend Fund	38	4	42	(4)	38	\$ 0.063	\$ -	\$ -	\$ 10.761	\$ 10.824
Sustainable Property Fund	243	-	243	(28)	214	\$ 0.473	\$ 0.427	\$ 2.203	\$ 1.994	\$ 5.097
Total	\$ 12,318	\$ 578	\$ 12,897	\$ (505)	\$ 12,392	\$ 12,392	\$ 46,867	\$ 25,271	\$ 31,463	\$ 115,993

- 44 As the foregoing table suggests, the Receiver is recommending a per unit distribution for twelve of the fourteen Crystal Wealth Funds as a result of the Receiver's efforts in realizing the remaining investments subsequent to the third distribution. Two of the Crystal Wealth Funds do not have funds available for distribution as there were no further investments that could be realized, and as a result, the investors in such Crystal Wealth Funds will not receive a per unit distribution other than what they have received in the past.
- 45 Holdbacks in the amount of \$500,000 for actual and future estimated Receiver and legal fees are similarly tracked in the table above either by specific Crystal Wealth Fund, or if they represent time allocable to all Crystal Wealth Funds, then such fees were allocated on the basis of effort and number of investors in each Fund. Cumulative Receiver and legal fees of approximately \$120,000 (including HST) were allocated outside of the Crystal Wealth Funds to Crystal Wealth Group entities and individuals, including CLJ Everest, Smith, and 115 Ontario.
- 46 As is indicated in the above table, if the proposed final distribution proceeds, the Receiver will have distributed approximately \$116,000,000 to unitholders since its appointment.
- 47 The Receiver notes that by virtue of all distributions being made to only custodians on behalf of all investors in the Crystal Wealth Funds, the Receiver believes there is no requirement to establish a process and disposition of uncashed cheques, as may be the case in certain types of insolvency or liquidation proceedings.

OVERVIEW OF THE CRYSTAL WEALTH FUNDS

- 48 At the outset of the Receivership Proceedings, the Receiver obtained the most recent valuation package for each of the Crystal Wealth Funds prepared by the Company prior to the Appointment Order. The valuation package, dated April 20, 2017 (the "**April 20th Package**"), outlined the investments in, and respective values of, each investment for each of the funds. This information included the acquisition cost and the supposed market value of each investment, which are referred to herein as the "**Recorded Cost**" and the "**Recorded Value**", respectively.
- 49 In general, each of the Crystal Wealth Funds contained one or more of the following types of investments:
- a) cash and money market securities ("**Cash**") held with two third parties, NBIN Inc.

(otherwise known as National Bank Independent Network, formerly National Bank Correspondence Network) (“**NBIN**”) and Interactive Brokers Canada Inc. (“**IBCI**”);

- b) investments where the underlying security is held and recorded by NBIN (“**On-Book Assets**”); and
- c) investments not held or recorded by NBIN but rather administered by the Company and/or a third-party (“**Off-Book Assets**”, and collectively referred to with the Cash and On-Book Assets as the “**Investment Categories**”).

50 The following is a summary of the Crystal Wealth Funds and the Investment Categories outlined in the April 20th Package, along with the Recorded Value in each Fund:

**Crystal Wealth Funds
Preliminary Fund Summary
As at April 20, 2017**

Fund ¹	Portfolio Manager	Cash	On-Book Assets	Off-Book Assets	Accruals	Total
Mortgage Fund	Smith	\$ 1,217,989	\$ 2,578,364	\$ 23,242,421	\$ 44,162	\$ 27,082,935
Resource Fund	A. Housego	105,489	1,908,151	966	(6,799)	2,007,807
Factoring Fund	A. Housego	411,706	11,026,656	27,771,688	(1,085,882)	38,124,168
Medical Fund	Smith	449,770	1,540,927	7,277,553	1,840	9,270,090
Bullion Fund	A. Housego	268,830	763,006	-	(2,280)	1,029,555
Media Fund	Smith	731,305	1,018,720	53,520,539	(803,721)	54,466,843
High Yield Mortgage Fund	Smith	760,006	1,378,897	3,344,820	(41,557)	5,442,165
Infrastructure Fund	Smith	2,087,302	315,000	5,362,300	-	7,764,601
Hedge Fund	A. Housego	531,692	1,561,271	11,862,643	(36,657)	13,918,950
Conscious Capital Fund	Smith	27,905	658,198	(274,000)	(2,897)	409,206
ACM Income Fund	Smith	371,053	10,458,518	-	(14,153)	10,815,417
ACM Growth Fund	Smith	(2,040,779)	13,674,671	-	(24,828)	11,609,064
Sustainable Dividend Fund	Smith	121,340	6,524,987	3,475	(19,627)	6,630,175
Sustainable Property Fund	Smith	245,796	-	4,314,619	(12,480)	4,547,935
		\$ 5,289,403	\$ 53,407,366	\$ 136,427,023	\$ (2,004,879)	\$ 193,118,912
1-USD to CAD Rate: 1.3481001						

51 The general types of investments within each of the Investment Categories, all of which are discussed in detail in the First Report, the Second Report and the Fourth Report, and are summarized as follows:

a) On-Book Assets include:

- i. investments in units of Crystal Wealth Funds (“**Inter-fund Investments**”);
- ii. equity investments in companies whereby the securities of same were traded on active market exchanges and were readily saleable (“**Equities**”) as well as

warrant options for the purchase of similar shares at a stated price in respect of equities traded on active market exchanges (“**Warrants**”);

- iii. equity investments in companies whereby the securities were obtained through private placements or direct purchases and were not traded on active market exchanges and therefore were not readily saleable (“**Private Equities**”) and warrant options for the purchase of shares in same at a stated price (“**Private Warrants**”);
- iv. gold purchase agreements for the right to purchase a stated number of gold bullion ounces (“**Gold**”) at a discount (“**Gold Contracts**”);
- v. fixed income debentures with the option for the holder to convert the instrument into a set number of shares in the borrower (“**Convertible Debentures**”);
- vi. unit holdings in mutual funds not managed by the Company and thus external to the Crystal Wealth Group (“**External Mutual Funds**”); and
- vii. currency future contracts, entered into with the purpose of hedging against a decline of the U.S. Dollar in relation to the Canadian Dollar (“**USD Futures**”).

b) Off-Book Assets include:

- i. investments in first or second non-conventional residential mortgages administered by third parties (“**Residential Mortgages**”);
- ii. term loans issued to private corporations and entities for various purposes (“**Commercial Loans**”);
- iii. term loans purchased from Media House Capital (Canada) Corp. (“**MHC**”) reflecting loans made to various production companies for the production of films (“**Media Loans**”);
- iv. contracts with commercial businesses under which specific Crystal Wealth Funds purchased accounts of such businesses at a discount (“**Factoring Contracts**”);
- v. participation rights in contracts with healthcare providers to purchase medical

accounts receivable at a discount ("**Medical Factoring Contracts**"); and

- vi. preferred and common partnership units in 1076874 Properties Limited Partnership ("**107 LP**"), an entity that owns an interest in various rental properties located in the United States.
- 52 The First Report provided a description of each Fund's objective as noted on the Company's website, which description was consistent with each Fund's Confidential Offering Memorandum ("**OM**"). The First Report also described each of the On-Book Assets and Off-Book Assets contained within each Crystal Wealth Fund along with Recorded Values of same.
- 53 The Second Report provided an update on the Receiver's realization efforts to monetize the On-Book Assets, including the External Mutual Funds, Equities and Warrants. More importantly, the Second Report, over the course of approximately 95 pages, detailed the Receiver's findings regarding each of the Off-Books Assets and the Receiver's preliminary conclusions of such investments and strategy of monetization.
- 54 The Fourth Report provided statements of receipts and disbursements for each of the Crystal Wealth Funds along with a listing of the On-Book Assets and Off-Book Assets at Recorded Value as at May 31, 2018. In addition, the Fourth Report, over the course of approximately 67 pages, provided a further update on the investments in each of the Crystal Wealth Funds and the Receiver's findings thereof.
- 55 In this Sixth Report, the Receiver will provide a detailed update on each of the Crystal Wealth Funds, along with a statement of receipts and disbursements and listing of the remaining On-Book Assets and Off-Book Assets in each of the Funds as at July 2, 2025.

SUMMARY OF THE RECEIVER'S CONCERNS REGARDING THE CRYSTAL WEALTH FUNDS

- 56 The Second Report detailed the significant concerns of the Receiver over the quality and ultimate collectability of approximately 60% of the April 20th Package, which valuations were reflected in the Company's Books and Records at the time of the Receiver's appointment, and which outlined the investments in, and the purported values of, each investment for each of the Crystal Wealth Funds. The April 20th Package indicated a total net asset value of \$193,198,912.

57 In the Fourth Report, the Receiver explained that there were challenging circumstances surrounding the large majority of the remaining assets in the Crystal Wealth Funds, and that the Receiver had conducted examinations under oath of the following individuals, among others, on the below noted dates:

- a) Clayton Smith ("**Smith**"), the controlling mind of the Company and the sole officer, director, chief executive officer, chief compliance officer, and ultimate designated person thereof at the time of the Receiver's appointment – January 25, 2018 (the "**Smith Examination**");
- b) Craig Clydesdale ("**Clydesdale**"), the principal of OOM Energy Group – March 12, 2018 and March 13, 2018 (the "**Clydesdale Examination**");
- c) David DenHollander ("**DenHollander**"), the President of 647 BC – March 21, 2018 (the "**DenHollander Examination**");
- d) Darcy Pahl ("**Pahl**"), the President of Dome Mountain - March 21, 2018;
- e) Robert Maljaars ("**Bob Maljaars**"), a representative of Dome Mountain and 156 Alberta – March 22, 2018 (the "**Bob Maljaars Examination**").
- f) Jeffrey Maljaars, the President of 156 Alberta – March 22, 2018 (the "**Jeffrey Maljaars Examination**");
- g) Housego, the former Lead Portfolio Strategist for the Resource Fund, Bullion Fund, Factoring Fund, and Hedge Fund – April 12, 2018 (the "**Housego Examination**"). Housego testified during his examination that he was currently the subject of a securities commission investigation in British Columbia, and that the British Columbia Securities Commission (the "**BCSC**") had consequently frozen corporate accounts with which he was associated; and
- h) Jerry Froese ("**Froese**"), President and Chief Executive Officer of Frontline Factoring Inc. ("**Frontline**") – April 18, 2018 (the "**Froese Examination**") (collectively, the "**Examinations**").

The transcripts of the Examinations are available in their entirety on the Receiver's Case Website.

- 58 In the Fifth Report, the Receiver outlined that the remaining assets in the Crystal Wealth Funds include, without limitation:
- a) Factoring Contracts;
 - b) Certain Commercial Loans;
 - c) Gold Loans;
 - d) US Real Estate LP; and
 - e) NFL Participation Agreements.
- 59 On December 20, 2019, the Receiver issued its twenty-sixth Notice to Investors (the “**December 20, 2019 Notice to Investors**”) which provided an update regarding the investigations and realizations with respect to the foregoing remaining assets, otherwise known as Off-Book Investments. Such efforts have included, among other things, issuing demands for payment, commencing litigation and commencing bankruptcy proceedings against over 20 specific companies and individuals. A copy of the December 20, 2019 Notice to Investors is attached hereto as **Appendix “18”**.
- 60 On May 22, 2020, the Receiver issued its twenty-ninth Notice to Investors (the “**May 22, 2020 Notice to Investors**”), which provided an update regarding the settlement of the action commenced by the Receiver against BDO and the Receiver’s request for court approval of the Settlement Agreement and third interim distribution to the investors of certain Crystal Wealth Funds, as outlined in the Fifth Report. A copy of the May 22, 2020 Notice to Investors is attached hereto as **Appendix “19”**.
- 61 Following the June 2, 2020 Order and Endorsement approving the Settlement Agreement, and the Receiver’s obtaining the AMP Payment, the Receiver released the third interim distribution to the relevant custodial entities on July 21, 2020, on a per unit basis specific to each of the Crystal Wealth Funds, as outlined in the Receiver’s Notice to Investors dated July 21, 2020 (the “**July 21, 2020 Notice to Investors**”). A copy of the July 21, 2020 Notice to Investors is attached hereto as **Appendix “20”**.

- 62 The Receiver distributed a large portion of the proceeds of the BDO Settlement Agreement, along with the proceeds of its realization efforts to date, as part of the third interim distribution on July 21, 2020.
- 63 The Receiver has continued to pursue its investigations and realizations regarding the Off-Book Assets since the third interim distribution. However, as outlined in the Receiver's Notices to Investors dated January 11, 2021 and July 6, 2022, and the Receiver's Prior Reports, the Receiver's serious concerns persist as to the ultimate collectability of certain of these investments, which are very illiquid with limited markets and/or opportunities for realization. Copies of the January 11, 2021 and July 6, 2022 Notices to Investors are attached hereto as **Appendix "21"** and **Appendix "22"**, respectively.
- 64 The Receiver has taken aggressive recovery efforts to date, including litigation, to realize on the remaining assets. The Receiver believes that the cost of pursuing further recoveries on the remaining assets will be disproportionately high compared to the ultimate recovery, such that it is now appropriate for the Receiver to make a final distribution to investors, subject to the Receiver obtaining any further recoveries for investors resulting from the Receiver's realization efforts to date.

REALIZATION OF ON-BOOK ASSETS

EQUITIES AND WARRANTS – PUBLICLY TRADED AND PRIVATE COMPANIES

- 65 Six of the Crystal Wealth Funds invested in Equities and Warrants. In particular:
- a) the Resource Fund held shares in 39 companies (CAD – 37, USD – one, and AUD – one). All but four of these shareholdings have been realized. Upon investigation by the Receiver, three of these companies had either been subject to their own insolvency proceedings (with there being no distributions to the shareholders) or their shares were delisted, specifically Chieftain Metals, and Mountainstar Gold and Garmatex Technologies. The fourth shareholding, Advanced Voice Recognition, continues to trade, but the books and records of the Company did not indicate the custodian of the shares. The Receiver made inquiries to different parties regarding the custodian of the shares in Advanced Voice Recognition to no avail. The Receiver also contacted Advanced Voice Recognition, which referred the Receiver to a stock transfer company that advised that there were costs associated with recovering the

share certificates, including securing a surety bond (as Advanced Voice Recognition refused to sign a waiver that would negate the need for a surety bond). After considering the current value of the shares, the Receiver is of the view that the costs to realize on the shares are greater than the potential recovery and, therefore, has decided not to pursue further efforts to realize on these shares.

The Resource Fund also held Warrants in 25 companies. Six sets of these Warrants were exercised resulting in realizations, and the remaining sets of Warrants had no meaningful economic value and expired.

- b) the Factoring Fund held six sets of shares in five companies (three in CAD and three in USD). Two of these shareholdings have been realized. With respect to the remaining four shareholdings, upon investigation by the Receiver, the shares of one of the companies with two shareholdings, Garmatex Technologies, were delisted. The Factoring Fund also held shares in Advanced Voice Recognition, the status of which is discussed in the Resource Fund section above. The last shareholding is in DSG Global Inc. The Receiver's previous sale efforts were not successful due to market and company conditions, as well as low trading volumes and pricing. Currently, the stock is not trading and the Receiver, considering the expense versus the potential benefit, has decided not to pursue further efforts to realize on these shares.

The Factoring Fund also held warrants in two companies, which had no meaningful economic value and expired.

- c) the Medical Fund held shares in one company (in CAD) in Advanced Voice Recognition, the status of which is noted above.
- d) the Hedge Fund held shares in four companies (all CAD) all of which have been realized with one exception. The remaining shareholding is a private company (Ronin8 Technologies) based in Vancouver operating in the service and mineral technology space, which did not return calls from the Receiver. Based on the Receiver's experience, it can be difficult to realize on private company shares at a reasonable price. The Receiver believes that the cost associated with pursuing a sale of the shares held in Ronin8 Technologies is unlikely to produce a meaningful result for the Hedge Fund and each of the investors in this fund.

The Hedge Fund also held Warrants in two companies, which had no meaningful economic value and expired.

- e) the Conscious Capital Fund held shares and Warrants in a public company operating in the green technology space (Pond Technologies Inc.). The shares were realized, however, the Warrants expired with no meaningful economic value.
- f) the ACM Growth Fund held shares in 16 companies (CAD – 14, USD – 2) where all shareholdings have been realized.
- g) the Sustainable Dividend Fund held shares in 34 companies (CAD – 17, USD – 17) where all shareholdings have been realized.

GOLD CONTRACTS

- 66 The Bullion Fund, Factoring Fund and Hedge Fund entered into certain agreements (defined above as the Gold Contracts) with 611802 BC Ltd. (“**611 BC**”), Onstar Exploration Ltd (“**Onstar**”), Solid Holdings Ltd. (“**Solid Holdings**”) and Inca One Gold Corp., (“**Inca**”) and “**Gold Sellers**”, respectively).
- 67 In the course of the Receiver’s enforcement efforts in respect of the Gold Contracts, it became apparent to the Receiver that the Gold Sellers were undergoing significant financial and operational challenges, as described in the Receiver’s Prior Reports. Moreover, these companies operated in remote locations in relation to gold prospecting and production.
- 68 A Bankruptcy Order in respect of Solid Holdings was obtained on application by the Receiver on February 1, 2019, which was affirmed by the British Columbia Court of Appeal on June 16, 2019. The Bowra Group Inc. was appointed as trustee of Solid Holdings’ estate.¹
- 69 A Bankruptcy Order in respect of 611 BC was obtained on application by the Receiver on August 6, 2019. The Bowra Group Inc. was appointed as trustee of 611 BC’s estate.²

¹ BCSC – Court File No. B-180514; British Columbia Court of Appeal – Court File No. CA45889.

² BCSC – Court File No. 55863.

- 70 A Bankruptcy Order in respect of Onstar was obtained on application by the Receiver on September 16, 2019. The Bowra Group Inc. was appointed as trustee of Onstar's estate.³
- 71 On October 30, 2019, the Receiver agreed to a confidential resolution with Inca, pursuant to which the Receiver was paid \$250,000 in resolution of all claims against Inca.
- 72 The trustee with respect to these bankruptcies advised that there have been no material realizations other than the foregoing and that the trustee has been or is in the process of being discharged.
- 73 In light of the foregoing, the Receiver is of the view that no further recoveries in relation to the Gold Contracts will be realized.

CONVERTIBLE DEBENTURES

- 74 The Resource Fund held a convertible debenture which was realized.
- 75 The Factoring Fund was the only other Crystal Wealth Fund which had invested in a convertible debenture with a company called Garimatex Technologies, as previously described. This convertible debenture had expired prior to the Receivership Proceedings with a date of January 28, 2016 and could not be realized.

EXTERNAL MUTUAL FUNDS

- 76 The Factoring Fund, Medical Fund, Media Fund, Hedge Fund and the ACM Income Fund held unit holdings in mutual funds. As well, the Mortgage Fund held a GIC with HSBC. All such units and the GIC in the mutual funds have been realized except for the holding in the Factoring Fund, namely Western Health Capital LP Sub A. The Receiver's attempts to obtain information regarding this mutual fund, including contacting this company, were unsuccessful. The Receiver believes that the further costs and time to be expended in attempting to realize on this mutual fund are greater than the potential recovery and, therefore, has decided not to pursue further efforts to realize on this mutual fund.

USD FUTURES

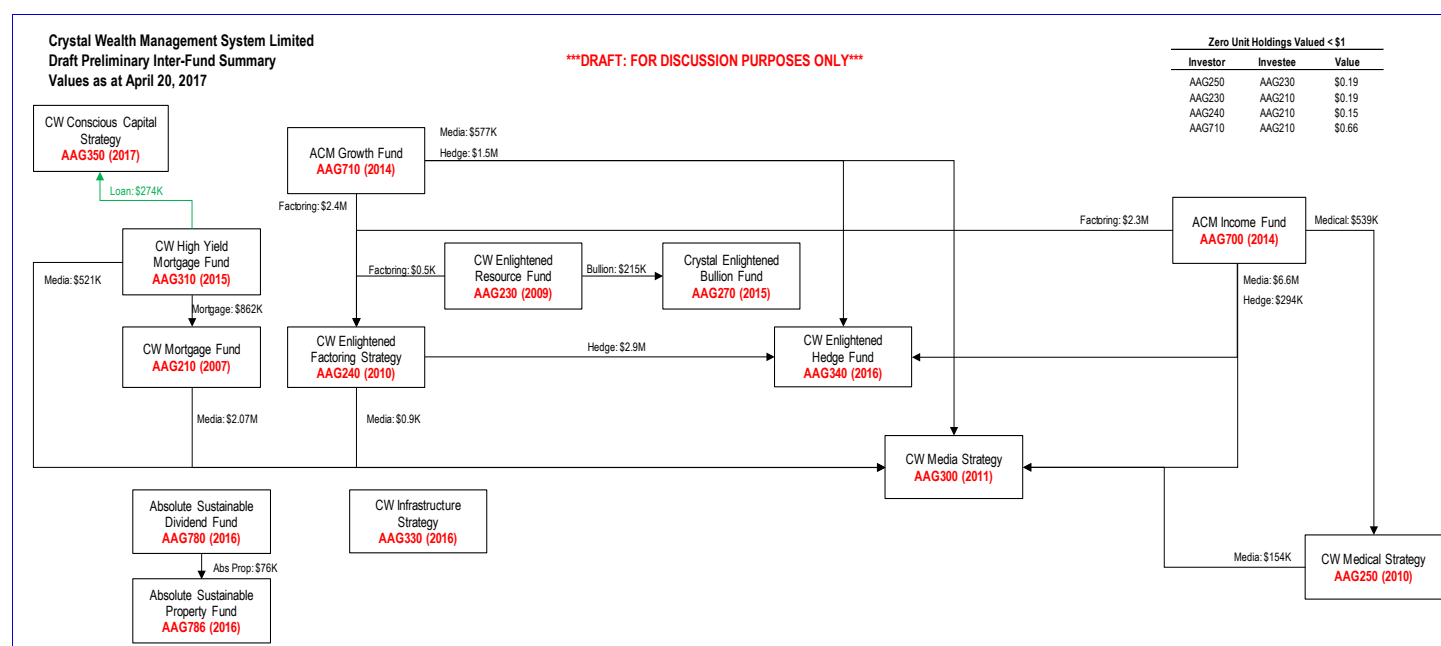
- 77 The Resource Fund, Factoring Fund, Medical Fund, and Media Fund held positions in

³ BCSC – Court File No. B-190401; Estate No. 11-254183

currency future contracts with outside exercise dates of June 2017 and one in January 2018. All such contacts have been exercised and converted in cash.

INTER-FUND INVESTMENTS

78 The First Report discussed the significant Inter-fund Investments between the Crystal Wealth Funds, with the Media Fund being the single largest recipient of Inter-fund Investments. The Receiver previously prepared a diagram outlining the Inter-fund Investments between the Crystal Wealth Funds, with the noted Recorded Costs, which was attached Appendix 10 to the First Report and which is reproduced here:



79 During the Smith Examination, Smith advised the Receiver that Inter-fund Investments are common in the mutual fund industry and were utilized to manage cash flow requirements between the Crystal Wealth Funds, specifically for requested redemptions from investors. Based on the transaction data obtained from NBCN for the 12 months ending April 26, 2017, it appears the inter-fund transfers are largely one sided, meaning that the Media Fund is the largest recipient of proceeds from other funds to create liquidity in the Media Fund for redemptions.

80 The Receiver has concluded that no further work need be done in this regard, as the cost and unknown result of “unraveling” the Inter-Fund Investments will exceed any benefit of such an exercise. As with the previous interim distributions from the Funds, if a Fund was

the beneficiary of monies, that Fund's interim distributions would be paid to those Fund(s) who provided such monies.

REALIZATION OF OFF-BOOK ASSETS

- 81 Following the Fifth Report, the Receiver continued to realize on the remaining Off-Book Assets, including, without limitation: (i) residential mortgages in limited real estate markets where some are non-performing and are in various stages of foreclosure; (ii) commercial loans considered to be high risk with questionable ability for repayment, let alone investment return; (iii) factoring contracts of lower grade investment quality; (iv) holdings in limited partnerships and participation in sports agreements where the investment structure is complex, with realization of same being dependent on other participating parties; and (v) media loans whereby investor monies were loaned to production companies for the production of films, where the Media Funds portfolio was largely unprofitable. These investments are further detailed below.

RESIDENTIAL MORTGAGES

- 82 The First Report, the Second Report, and the Fourth Report indicated that the Mortgage Fund, the High Yield Mortgage Fund and the Sustainable Property Fund held \$14.323 million in 134 residential mortgages, \$2.467 million in 51 residential mortgages and \$2.220 million in six residential mortgages, respectively. Through its subsequent detailed review and discussions with Spectrum Canada Mortgage Services Inc. ("**Spectrum**") and Squire Management Inc. ("**Squire**"), the two mortgage administrators, the Receiver determined that the composition of mortgages held by the Mortgage Fund, the High Yield Mortgage Fund and the Sustainable Property Fund were \$14.072 million in 136 residential mortgages, \$2.458 million in 55 residential mortgages and \$2.221 million in six mortgages, respectively.
- 83 Squire only managed two residential mortgages contained in the Mortgage Fund (the "**Squire Mortgages**") while Spectrum managed the balance. Spectrum and Squire are both licensed financial intermediaries involved in originating, underwriting, and managing non-conventional first and second Residential Mortgages. Spectrum and Squire both have a Mortgage Procurement and Administration Agreement ("**MPAA**") with the Company, the Mortgage Fund, the High Yield Mortgage Fund, and the Sustainable Property Fund (the "**Mortgage Related Funds**") outlining their respective roles in

administering the residential mortgages.

- 84 In the First Report, in June, 2017, the Receiver advised that it accepted the offer from Squire regarding the sale of the Squire Mortgages for the entire principal value plus accrued interest to closing of this transaction totaling \$197,526. As permitted by the Appointment Order, the Receiver closed this transaction.
- 85 From the outset of the Receivership Proceedings, Spectrum continued to perform its obligations under the MPAA and remitted balances collected to the respective Mortgage Related Funds trust accounts held at NBIN. As there was no offer acceptable to the Receiver during the Receivership Proceedings for the sale of the residential mortgages held in the Mortgage Related Funds, the Receiver continued an orderly wind-down of the residential mortgages with the assistance of Spectrum. This orderly wind-down process included, depending on the specific mortgagee, encouraging them to seek refinancing well in advance of the maturity date of the mortgage or allowing mortgagees to renew for a short period of time but at higher than market interest rates as well as charging a mortgage renewal fee.
- 86 As at the date of this Sixth Report and through active management of the residential mortgage portfolio, or as a result of the Receiver taking foreclosure steps or other forms of legal proceedings (such enforcement actions involved some 22 mortgages), all of the Spectrum mortgages have now been realized.

COMMERCIAL LOANS

- 87 The Crystal Wealth Funds entered into various commercial loans as detailed in the Second Report and the Fourth Report, including:
- a) a loan agreement with Pond dated December 15, 2015 (as amended, the “**Pond Loan Agreement**”) with a principal value of \$4,500,000, at an interest rate of 12% payable quarterly in arrears, maturing on February 2, 2018 (the “**Pond Loan**”);
 - b) loan agreements (collectively, the “**OOM Energy Loans**”) with the following entities (all of which are under the control of a common individual, Clydesdale, and are collectively referred to as the “**OOM Energy Group**”):
 - i) Magnitude CS Energy Inc. (formerly, 2445958 Ontario Inc.) (“**Magnitude**”);

ii) 2441472 Ontario Inc. ("**244 Ontario**"), as guaranteed by 2404783 Ontario Corp. ("**240 Ontario**");

iii) MCSnoxrecovery Inc. ("**MCSnox**"); and

iv) MCSAB10 Inc. ("**MCSAB**"), as guaranteed by 240 Ontario,

which, based on the information obtained by the Receiver, collectively appear to have had a cumulative principal balance of approximately \$12,535,270 as at April 20, 2017, plus outstanding interest of approximately \$478,794, totaling \$13,014,064 (the "**OOM Energy Balance**");

c) a promissory note between 109 BC, as borrower, and the Company, as lender, dated November 4, 2016, for a principal balance of US \$125,000 that has matured (the "**109 BC Promissory Note**");

d) a promissory note issued by Cinnos Mission Critical Incorporated ("**Cinnos**") in favour of the Infrastructure Fund dated September 30, 2016, for a principal balance of \$300,000 that has matured (the "**Cinnos Promissory Note**"); and

e) participation interest in a mortgage issued to Kanwal Investments Inc. ("**Kanwal**") by Liberty Mortgage Services Inc. (the "**Kanwal Mortgage**").

Pond Loan

88 A term-loan in the principal amount of \$4,500,000 was advanced on a secured basis to Pond Technologies Inc. ("**Pond**") by the Company on December 15, 2015 (the "**Pond Loan**"). Subsequent to its advance, the Company executed various participation agreements assigning the rights to a stated portion of the Pond Loan to the Mortgage Fund, the High Yield Mortgage Fund, and an individual, Suzanne West, resulting in the following participation amounts of the Pond Loan:

a) Mortgage Fund – \$2,950,000;

b) High Yield Mortgage Fund – \$550,000; and

c) Suzanne West ("**West**") - \$1,000,000. West was the CEO of Imaginea Energy Corp. ("**Imaginea**"), and entered into a participation agreement with the Company in respect

of the Pond Loan dated April 6, 2016. West and Imaginea were involved in other commercial arrangements with the Company around this time, including an Energy Services Agreement between the Company and Imaginea dated June 16, 2016, and a loan agreement dated November 28, 2016 between the Company, as lender, and MCSAB as borrower, pursuant to which the Sustainable Property Fund advanced \$2,000,000 to finance the installation of a MCS PoD to be deployed at Imaginea's premises located in Jenner, Alberta.

- 89 Pond was incorporated on May 27, 2008 under the laws of Canada, with the purpose of pursuing microalgal biomass production using raw stack gas emissions from industrial emitters. During the Receivership Proceedings, Pond essentially remained in the development stage and continuously searched ways to support working capital needs, including seeking out investors.
- 90 Although Pond advised they were gaining some traction regarding the marketing of their technology, the significant debt (and limited assets) and carrying costs thereof challenged Pond to repay interest and/or principal owing under the Pond Loan during the Receivership Proceedings.
- 91 The Second Report and Fourth Report detailed various amendments entered into by the Receiver and Pond in an effort to allow Pond time to raise funds in order to repay its indebtedness. Such amendments included the restructuring of the timing of the required principal and interest payments only and for fees charged by the Receiver.
- 92 In December 2022, Pond advised the Receiver that it would need to raise further funds in 2023 in a very difficult technology sector and that potential new investors would be hesitant to provide funding to Pond in light of the loan repayment due date of June 30, 2023 (as had been agreed between the Receiver and Pond) and the fact that a large component of investor money would be used towards debt rather than product development and marketing of same. Accordingly, Pond requested an extension of the deadline to payout the indebtedness to June 30, 2024. The Receiver advised that no extension would be granted and expected Pond to adhere to the monthly payment of the outstanding principal in the amount of \$50,000, as well as payment of quarterly interest.
- 93 In April 2023, Pond requested a deferral of the monthly \$50,000 principal payment. The Receiver did not agree to same. Correspondence and discussions ensued between the

Receiver and Pond, with Pond providing the Receiver with certain financial information regarding its operations.

- 94 Pond defaulted on the monthly principal payment of \$50,000 due on April 30, 2023. On May 3, 2023, the Receiver's counsel issued a letter of default and provided an extension of the April 2023 payment to May 31, 2023. This letter also confirmed that the total indebtedness was required to be repaid with interest by June 30, 2023.
- 95 Pond did not meet the aforementioned May 31, 2023 deadline. On June 5, 2023, counsel to the Receiver issued a letter stating, among other things, that the Receiver was agreeable to extending the May 2023 deadline to September 30, 2023 on condition that Pond provide further financial information. Pond engaged an advisor (the "**Pond Advisor**") to raise funds and offered transparency to the process by allowing the Pond Advisor to provide discussions and updates with the Receiver.
- 96 As the funding raise by the Pond Advisor was advancing, the September 30, 2023 deadline was extended to October 16, 2023, as requested by Pond.
- 97 As at October 5, 2023, the Pond Advisor's efforts to raise funds appeared promising, although not to the extent hoped by Pond, primarily due to its high debt levels. Negotiations between the Receiver and the Pond Advisor ensued resulting in the execution of a settlement agreement. As at September 30, 2023, the total amount owing by Pond was approximately \$1,691,000, comprised of \$1,440,000 in principal, \$57,782 in interest and \$193,204 in deferred interest. The Pond Loan stipulated an interest rate of 12%, whereby earlier on in the Receivership Proceedings, the Receiver had agreed to charge interest of 8%, with the remaining 4% being deferred and paid at the end of the term. After negotiating with the Pond Advisor, the Receiver agreed to settle all amounts owing in exchange for an immediate payment of \$1,200,000.
- 98 The Receiver believed that, based on the financial information provided by Pond and the on-going working capital challenges of Pond, while balancing new investor demands that not all of their funding should be used towards existing debt, the settlement amount was in the best interests of the Crystal Wealth investors.
- 99 Shortly after executing the settlement agreement, \$1,200,000 was paid to the Receiver.

- 100 As noted, the Pond Loan participation agreements entered into as of the date of the receivership included a participation agreement between West and the Company dated April 6, 2016 (the “**West Pond Loan Participation Agreement**”). Smith signed the West Pond Loan Participation Agreement on behalf of the Company, a copy of which is attached hereto as **Appendix “23”**.
- 101 Based on the Company’s internal records, West’s participation interest in the Pond Loan became effective April 7, 2016, whereby the Mortgage Fund’s participation in the Pond Loan decreased from \$4,400,000 to \$3,400,000. The Mortgage Fund’s participation decreased further to \$2,950,000 when it assigned \$450,000 of the Pond Loan to the High Yield Mortgage Fund on July 8, 2018.
- 102 Based on the Pond Loan allocation noted above, approximately \$1,000,000 was allocated to West’s participation interest in the Pond Loan (the “**West Pond Loan Funds**”).
- 103 The Receiver was unable to trace West’s \$1,000,000 principal contribution in the Pond Loan being paid by West to any of the Crystal Wealth Funds or to the Company, however, or any supporting documents with respect to this contribution in the Company’s records. In this regard, the West Pond Loan Participation Agreement provides, among other things:
- a) the Company grants West a 22% participation interest in the Pond Loan, in consideration for payment of the amount of \$1,000,000 by West to the Company; and
 - b) in the event the Pond Loan was not repaid on or before January 16, 2017, the Company was to repurchase West’s pro rata share of the outstanding amount of the Pond Loan for consideration equal to the principal amount of West’s pro rata share of the outstanding amount plus any accrued but unpaid interest.
- 104 The books and records of the Crystal Wealth Group do not reflect the \$1,000,000 payment by West to the Company. During the Smith Examination, Smith testified that he met with West a couple of times and that she was interested in investing in Pond, and that they discussed a joint venture capital fund for green energy companies, but West decided not to move forward with it. Smith went ahead and launched the Conscious Capital Fund after

West decided not to proceed, and the Conscious Capital Fund bought shares in Pond as its first and only investment.⁴

- 105 As noted at paragraph 269 of the Fifth Report, the Receiver learned that West passed away on or about March 6, 2018. West did not file any claim in relation to the West Pond Loan Funds or otherwise under the Claims Procedure Order before the Claims Bar Date of August 3, 2017, or afterwards.
- 106 The Receiver took steps to inform potential creditors of the Claims Procedure Order prior to the Claims Bar Date, as detailed at paragraph 327 below, however, West was not a Known Creditor of the Company (as that term is defined in the Claims Procedure Order) and was not sent the Claims Package, given that the Pond Loan remained outstanding and the Company's books and records did not disclose any payment being owed to West.
- 107 Between December 2017 and February 2018, the Receiver contacted Imaginea and its successor, Cor4Oil Corp., and requested a call with Imaginea's directors, Lindsay Goos and West, to discuss the Company's arrangements with Imaginea, but did not receive a response to this request and learned that West had passed away.
- 108 In the process of preparing this Sixth Report, the Receiver was able to identify and locate West's estate executor - Kathy Crowell - through various searches, and notified West's estate of the Receiver's intention to include the West Pond Loan Funds as part of the proposed final distribution to investors. In response, the Receiver's counsel was contacted by counsel for West's estate, Gowlings WLG in Calgary, who requested information regarding the amount of the estate's claim against the Company.
- 109 The Receiver obtained payments from Pond totaling \$6,543,855. Based on the above Pond Loan allocation, the West Pond Loan Funds total \$1,454,190.
- 110 The Receiver has advised counsel for West's estate of this amount, and has inquired whether any documentation is available to substantiate that West paid the \$1,000,000 principal contribution for the participation investment or that would otherwise indicate whether the West Pond Loan Funds are owing to her estate. The Receiver has not been provided with any such documentation as of yet.

⁴ Smith Examination, pp. 61-63 and 182-183, Q. 173-177 and 592-595.

- 111 As part of the proposed final distribution, the Receiver is seeking authorization to release the West Poan Loan Funds to the Mortgage Fund and the High Yield Mortgage Fund in their proportionate interests, so that these funds may be distributed to investors, to conclude all matters relating to the Pond Loan.

OOM Energy Loans

- 112 On October 26, 2017, the Receiver, issued default notices in respect of the OOM Energy Loans (the “**OOM Default Notices**”) to the OOM Energy Group, Clydesdale, and Clydesdale’s counsel, Bill McKenzie (“**McKenzie**”).
- 113 Following the issuance of the OOM Default Notices, the applicable cure periods provided under the OOM Energy Loans expired without a response from any of the OOM Energy Group, Clydesdale, or McKenzie.
- 114 On November 13, 2017, the Receiver issued demand letters and notices of intention to enforce security pursuant to subsection 244(1) of the BIA to the OOM Energy Group, together with Clydesdale (in his personal capacity, as a guarantor of certain arrangements with Magnitude) (the “**OOM Demand Letters**”).
- 115 The Receiver and its counsel explored various recovery options with respect to the OOM Energy Loans and focused their efforts on realizing on the OOM Energy Group’s hard assets (i.e. cogeneration facilities) by appointing a receiver over 244 Ontario, as detailed below.

The Clydesdale Examination

- 116 On March 12 and 13, 2018, the Receiver’s counsel conducted an examination of Clydesdale in accordance with the December 11, 2017 Order and Endorsement. Clydesdale was represented at the examination by McKenzie.
- 117 The Receiver confirmed through the Clydesdale Examination and its investigation, among other things, that:
- a) the OOM Energy Group was generally involved with the conception, sale, design and installation of cogeneration systems;

- b) 244 Ontario in particular installed and operated energy production for St. Mary's Cement Inc. (Canada) ("**St. Mary's Cement**"), using equipment described as the MCS Cogen Mark 6 CoEnergy PoD and heating, ventilation and air-condition equipment (the "**MSC PoD**") at St. Mary Cement's premises at 55 Industrial St., Toronto pursuant to an Energy Services Agreement assigned to 244 Ontario (the "**MSC ESA**");
 - c) 244 Ontario was indebted to the Mortgage Fund with respect to credit facilities made available by the Mortgage Fund pursuant to and under the terms of a loan agreement among the Mortgage Fund, 244 Ontario and 2404873 Ontario Corp. ("**240 Ontario**"), as guarantor, dated November 7, 2014 (the "**244 Loan Agreement**");
 - d) as security for their obligations to the Mortgage Fund, 244 Ontario and 240 Ontario provided, among other things, an assignment of energy services agreement granted by 244 Ontario in favour of the Mortgage Fund dated November 20, 2014, whereby 244 Ontario assigned its right, title and interest in and to the SMC ESA to the Mortgage fund (the "**ESA Assignment**"); however
 - e) aside from the MCS PoD installation located at St. Mary Cement's facility, the OOM Energy Group's projects had not been completed and were not generating any funds. Accordingly, the OOM Energy Group had no assets which could be readily enforced against.
- 118 On December 12, 2017, pursuant to the ESA Assignment, the Receiver requested that St. Mary's Cement direct the monthly payments owing to 244 Ontario under the SMC ESA to the Receiver. 244 Ontario objected, on the basis that it required monthly revenue under the SMC ESA to continue to supply services to St. Mary's Cement.
- 119 244 Ontario subsequently agreed to provide "skeleton" services under the SMC ESA until January 9, 2018, and further agreed to have St. Mary's Cement hold its monthly payments in escrow pending an agreement as to how they ought to be directed.
- 120 Clydesdale gave a number of undertakings relating to the flow of the funds received from Crystal Wealth, the status of the applicable projects, and refinancing efforts that the OOM Energy Group was undertaking in order to obtain funds to complete the projects.

- 121 The August 20, 2018 Order and Endorsement required that Clydesdale answer undertakings given and certain questions taken under advisement and refused at the Clydesdale Examination.
- 122 Clydesdale's responses to undertakings and questions taken under advisement provided to the Receiver on September 20, 2018 indicated, among other things, that:
- a) St. Mary's Cement had continued to make payments to 244 Ontario pursuant to the SMC ESA, however, 244 Ontario had stopped remitting such payments to the Mortgage Fund;
 - b) the MCS PoD was valued at approximately \$1.5 million installed and running; and
 - c) Clydesdale's only effort to refinance the loan under the 244 Loan Agreement was to share an investor presentation with certain lenders.
- 123 A copy of Clydesdale's chart of answers to undertakings and responses to questions taken under advisement and refused at the Clydesdale Examination is attached as **Appendix "24"**.
- 124 The Receiver initially proposed an interim solution in January 2018 directing St. Mary's Cement to release funds owing pursuant to the SMC ESA in the proportion proposed by 244 Ontario for payments due between November 2017 to February 2018, and to revisit this interim arrangement following the Clydesdale Examination.
- 125 The Receiver engaged in extensive efforts to resolve issues with respect to the SMC ESA until March 20, 2019, which were unsuccessful. As a result, the Receiver continued to receive only partial payments pursuant to the SMC ESA until GTL was appointed as receiver over 244 Ontario's assets.

The 244 Ontario Receivership

- 126 The Mortgage Fund, by GTL in its capacity as the Receiver, commenced an application in the Ontario Superior Court of Justice (Commercial List) bearing Court File No. CV-21-00667707-00CL on August 9, 2021 seeking an order appointing GTL as receiver of all of the assets, undertakings and properties of 244 Ontario (the "**244 Ontario Receivership Application**").

- 127 The First Report of the Interim Receiver dated August 31, 2021 filed for the initial motion reported that 244 Ontario was indebted to the Mortgage Fund as of November 13, 2017 in the amount of \$1,872,657.83. In its supplemental report, the proposed interim receiver reported that 244 Ontario was indebted to the Mortgage Fund as at August 31, 2021 in the amount of \$2,737,485.
- 128 By Order and Endorsement dated August 12, 2021 (the “**August 12, 2021 Order and Endorsement**”), the Honourable Justice Cavanagh appointed GTL as interim receiver of 244 Ontario. Copies of the August 12, 2021 Order and Endorsement are attached as **Appendix “25”**.
- 129 This relief was granted without notice to 244 Ontario given, among other things, that Clydesdale may have considered an enforcement step with respect to MSC PoD as grounds for 244 Ontario to cease providing services and suspend the operation of the MSC PoD, which St. Mary’s Cement had expressed an interest in purchasing.
- 130 The purpose of appointing an interim receiver was to monetize 244 Ontario’s sole asset, being the MSC PoD, which the Receiver understood was not functioning correctly.
- 131 Before seeking the appointment of an interim receiver over 244 Ontario, the Receiver engaged in extensive discussions with St. Mary’s Cement, to determine whether and how it would be possible to realize on the MSC PoD.
- 132 As part of the Receiver’s due diligence, St. Mary’s Cement provided the Receiver with the investigating engineering study prepared by Blackstone on July 2, 2020 (the “**Blackstone Report**”). Additionally, at the request of the Receiver, McGregor Allsop Limited completed an appraisal (the “**McGregor Appraisal**”) of the MSC PoD on July 8, 2021.
- 133 With the benefit of these reports, the Receiver determined that the only reasonable outcome would be to sell the MSC PoD directly to St. Mary’s Cement, at whose premises the MSC PoD was already installed, and which had indicated an interest in purchasing the MSC PoD, provided that a suitable price could be negotiated.
- 134 The Receiver was of the view that St. Mary’s Cement’s offer to purchase the MSC PoD would net the highest realization and be the most appropriate transaction for stakeholders. Among other things, it was unlikely for any other party to pay more than nominal value for the MSC PoD system, which was not operational. The Blackstone Report recommended

the termination of the MSC PoD system on the basis of “less than satisfactory operational issues and poor financial returns likely to be expected”. Similarly, while the McGregor Appraisal noted that it was possible for the economics of the MSC PoD system to be improved with modification, there was no guarantee such attempts would succeed.

- 135 On August 30, 2021, 244 Ontario served a responding record enclosing an affidavit of Clydesdale, and brought a motion at the come-back hearing on September 7, 2021 asking to set aside the August 12, 2021 interim receivership Order based on alleged non-disclosure.
- 136 By Endorsement dated September 7, 2021, a copy of which is attached as **Appendix “26”**, Justice Cavanagh:
- a) dismissed 244 Ontario’s request for an order setting aside the August 12, 2021 interim receivership Order; and
 - b) adjourned the final hearing of the 244 Ontario Receivership Application and motion for an approval and vesting order in respect of the sale of the MSC PoD to September 16, 2021.
- 137 On September 16, 2021, 244 Ontario served a second affidavit of Clydesdale, along with a factum, seeking an order “rescinding” the August 12, 2021 interim receivership Order, requiring the Receiver to produce unredacted copies of all documents relied upon, and adjourning the 244 Ontario Receivership Application to permit cross-examinations.
- 138 Counsel subsequently advised Justice Cavanagh that there was a settlement in principle between the parties, and obtained an extension of the August 12, 2021 interim receivership Order to October 1, 2021. The 244 Ontario Receivership Application and motion for an approval and vesting order were adjourned to be dealt with in writing.
- 139 On September 22, 2021, counsel advised Justice Cavanagh that the parties had reached a settlement and that 244 Ontario no longer opposed the 244 Ontario Receivership Application or the approval and vesting order in respect of the sale of the MSC PoD.
- 140 On September 24, 2021, Justice Cavanagh released an Endorsement, Appointment Order and Approval and Vesting Order (the **“September 24, 2021 Orders and Endorsement”**), copies of which are attached as **Appendix “27”**:

- a) appointing GTL as receiver of all of the assets of 244 Ontario, including the MSC PoD (the “**244 Ontario Receiver**”); and
- b) approving the agreement of purchase and sale in respect of the MSC PoD between the 244 Ontario Receiver, and St. Mary’s Cement dated August 13, 2021 (the “**St. Mary’s APS**”), authorizing the 244 Ontario Receiver to complete such transaction, and vesting in St. Mary’s Cement all of 244 Ontario’s right, title and interest in and to the purchased assets.

141 The 244 Ontario Receiver issued its certificate on October 12, 2021 certifying that (i) the 244 Ontario Receiver had received the purchase price in respect of the St. Mary’s Cement APS, (ii) the conditions to closing had satisfied or waived, and (iii) the proposed transaction was completed to the satisfaction of the 244 Ontario Receiver.

Bankruptcy of 244 Ontario and Discharge of the 244 Ontario Receiver

142 On October 22, 2024, a bankruptcy order was issued against 244 Ontario and GTL was appointed as trustee. A copy of the bankruptcy order is attached hereto as **Appendix “28”**.

143 As noted, 244 Ontario was indebted to the Mortgage Fund by way of the 244 Loan Agreement.

144 On May 13, 2025, the 244 Ontario Receiver provided the Court with its First Report and served a motion record in support of a motion for, among other things, an order approving a distribution to the Receiver and discharging the 244 Ontario Receiver.

145 By Order and Endorsement of the Honourable Justice Osborne dated May 22, 2025, the Court granted the 244 Ontario Receiver an order, among other things, approving its proposed distribution and discharging the 244 Ontario Receiver, subject to the requirement to file a certificate confirming that its remaining duties have been completed (the “**244 Ontario Distribution and Discharge Order and Endorsement**”). Copies of the 244 Ontario Distribution and Discharge Order and Endorsement are attached hereto as **Appendix “29”**.

146 The total value of 244 Ontario’s indebtedness to the Mortgage Fund at the time of the interim receivership was \$1,872,657.83. As the Mortgage Fund was 244 Ontario’s only

secured creditor, and the assets available for distribution by 244 Ontario were not sufficient to satisfy the indebtedness owing by 244 Ontario to the Mortgage Fund, the 244 Ontario Receiver distributed the net cash on hand to the Mortgage Fund in the total amount of \$ 619,006.07. The 244 Ontario Receiver noted that that there were no prior ranking claims in that 244 Ontario did not employ any employees and the bankruptcy of 244 Ontario reversed the priority of HST which totaled in excess of \$320,000.

MCSnox, MCSAB Inc. and Magnitude CS Energy

- 147 In light of Clydesdale's evidence that the OOM Energy Group had no assets to realize against other than the MSC PoD, and that other generators were neither delivered nor installed, the Receiver declined to pursue further recovery efforts against MCSnox, MCSAB and Magnitude CS Energy beyond registration of security interests in respect of the applicable OOM Energy Loans.
- 148 The Receiver's decision was partly informed by its experience dealing with Clydesdale and McKenzie during the Clydesdale Examination and their obstruction of the Receiver's investigation and enforcement efforts as described in the Fourth Report, as well as anticipated evidentiary disputes associated with the Company's poor record keeping.
- 149 The OOM Energy Loans exemplify the Receiver's concerns with the lack of oversight and poor management of the Company's investment portfolio and advancement of significant funds to third parties at the direction of Smith without adequate due diligence or security.

1092545 BC Ltd. or "109 BC"

- 150 The Company entered into a promissory note with 109 BC (as borrower), and the Company, as lender, dated November 4, 2016 for a principal balance of US \$125,000 (the **"109 BC Promissory Note"**).
- 151 As previously noted in the Receiver's Second Report, the principal of 109 BC, Marcel Rada (**"Mr. Rada"**), has a history of engaging in similarly structured transactions in which investors are not repaid in full.
- 152 After extensive correspondence and negotiations between the Receiver and Mr. Rada, the parties agreed to settle the 109 BC Promissory Note for US \$50,000, to be paid on or

before February 15, 2018. The Receiver and 109 BC entered into a settlement agreement dated December 20, 2017 (the “**109 BC Settlement Agreement**”).

- 153 109 BC defaulted on the terms of the 109 BC Settlement Agreement, and the Receiver obtained judgment against 109 BC on August 20, 2018 in the amount of US \$50,000. A Bankruptcy Order was obtained on application of the Receiver on July 4, 2019. The Bowra Group Inc. was appointed as trustee of 109 BC’s estate.⁵ The trustee with respect to this bankruptcy advised that there have been nor will there be any material realizations despite its efforts and that the trustee has been or is in the process of being discharged.

Cinnos Mission Critical Incorporated

- 154 The Company, as lender, entered a promissory note with Cinnos Mission Critical Incorporated (“**Cinnos**”, as borrower) dated September 30, 2016 (the “**Cinnos Promissory Note**”), which was purchased by the Infrastructure Fund for a principal balance of \$300,000.
- 155 The principal and interest amounts owing under the Cinnos Promissory Note matured on September 28, 2018, and became repayable or, alternatively, convertible into preferred shares of Cinnos in the event of a qualified financing.
- 156 The Receiver monitored the performance of this investment until its stated maturity date, being September 28, 2018.
- 157 The Cinnos Promissory Note was not repaid upon maturity due to liquidity issues.
- 158 On July 8, 2019, Cinnos’ board of directors advised shareholders and noteholders (including the Receiver) by email that, for the past five months, they had been actively pursuing financing to continue operations, but potential investors had elected not to invest in Cinnos, such that it would terminate all employees and cease operations as of July 16, 2019.

⁵ Ontario Superior Court of Justice (Commercial List) – Court File No. CV-17-11779-00CL; BCSC – Court File No. B-190369; Estate No. 11-254179.

- 159 On August 26, 2019, Cinnos' board of directors confirmed that it had terminated all employees and ceased operations, and proposed to purchase any outstanding shares or investors' notes at \$1 (inclusive of any principal and interest amounts owing).
- 160 On September 4, 2019, Cinnos' board of directors further advised that it had an outstanding loan secured against its accounts receivable, and that its bank account had been garnished by a noteholder (which Cinnos was challenging due to outstanding statutory obligations owed to terminated employees and its secured loan).
- 161 Considering that Cinnos was no longer a going concern, the Receiver declined to pursue further enforcement efforts with respect to the Cinnos Promissory Note.

Kanwal Development Inc.

- 162 The Mortgage Fund entered into a Mortgage Participation & Service Agreement with Liberty Mortgage Services Ltd. ("**Liberty Mortgage**") dated June 17, 2008 (the "**Participation Agreement**"), in respect of a mortgage issued to Kanwal Developments Inc. by Liberty Mortgage in relation to a development property in Langdon, Alberta.
- 163 Under the Participation Agreement, the Mortgage Fund participated in the sum of \$500,000 (the "**Kanwal Participation**") of the Kanwal Mortgage.
- 164 On October 27, 2017, the Receiver requested documentation from Liberty Mortgage to assess the underlying value of the principal and the potential impairment, if any, to the Kanwal Participation.
- 165 As at the date of the Second Report, despite follow-up requests, the Receiver had not received any documentation from Liberty Mortgage.
- 166 The Receiver accordingly sought a court order compelling Liberty Mortgage to provide the documents requested by the Receiver, which was granted via the December 11, 2017 Order and Endorsement.
- 167 During the Smith Examination, Smith deposed that Crystal Wealth had purchased a number of mortgage participation interests, and that the Kanwal Mortgage was the only

one remaining at the time of the Receiver's appointment, and had been in foreclosure for a number of years.⁶

- 168 After follow up requests by the Receiver's counsel, Liberty Mortgage confirmed that any funds available in respect of the Kanwal Mortgage were distributed to secured creditors ahead in priority to the Kanwal Participation in 2022, and remitted a distribution to the Receiver in the amount of \$32,504.03 in respect of the Kanwal Participation. Based on the information provided by Liberty Mortgage, the Receiver is of the view that no further recovery in relation to the Kanwal Mortgage can be realized.

FACTORING CONTRACTS

- 169 The Off-book Assets included contracts with commercial businesses under which specific Crystal Wealth Funds purchased accounts of such businesses at a discount (the "**Factoring Agreements**").
- 170 The Factoring Agreements were administered by Frontline Factoring Inc. ("**Frontline**"), an Alberta corporation that sourced and administered contracts that the Factoring Fund and Hedge Fund entered into to purchase invoices from operating businesses for a discount (typically 70% - 95% of the invoice value) and a service fee. Each of the purchased receivables were then assigned to Frontline for collection.
- 171 The Factoring Fund and Hedge Fund entered into Factoring Agreements with various entities, including Zomongo.TV Corp. ("**Zomongo TV**"), Dome Mountain Resources of Canada Inc. ("**Dome Mountain**"), Advanced Metal Concepts and Fabrication Ltd. ("**Advanced Metal**"), 15664956 Alberta Ltd. ("**156 Alberta**"), 647497 BC Ltd. ("**647 BC**"), Restoration Energy Inc. ("**Restoration Energy**") and Single Source Services Ltd. ("**Single Source Services**").
- 172 The status of the Receiver's realizations efforts in respect of the Factoring Contracts with the foregoing entities to date is described below.

Frontline Factoring Inc. and Jerry Froese

- 173 As outlined in the First Report, all of the Factoring Contracts (agreements to purchase invoices or portions thereof, which after purchase are referred to as "**Purchased**

⁶ Smith Examination at Q. 581.

Invoices", from operating businesses referred to as "**Merchants**", for a discount and a servicing fee) were sourced and administered by Frontline. Frontline was tasked by the Company with finding these opportunities and then collecting the invoice value from the underlying debtor(s) of the invoice(s) (the "**Debtors**"). The procurement and administering of Factoring Contracts was governed by a Factoring Procurement and Administration Agreement entered into by Frontline and the Funds (the "**FPAA**").

174 On September 4, 2018, the Receiver commenced an action against Frontline and Froese in the Ontario Superior Court of Justice (Commercial List) bearing Court File No. CV-18-00608752-00CL (the "**Frontline Action**"), in connection with their involvement and conduct with respect to and arising from the FPAA.

175 The Receiver confirmed through the Froese Examination and its investigation, among other things, that:

- a) following Frontline's incorporation in October 2012, it had employed a small staff, including Froese (as President), an account manager/IT person (Froese's nephew, Stevan Bandola), and a part-time bookkeeper, none of whom appeared to possess the education and skills necessary to assess investments, let alone run a successful factoring business;
- b) Froese denied that the FPAA was the governing agreement between Frontline and the Factoring Hedge Funds. Instead, it was Froese's evidence that, despite Frontline having been paid millions of dollars from the Factoring and Hedge Funds, the terms of Frontline's arrangement was determined on an *ad hoc* basis for each Factoring Contract;
- c) only cursory due diligence was performed of the Merchants, Purchased Invoices, and underlying Debtors by Frontline, Housego and Smith. In regards to the Merchants of Dome Mountain, 156 Alberta and 647 BC, and Frontline's recommendations that the Factoring and/or Hedge Funds invest in the Purchased Invoices belonging to these Merchants, it appears that Frontline primarily relied on the views of a small circle of contacts, including David DenHollander (of 647 BC), and Bob Maljaars (of Dome Mountain and 156 Alberta), both of whom had personal financial interests in the Crystal Wealth Funds investing in the Purchased Invoices of Dome Mountain, 156 Alberta and 647 BC;

- d) Froese could not articulate the fee structure for each of the Merchants and how funds flowed and amounts thereof from the Crystal Wealth Funds to Frontline and then to the Merchants, including the supposed subsequent repayments of Purchased Invoices or portions thereof from the Debtor and Merchants to the eventual repayment to the Crystal Wealth Funds. However, Froese was able to explain that the Crystal Wealth Funds only advanced monies to Frontline, net of a holdback for up-front fees. Any payments received by Frontline by Debtors or Merchants, would first be applied to the fees of Frontline, with the balance being paid back to the Crystal Wealth Funds, contrary to s. 4.6 of the FPAA. Often, Frontline earned more revenue from the arrangement than the Factoring and Hedge Funds;
- e) Froese could not explain the source of the figures contained in the reports which Frontline provided to the Company on a monthly basis, nor could he explain the format of same. This brings into question the diligence for on-going monitoring of the accounts by Frontline and also by Housego or Smith, the result of which was the extreme aging of the Purchased Invoices; and
- f) aside from the Factoring and Hedge Funds, Frontline had not served as a factoring administrator on behalf of any other entity. Frontline's economic dependence on the Crystal Wealth Group was reflected by the fact that Frontline was forced to wind-down operations upon the receivership of the Crystal Wealth Group. In particular, Froese testified that without the significant revenues Frontline generated from the Factoring and Hedge Funds, Frontline could not continue to operate. As of the end of April 2018, Froese testified that Frontline was vacating its rental office and operating from his house.

176 In their Statement of Defence to the Frontline Action, Froese and Frontline asserted that:

- a) Froese had been introduced to Housego by David DenHollander in the summer of 2014, who subsequently introduced him to Smith;
- b) Froese entered into negotiations with Smith as Manager of the Funds, and discussed drawing up an administration contract between Frontline and the Funds, however, the FPAA was only a draft agreement executed for auditing purposes;

- c) Frontline never received or agreed to the Funds' approved investment criteria or a formal due diligence guideline;
 - d) Smith and Froese had several discussions confirming that deals were to be governed on a case-by-case basis and that the FPAA was not the governing instrument. Further Smith's conduct in giving directions to Frontline was often contrary to the terms of the FPAA; and
 - e) deals sourced by Frontline were presented to the Funds for approval, and Frontline made it clear to Smith that factoring was typically used by new companies without established credit history, or by companies whose business was expanding faster than traditional financing would accommodate. As a result, the Funds were aware that factoring for the Merchants came with inherent risk of loss.
- 177 Frontline ceased operating in 2018 and was struck from the corporate registry in Alberta.
- 178 The Receiver repeatedly contacted Froese following the Fifth Report to advance the Frontline Action. Froese was unresponsive to the Receiver's requests to advance the Frontline Action, until the Receiver was provided with updated contact information for Froese by a non-lawyer representative of the DenHollanders, Jack Hornby, in late 2024.
- 179 The Receiver determined through its investigations into Froese's assets and liabilities that he exhausted his personal assets and credit following the collapse of Frontline, including to pay for legal fees to defend litigation commenced against Frontline and Froese by investors and/or clients of Frontline.
- 180 At the request of the Receiver, Froese provided a sworn Statutory Declaration on June 30, 2025, which indicates that Froese has minimal unencumbered assets and significant liabilities, consistent with the Receiver's investigation into Froese's assets and liabilities.
- 181 The Receiver accordingly concluded that the professional costs that would be necessary to advance the Frontline Action are greater than any potential recovery given Frontline and Froese's lack of assets, and discontinued the Frontline Action on July 2, 2025.

Zomongo TV Corp

- 182 On January 9, 2019, the Receiver commenced an action in the Ontario Superior Court of Justice (Commercial List) against Zomongo.TV, Zomongo.TV Holdings Corp., Zomongo

Inc., David DenHollander, Marion DenHollander (together with David DenHollander, the “**DenHollanders**”), Jeremy Ostrowski, and Jocelyne Hughes-Ostrowski (together with Jeremy Ostrowski, the “**Ostrowskis**”), in connection with their obligations under certain Factoring Contracts and guarantees (the “**Zomongo Action**”).

- 183 The Zomongo Action was stayed against Jeremy Ostrowski, who made an assignment in bankruptcy on April 18, 2019.
- 184 On December 3, 2019, default judgment was obtained by the Receiver against Zomongo.TV Corp., Zomongo.TV Holdings Corp., Zomongo Inc., and Jocelyne Hughes-Ostrowski (the “**Zomongo Default Judgment**”).
- 185 The Receiver’s enforcement efforts under the Zomongo Default Judgment were stayed against Jocelyne Hughes-Ostrowski, who made an assignment in bankruptcy on February 12, 2020. Bromwich & Smith Inc. was appointed as trustee of the Ostrowski’s estates.
- 186 On March 2, 2020, the Zomongo Default Judgment was registered in Alberta as against Zomongo TV Corp., Zomongo TV Holdings Corp. and Zooming Inc.
- 187 By letter dated August 19, 2020, the Office of the Superintendent of Bankruptcy Canada (the “**OSB**”) advised Bromwich & Smith Inc. that it had instructed the Special Investigations Unit of the OSB to conduct an investigation into the affairs of Jeremy Ostrowski.
- 188 On October 19, 2020, Bromwich & Smith Inc. provided the Receiver with notice of its intended opposition to the discharge of Jocelyne Hughes-Ostrowski based on her failure to cover administrative costs of the bankruptcy and non-disclosure of a transfer of a condominium property to two business entities prior to making a voluntary assignment into bankruptcy.
- 189 A discharge hearing for the bankruptcies of the Ostrowskis was scheduled for March 26, 2024 at the Alberta Court of King’s Bench, which was adjourned to May 16, 2024.
- 190 The Receiver’s counsel was advised by Bromwich & Smith Inc. prior to the hearing that Jocelyne Hughes-Ostrowski’s bankruptcy went into investigation because she had transferred a property to two companies controlled by related parties for no consideration and failed to disclose this transfer on her sworn statement of affairs. Jeremy Ostrowski was similarly being investigated by the OSB because he had failed to disclose this transfer.

- 191 Bromwich & Smith Inc. provided a report in respect of the discharge application of Jeremy Ostrowski dated March 5, 2024 advising, among other things:
- a) the Crown had pursued criminal charges against Ostrowski;
 - b) in December 2023, Ostrowski entered into a plea agreement with the Crown and pleaded guilty to charges under the *Bankruptcy and Insolvency Act*; and
 - c) Bromwich & Smith Inc. recommended an Order setting conditions for the discharge of Ostrowski's bankruptcy, and that the sum of \$10,000 be paid into the estate due to his conduct.
- 192 Bromwich & Smith Inc. subsequently advised counsel for the Receiver that the bankruptcy discharge hearing for the Ostrowskis scheduled for March 26, 2024 before the Alberta Court of King's Bench was adjourned *sine die*, as the criminal proceedings against them remain pending, such that no return date has been set for the discharge application.
- 193 The remaining defendants to the Zomongo Action, being the DenHollanders, defended the proceeding and reached a settlement with the Receiver.

Dome Mountain

- 194 Dome Mountain Resources of Canada Inc. owed the Factoring Fund and Hedge Fund \$15,073,768 and \$1,196,718, respectively, totaling \$16,270,486 (the "**Dome Mountain Balance**").
- 195 By letter dated November 22, 2017, the Receiver demanded immediate payment of the Dome Mountain Balance from Dome Mountain, as well as immediate payment of all amounts owing by Dome Mountain to the Factoring Fund pursuant to the Fund's factoring arrangements with 156 Alberta and 647 BC, detailed below.
- 196 On September 4, 2018, the Receiver commenced an action in the Ontario Superior Court of Justice (Commercial List) bearing Court File No. CV-18-604459-00CL (the "**Dome Mountain Action**") against Jeffrey Maljaars, Bob Maljaars, Marion DenHollander, and Darcy Pahl pursuant to their guarantor obligations to the Factoring and Hedge Funds, as applicable, in relation to the Dome Mountain Balance.

- 197 On December 3, 2019, the Receiver obtained default judgment against Bob Maljaars and Darcy Pahl.
- 198 Jeffrey Maljaars made a consumer proposal on January 30, 2020 resulting in a stay of the Receiver's action. The Receiver submitted an unsecured claim to the administrator of the consumer proposal, A. Farber & Partners Inc.
- 199 The Receiver's enforcement efforts under the default judgment were also stayed as against Darcy Pahl, who made an assignment in bankruptcy on February 18, 2020. Hardie & Kelly Inc. was appointed as trustee of Darcy Pahl's estate. The Receiver filed proofs of claim on behalf of the Factoring and Hedge Funds, and registered the default judgment in British Columbia and Alberta.
- 200 A Bankruptcy Order was also obtained in respect of Dome Mountain on application by the Receiver on January 15, 2020. The Bowra Group Inc. was appointed as trustee of Dome Mountain's estate.⁷
- 201 The Bowra Group conducted the administration of the bankruptcy of Dome Mountain and was able to realize on certain assets of this company. The Factoring Fund and the Hedge Fund were the only creditors who filed proofs of claims in the bankruptcy. As a result, the funds received dividend distributions of \$95,019.03 and \$7,286.59, respectively. The Bowra Group advised that the administration of the bankruptcy is complete where they are expected to be discharged shortly.

Advanced Metal

- 202 As at October 26, 2017, Advanced Metal had outstanding principal balances owing to the Factoring Fund of \$1,256,311 (the "**Advanced Metal Principal Balance**") and interest owing of \$248,029, with the Factoring Fund being a subordinated creditor to BMO.
- 203 On February 12, 2019, after undertaking due diligence into the status and available assets of Advanced Metal, the Receiver agreed to assign the indebtedness owing by Advanced Metal to the Factoring Fund to a third party, in exchange for a payment of \$350,000.

⁷ ABQB Court File No. 1801-12360; Estate No. 094942.

1566496 Alberta Ltd.

- 204 The Factoring Fund entered into a Factoring Agreement with 156 Alberta dated January 8, 2015 (the “**156 Alberta Factoring Agreement**”).
- 205 Frontline advised the Receiver that, similar to 647 BC (described below), 156 Alberta performed project management and consulting for mining projects. The principals of 156 Alberta were Jeffrey Maljaars and Bob Maljaars. In addition to Darcy Pahl, the director of Dome Mountain, Bob Maljaars executed Dome Mountain’s Factoring Contracts with the Company (in trust for the Factoring Fund and Hedge Fund) on behalf of Dome Mountain, with the stated title of “Director” of Dome Mountain.
- 206 By letters dated November 22, 2017, the Receiver demanded immediate payment from 647 BC and 156 Alberta pursuant to the 647 BC Factoring Agreement and the 156 Alberta BC Factoring Agreement, respectively.
- 207 A Bankruptcy Order was obtained in respect of 156 Alberta on application by the Receiver on September 14, 2018. The Bowra Group Inc. was appointed as trustee of 156 Alberta’s estate.⁸
- 208 The Bowra Group conducted the administration of the bankruptcy of 156 Alberta which resulted in minimal realizations as the assets of 156 Alberta were minimal. The Bowra Group has since been discharged.

647497 BC Ltd. and the DenHollanders

- 209 The Factoring Fund entered into a Factoring Agreement with 647 BC on November 28, 2014.
- 210 Following the aforementioned demand letter to 647 BC dated November 22, 2017, a Bankruptcy Order in respect of 647 BC was obtained on application by the Receiver on October 2, 2018. The Bowra Group Inc. was appointed as trustee of 647 BC’s estate.⁹ The trustee subsequently advised that there have not been, nor will there be, any material

⁸ ABQB Court File No. 1801-12360; Estate No. 094942.

⁹ BCSC Court File No. VERS-B-55205; Estate No. 11-2430287.

realizations despite its efforts and that the trustee has been, or is in the process of, being discharged.

- 211 Prior to its bankruptcy, 647 BC was owned by the DenHollanders, who were also related to Dome Mountain.
- 212 As noted above, in September 2018, the Receiver commenced the Dome Mountain Action against Marion DenHollander, among others, claiming payment of the principal sum of \$587,430.48 pursuant to a guarantee agreement dated November 20, 2014, under which Marion DenHollander guaranteed the debts owed by 647 BC to the Factoring Fund.
- 213 In her Statement of Defence to the Dome Mountain Action, Marion DenHollander acknowledged that 647 BC entered into a Factoring Agreement with the Factoring Fund in November 2014, and that she signed a personal guarantee in favour of the Factoring Fund. She asserted, however, that:
- a) 647 BC had performed project management services for Dome Mountain in relation to the purchase of Gavin Mines;
 - b) Dome Mountain represented to 647 BC that the Factoring Fund was a beneficiary of a performance guarantee bond through insurers regarding the purchase of Gavin Mines, and a term of the performance bond was that, should the purchase fail to perform, the Factoring Fund could make a claim as beneficiary, and the amount payable under the performance bond would have satisfied the amount owing by 647 BC, and thereby discharged her of any personal liability under the guarantee; and
 - c) therefore, by failing to claim against the performance bond, the Factoring Fund had breached its duties and her personal liability was discharged.
- 214 In addition, the Receiver commenced the Zomongo Action against the DenHollanders, among others, seeking payment from the DenHollanders of the principal sum of \$750,000 pursuant to guarantee agreements dated January 16, 2015 and a letter agreement dated January 18, 2017 (the “**DenHollander Guarantees**”).
- 215 The DenHollander Guarantees guarantee all debts owed by Zomongo TV under factoring agreements dated August 7, 2015 with the Factoring Fund and the Hedge Fund, and were secured by a collateral mortgage (the “**DenHollander Mortgage**”) registered against title

to the DenHollanders' property located as 3891 Turner Road, Tappen, B.C. (the "**DenHollander Property**"), discussed below.

- 216 In their Statement of Defence to the Zomongo Action, the DenHollanders denied providing the DenHollander Guarantees (notwithstanding that these guarantees were attached as Appendix "35" to the Second Report).
- 217 At paragraphs 137 to 139 of the Second Report, the Receiver indicated that it was unclear how the DenHollanders were involved with Zomongo Inc. and Zomongo TV, or why they provided the DenHollander Guarantees and the DenHollander Mortgage on their residence to secure the obligations owing by Zomongo Inc. to the Factoring Fund. The DenHollander Mortgage was registered in Frontline's name, despite such security having been provided by the DenHollanders for the benefit of the Factoring and Hedge Funds under the DenHollander Guarantees.
- 218 Froese testified during his examination that David DenHollander was paid a monthly fee from Frontline in exchange for providing the DenHollander Mortgage. Froese testified that Zomongo paid Frontline the monthly fee amounts, and that Frontline in turn paid such amounts to David DenHollander.
- 219 When questioned as to whether Froese was aware of whether Zomongo TV would repay the indebtedness owing by it to the Factoring Fund and Hedge Fund, Froese stated that Jeremy Ostrowski, the principal of Zomongo TV, had indicated that he planned to take Zomongo TV public to raise funds.

Lamal Holdings and the Receiver's Settlement with the DenHollanders

- 220 In the course of pursuing enforcement efforts against Froese and the DenHollanders, the Receiver became aware that Lamal Holdings and Investments Ltd. ("**Lamal Holdings**") had commenced an action against Frontline in Alberta bearing Court File No. 1901-04327.
- 221 In particular, Ed Hanoski, the principal of Lamal Holdings, contacted the Receiver's counsel to advise that Lamal Holdings had obtained a judgment against Frontline in the Alberta Court of King's Bench on August 26, 2019, in the principal amount of \$384,000.
- 222 As described above, Frontline subsequently became insolvent and was struck from the corporate registry in Alberta.

- 223 Lamal Holdings obtained an order from the Alberta Court of King's Bench on January 6, 2022 reviving Frontline, and commenced a petition against Frontline and the DenHollanders in the Supreme Court of British Columbia on January 6, 2023, seeking to step into Frontline's shoes to enforce the DenHollander Mortgage as an asset of Frontline.
- 224 In their responses to Lamal Holdings' petition, the DenHollanders asserted that the DenHollander Mortgage registered in favour of Frontline was put in place to provide security for a factoring deal for Zomongo Inc., a Frontline Factoring Merchant.
- 225 David DenHollander swore an affidavit dated February 22, 2023 deposing that Zomongo Inc. had paid back the funds at issue and that nothing is owing to Frontline. The DenHollanders also relied on the fact that Frontline had not petitioned to foreclose on the DenHollander Mortgage when it was in default.
- 226 Froese similarly swore an affidavit in response to Lamal Holdings' petition on March 21, 2023, in which he deposed that Frontline is not owed any money by the DenHollanders in relation to the DenHollander Mortgage registered against the DenHollander Property in Frontline's name.
- 227 After the Receiver's counsel repeatedly followed up with the DenHollanders' counsel to advance the Dome Mountain Action and the Zomongo Action, counsel for the DenHollanders advised the Receiver's counsel that they were no longer retained and would be taking steps to remove themselves as counsel of record in the proceedings.
- 228 The Receiver anticipated delay associated with the time period for obtaining and executing upon any judgment against the DenHollanders, and that efforts to execute upon the DenHollander Mortgage registered against the DenHollander Property would be opposed, similar to Lamal Holdings' petition against the DenHollanders and Frontline in B.C.
- 229 The Receiver accordingly viewed a settlement with the DenHollanders, who have no known assets to enforce against other than the DenHollander Property, as the preferable course rather than embarking on protracted and costly litigation.
- 230 On June 14, 2024, the Receiver accordingly entered into a resolution with the DenHollanders (the "**DenHollander Settlement**"), pursuant to which the DenHollanders paid \$150,000 to the Receiver in exchange for a discontinuance of the Zomongo Action

and the Dome Mountain Action as against them. All payments under this settlement were received by April 2025.

Restoration Energy

- 231 The Factoring Fund entered into a Factoring Agreement with Restoration Energy on March 18, 2015 for the purchase of a list of approved receivables from Restoration Energy up to a maximum of \$2,000,000.
- 232 On March 16, 2016, the Hedge Fund entered into a Factoring Agreement with Restoration Energy for the purchase of a list of approved receivables from Restoration Energy.
- 233 On March 20, 2015, the Factoring Fund and the Company entered into a Corporate Guarantee and Indemnity Agreement with 1312163 Alberta Ltd. ("**131 Alberta**"), an apparent arm's length third party that was not evidently related to Restoration Energy or its principals, whereby 131 Alberta guaranteed any and all amounts advanced to Restoration Energy via the purchase of Restoration Energy's accounts receivable, limited to a maximum principal amount of \$2,000,000.
- 234 Frontline provided the Receiver with an unsigned debt security exchange agreement between 131 Alberta, the Company (including the Factoring Fund and Hedge Fund), Restoration Energy and Aspen Shore Estates Ltd.
- 235 As at October 26, 2017, Restoration Energy had outstanding principal balances owing to the Factoring Fund and Hedge Fund of \$1,402,193 and \$501,000, respectively, totaling \$1,903,193, and interest owing of \$169,098 from Purchased Invoices issued to and owing from the Debtors.
- 236 The Restoration Energy Invoices were, on average, outstanding for 520 days. This fact, combined with the concerns raised in the Debt Exchange Agreement concerning the collectability of these invoices, put potential recovery into question, and raised concerns with respect to the Company's represented Recorded Value of the Restoration Energy Balance.

- 237 On behalf of the Receiver, A&B issued a demand letter to Restoration Energy on November 7, 2017, and a subsequent demand letter to 131 Alberta on November 13, 2017, each of which enclosed a NITES delivered pursuant to subsection 244(1) of the BIA. A&B also issued demand letters to each of the guarantors, DDI Distribution Corp. and Dionne Design Inc., pursuant to the Additional Restoration Guarantees (as defined in the Fourth Report) on November 14, 2017.
- 238 On January 10, 2018, the Receiver and A&B attended a call with the principal of Restoration Energy, Yvonne Martin-Morrison ("**Martin-Morrison**"). On the call, Martin-Morrison reiterated that neither she nor Restoration Energy was able to repay the Restoration Energy Balance and that the only way that a full repayment could occur would be to convert the debt into an equity position in Restoration Energy. Martin-Morrison advised that the only way the "fuel generator" could be re-engineered was to obtain additional financing and that such financing could be obtained through federal and provincial grants.
- 239 On June 25, 2018, the Receiver's counsel sent an email to Martin-Morrison inquiring as to the status of the intellectual property owned by any of Restoration Energy, or the guarantors pursuant to the Additional Restoration Guarantees, being Dionne Design Inc. ("**DDI**") and DDI Distribution Corp ("**DDI Corp**"). In response, via email, Martin-Morrison advised the Receiver that Restoration Energy does not own any intellectual property as no value has been created by it up to this point that would qualify as intellectual property. With respect to intellectual property held by DDI and DDI Corp, Martin-Morrison could not provide a response.
- 240 After evaluating the Receiver's options in light of Martin-Morrison's response that Restoration Energy did not hold any intellectual property, a Bankruptcy Order in respect of Restoration Energy was obtained on application by the Receiver on September 14, 2018. The Bowra Group Inc. was appointed as trustee of Restoration Energy's estate.
- 241 The Bowra Group conducted the administration of the bankruptcy of Restoration Energy and was able to realize on certain assets of this company. The Factoring Fund received a dividend distribution of \$42,614.09. The Bowra Group has since been discharged.

- 242 The Factoring Fund entered into a Factoring Agreement with Single Source Services Ltd. ("**Single Source**") on August 9, 2016.
- 243 As of October 26, 2017 there was a principle amount outstanding under a single invoice factored by the Factoring Fund from Single Source in the sum of, \$93,985, with accrued interest owing to the Factoring Fund of \$20,206.
- 244 Tanya McCrary-Singh ("**McCrary-Singh**"), the Chief Financial Officer of Single Source, provided a personal guarantee (the "**McCrary-Singh Guarantee**") in favour of the Factoring Fund dated August 9, 2016, guaranteeing the obligations of Single Source to the Factoring Fund.
- 245 By letter dated November 22, 2017, the Receiver demanded immediate payment from Single Source pursuant to the Single Source Factoring Agreement.
- 246 On November 29, 2017, A&B, on behalf of the Receiver, issued a default and demand letter to Single Source.
- 247 A demand letter was also issued to McCrary-Singh dated November 29, 2017, in her personal capacity as guarantor of the indebtedness under the Single Source Factoring Agreement.
- 248 The Receiver and its counsel (A&B) made multiple requests that a call be convened between Single Source, the Receiver, and A&B to discuss the status of Single Source and its business, however neither the Receiver nor A&B received any response from McCrary-Singh or Single Source.
- 249 On December 10, 2019, the Receiver submitted a claim to Caterpillar Financial Services Limited ("**Cat Finance**") to surplus proceeds of \$41,849.37 arising out of Cat Finance's recent seizure and sale of particular collateral held by Single Source.
- 250 The Receiver evaluated Cat Finance's position that the Factoring Fund's entitlement to the surplus funds are subordinate in priority to a claim which Cat Finance advised had been filed by Canada Revenue Agency, and determined not to pursue further enforcement efforts having regard to the amounts owing and the questionable likelihood of recovery.

US REAL ESTATE LP

- 251 As described in the Receiver's Prior Reports, via subscription agreements (the "**Subscription Agreements**"), from June 6, 2016 to March 14, 2017, the Hedge Fund and Factoring Fund respectively purchased US \$5,750,000 and US \$2,150,000 of preferred share units in 107 LP, an entity that has an indirect ownership interest in the US Properties together with corporate and individual partners. The Hedge Fund and Factoring Fund cumulatively own 99.99% of 107 LP and act as limited partners (the "**Limited Partners**") in the US Real Estate LP.
- 252 The purpose of the US Real Estate LP is to acquire and develop real estate properties in the United States to subsequently earn rental income and proceeds from the possible and/or eventual sale of such properties. Through the Hedge Fund and Factoring Fund's investment in 107 LP, these Funds had an indirect minority ownership interest in seven properties located in Georgia, Alabama, Mississippi, and Illinois (the "**US Properties**").
- 253 The Hedge Fund and Factoring Fund cumulatively own 99.99% of 107 LP and act as limited partners in the US Real Estate LP. The remaining 0.01% ownership of 107 LP is held by 1076874 B.C. Ltd., an entity listed as the general partner and is owned by Alberto Storelli (the directing mind), Brian Peoples and Joe Harker (the "**General Partners**").
- 254 107 LP has an indirect ownership interest in a number of rental properties (the US Properties) located in the US together with corporate and individual partners, collectively referred to as the "**US Real Estate LP**".
- 255 On June 4, 2017, the Receiver notified the General Partners of the Appointment Order along with a request to discuss the US Real Estate LP. On June 7, 2017, the Receiver delivered a follow-up email to the General Partners. Despite repeated follow-up communications, as of the Fourth Report, the Receiver had not been able to make direct contact with Storelli; however, had limited discussions with Storelli's counsel, Sean O'Neil.
- 256 O'Neill indicated that the other owners of the US Properties were potentially interested in acquiring 107 LP's interests in same for cash and/or units of a different limited partnership which intended to become listed on the TSX Venture Exchange by June 30, 2018; Housego further reiterated this intent during the Housego Examination. Such purported interest never materialized.

257 On June 28, 2018, in response to A&B's requests to provide an update as to the status of the proposal to purchase the Receiver's interest in the US Real Estate LP, Housego's counsel advised that:

"[Housego] has made inquiries and apparently an offer is forthcoming. [Housego] could not get any details beyond that (timing or specifics). I will advise if we have any further information."

258 By the time of the Fourth Report, however the Receiver had not received any further correspondence from Housego or his counsel regarding the potential purchase.

259 The Receiver has learned that by December 21, 2018, six of the seven US Properties had been sold. Despite these sales, none of the proceeds have been distributed to the Receiver. The Receiver believes proceeds of the sales may have instead been utilized to purchase or finance other U.S. properties or to repay debts owing to lenders due to the sold US Properties having been cross-collateralized to the detriment of the Funds.

260 On October 29, 2019, the Receiver commenced an action in the Ontario Superior Court of Justice (Commercial List) against 1076874 Properties Limited Partnership, and certain other persons and entities involved with and/or related to the US Real Estate LP (Alberto Storelli, Joseph Harker, Brian Peoples, 1076874 B.C. Ltd., 1077187 B.C. Ltd., DaVinci Capital Property, Inc., Rothbury REIT Limited Partnership, Rothbury Capital Corp. and DaVinci Capital REIT Inc.).

261 On February 26, 2020, default judgment was granted in favour of the Receiver against all defendants in the US Real Estate LP action. The Endorsement of Justice Koehnen issued February 26, 2020, as well as the judgment issued, are appended hereto as **Appendix "30"** and **Appendix "31"**, respectively.

262 The Receiver has undertaken, both in Canada and the United States, certain investigations as to the assets and liabilities of the judgment debtors. Storelli is last known to reside in British Columbia, and Peoples and Harker are last known to reside in the United States of America. The Receiver's investigations have determined that none of the General Partners appear to have significant assets, and in the case of Peoples and Harker, both have filed for personal bankruptcy on multiple occasions.

- 263 In view of the foregoing, the Receiver's assessment is that the professional costs which will be necessary to attempt to realize on the judgment are greater than the speculative and uncertain recovery and, therefore, the Receiver has determined not to further pursue recovery under the judgment.

NFL PARTICIPATION AGREEMENTS

Xynergy, KrunchCash and the MMRPAA

- 264 As outlined in the First Report, the Medical Fund invested in Medical Factoring Contracts which were administered by Xynergy. Similar to the Factoring Contracts, Xynergy entered into contracts to purchase healthcare receivables (the "**Purchased Medical Receivables**") from operating businesses in the United States ("**Clients**") for a discount and service fees. The Purchased Medical Receivables are assigned to Xynergy, who ultimately collects the invoice value. Unlike the Factoring Contracts, the Medical Factoring Contracts are not entered into between Clients and the Medical Fund. Instead, the Medical Fund purchased a participation interest in agreements between Xynergy and the Client.
- 265 Xynergy and the Medical Fund entered into a Master Medical Receivables Purchase and Administration Agreement on March 31, 2016 (the "**MMRPAA**") which essentially gives the Medical Fund the opportunity to purchase participations in Xynergy's Medical Factoring Contracts and various Clients (defined therein). Under the MMRPAA, Xynergy administers the Medical Factoring Contracts.
- 266 On August 29, 2013, the National Football League (the "**NFL**") agreed to pay US \$765 million to settle a lawsuit brought by more than 4,500 players and their families to provide medical help to more than 18,000 former players suffering from severe neurological conditions or who could potentially suffer from such conditions in the future. After subsequent hearings and appeals, the settlement became effective on January 7, 2017 (the "**NFL Settlement Agreement**").
- 267 KrunchCash LLC ("**KrunchCash**") entered into various funding agreements (the "**NFL Funding Agreements**") with NFL players (the "**NFL Players**") who had made claims (the "**NFL Player Claims**") under the NFL Settlement Agreement. Under the NFL Funding

Agreements, KrunchCash would advance funds to certain NFL Players for a portion of the value of the NFL Player Claims and would charge a stated factoring fee on such an advance.

- 268 In March 2016, under the MMRPAA, the Medical Fund began entering into participation agreements to purchase a stated percentage in the NFL Funding Agreements between certain NFL Players and KrunchCash (the “**NFL Participation Agreements**”), which participations were effected through the execution of assignment agreements. Under the NFL Participation Agreements, the Medical Fund would advance funds toward the participation and would earn a stated factoring fee. The factoring fee and initial advance under each NFL Participation Agreement is to be repaid to the Medical Fund as each NFL Player Claim is paid by the NFL.
- 269 As at the date of the Receiver’s appointment, the Medical Fund had entered into a total of 26 NFL Participation Agreements totaling US \$4,318,359 consisting of principal advances of US \$3,824,240 and accrued fees owed to the Medical Fund of US \$247,060.
- 270 In July 2017, four of the NFL Participation Agreements were paid out through refinancing obtained by the respective NFL Players. The total amount remitted to the Medical Fund was US \$714,687.

Developments in the NFL Concussion Settlement

- 271 On November 10, 2017, Xynergy advised that it was served with a subpoena from a New York court regarding complaints made by NFL Players for bad practices of financial institutions with respect to the purchase of all or a portion of NFL Player Claims (i.e. charging egregious fees to NFL Players). At the time, Xynergy advised that the subpoena was being handled by its legal counsel who advised Xynergy that nothing significant should come of the subpoena as Xynergy’s fees are fair.
- 272 Xynergy further advised that, due to a court action and the backlog of NFL Player Claims required to be reviewed and audited by the NFL Claims Administrator, payments could be delayed. The deadline by which NFL Player Claims were to be submitted to the NFL pursuant to the NFL Settlement Agreement was August 7, 2017.
- 273 As with other investments by the Crystal Wealth Group, the NFL Participation Agreements were outside of the scope of the investment memorandum for the Medical Fund presented

to investors. The Receiver remains of the view that the failure to disclose the NFL Participation Agreements, an investment that comprised nearly 75% of the Medical Fund's NAV (as at April 20, 2017), was a gross misrepresentation to investors.

- 274 On December 11, 2017, Xynergy made the Receiver aware of an order issued by the Honourable Anita B. Brody of the United States District Court for the Eastern District of Pennsylvania regarding the NFL Players' Concussion Injury Litigation dated December 8, 2017 (the "**December 8, 2017 NFL Order**"), a copy of which is attached hereto as **Appendix "32"**. The December 8, 2017 NFL Order, among other things, concluded that:

"To the extent that any Class Member has entered into an agreement that assigned or attempted to assign any monetary claims, that agreement is void, invalid and of no force and effect. Class Members receiving awards are, by definition, cognitively impaired [emphasis added]".

Furthermore, the December 8, 2017 NFL Order states that:

"... under the principle of rescission, Class Members should return to the Third-Party funder the amount already paid to them".

- 275 On March 16, 2018, Xynergy provided the Receiver with an order issued by the Honourable Anita B. Brody of the United States District Court for the Eastern District of Pennsylvania regarding the NFL Players' Concussion Injury Litigation dated February 20, 2018 (the "**February 20, 2018 NFL Order**") ordering that the Claims Administrator under the NFL Settlement Agreement pay any Monetary Awards (as defined in the NFL Settlement Agreement) directly to the NFL Player in cases where an improper assignment had occurred. A copy of the February 20, 2018 NFL Order is attached hereto as **Appendix "33"**.

- 276 As at the date of the Fourth Report, the Receiver understood that the December 8, 2017 NFL Order and February 20, 2018 NFL Order had voided the Medical Fund's entitlement to receive any amounts owing to it other than those amounts advanced directly to an NFL Player (the "**Direct Advances**"). Based on this definition, the following appeared to be excluded from the definition of principal:

- a) any interest or accrued fees earned pursuant to the individual funding arrangements (the "**Accrued Fees**");

b) any amounts advanced on behalf of NFL Players, including but not limited to:

- i) payments made directly to any creditor to which an NFL Player owed an outstanding obligation;
- ii) monies paid to professionals and advisors acting on behalf of NFL Players with respect to obtaining financing; and
- iii) monies paid directly to underwriters on behalf of NFL Players with respect to financing (collectively, the “**Indirect Advances**”).

277 As a result of the December 8, 2017 NFL Order and February 20, 2018 NFL Order, and depending on the US court’s definition of “principal”, the Receiver reported in the Fourth Report that the Indirect Advances and Accrued Fees were in jeopardy of being collected.

278 At the time of the Fourth Report, Xynergy had continued to keep the Receiver apprised of developments with respect to the NFL Litigation. Xynergy had advised that, to its knowledge, no lender had yet to decide to accept the payment of only Direct Advances as “principal” and waive any Indirect Advances and Accrued Fees. Furthermore, Xynergy had advised that certain larger lenders had filed formal appeals disputing the US court’s ruling.

279 On April 26, 2019, the United States Court of Appeals for the Third Circuit (the “**Third Circuit**”) issued a decision partially reversing the December 8, 2017 NFL Order voiding all agreements assigning monetary claims of NFL Players (the “**April 26, 2019 NFL Order**”), finding that Justice Brody had “went too far in voiding the cash advance agreements in their entirety”.¹⁰ A copy of the April 26, 2019 NFL Order is attached hereto as **Appendix “34”**.

280 The Third Circuit upheld Justice Brody’s prohibition on “true” assignment agreements and assignment provisions (which permit the lender to step into the shoes of the NFL Player to obtain settlement funds as part of the NFL Settlement Agreement claims process). However, the Third Circuit found that cash advance agreements structured as loan transactions were not necessarily invalid, such as terms entitling the lender to payment

¹⁰ In Re: National Football League Players Concussion Injury Litigation, No. 18-1040 (3d Cir. 2019).

from the NFL Player after settlement funds had been paid out to them as part of the NFL Settlement Agreement claims process.

- 281 The Third Circuit ruled that any subsequent disputes between NFL Players and lenders regarding the validity of cash advance agreements must be litigated or arbitrated outside of the NFL Settlement Agreement claims process, however.
- 282 As a result of the April 26, 2019 NFL Order, it is possible that the NFL Funding Agreements could be upheld by the US courts as valid cash advance agreements, to the extent funds advanced to NFL Players are only to be repaid after the applicable NFL Player's receipt of settlement funds from the NFL.
- 283 The NFL Funding Agreements are as between the NFL Players and Xynergy/KrunchCash, however, whereas the Medical Fund's relationship with Xynergy is governed by the MMRPAA (which contains a choice of law clause in favour of Florida), creating enforceability issues for the Receiver.
- 284 In light of the uncertainty surrounding the expected timing of any realization on the NFL Participation Agreements, the Receiver entered into discussions with Xynergy in the spring of 2019 with respect to a potential purchase of the Receiver's portfolio of NFL Participation Agreements. Xynergy declined to do so at that time.
- 285 Between July 2019 and April 2020, six of the NFL Participation Agreements were paid out. The total amount remitted to the Medical Fund was US \$465,276.
- 286 In June 2021, the Receiver contacted Xynergy and requested an update on the NFL Participation Agreements. Xynergy advised that it had not received any further payment or notice since April 2020 and indicated that the pandemic had resulted in delays in the NFL Settlement Agreement claims process.
- 287 The Receiver again inquired whether Xynergy had any interest in purchasing the remaining NFL Participation Agreements from the Receiver, however, Xynergy advised in response that the level of uncertainty was too high and that it remained uninterested in purchasing the portfolio.
- 288 Xynergy further advised that its discussions with NFL Players regarding payment had not been productive, and that the NFL had been less communicative following the pandemic.

- 289 The Receiver accordingly agreed to an arrangement whereby Xynergy would try and realize on the NFL Participation Agreements and remit 65% of the proceeds to the Receiver, and understands that Xynergy made efforts to have the applicable NFL Players agree to settlements, but those discussions have not been productive to date.
- 290 The Receiver subsequently entered into negotiations with a third party in respect to a purchase of the Receiver's US Real Estate LP and NFL Participation Agreement portfolios for a purchase price of approximately US \$300,000, subject to a further deduction upon due diligence by the proposed purchaser. The negotiations were not successful.

Recent Updates from Xynergy

- 291 After exploring whether third parties would be interested in purchasing the Receiver's portfolio of remaining NFL Participation Agreements, the Receiver inquired with Xynergy on October 2, 2024 as to whether anything further had transpired and whether any settlements with the applicable NFL Players had occurred.
- 292 On October 23, 2024, in the absence of a response from Xynergy, the Receiver advised that it understood the NFL Participation Agreements could now be enforceable cash advance agreements rather than invalid assignment agreements based on the April 26, 2019 NFL Order.
- 293 The Receiver accordingly requested that Xynergy provide the following information by October 30, 2024:
- a) a breakdown showing the current status of the outstanding NFL Participation Agreements in which the Medical Fund participated (including whether Xynergy had received any funds since its last update to the Receiver), as well as copies of any evidence of payment received by Xynergy, and all statements, reports or certificates delivered to Xynergy by the applicable NFL Players or any guarantors;
 - b) advise whether Xynergy had entered into any additional agreements with the NFL Players or had received any notices from the NFL Players, and to provide the relevant documentation if so; and

- c) advise whether Xynergy had advanced any legal position against the NFL Players regarding the validity of the NFL Participation Agreements based on the Third Circuit's ruling or otherwise, and if so, to advise of the steps taken.

- 294 On November 12, 2024, Xynergy's President, Alejandro Nathan ("**Nathan**"), requested a few days to prepare a formal response, and advised there had been no real movement since Xynergy's last update to the Receiver.
- 295 After the Receiver followed up with Nathan for Xynergy's formal response in November and December 2024, the Receiver's counsel sent a letter to Xynergy on December 20, 2024 demanding that the information and documents requested by the Receiver under the MMRPAA be provided by January 3, 2025.
- 296 Nathan responded to the Receiver's counsel on December 20, 2024 indicating that he would require additional time to prepare a formal response, and that the matter was out of Xynergy's hands and had resulted in a protracted dispute between NFL Players and the NFL which Xynergy was waiting to be resolved so that it could collect funds.
- 297 Nathan also provided the Receiver with a status update as of December 2024 advising that 18,744 qualified NFL Players remain unpaid with no definitive timeframe as to when they will be paid by the NFL, and that less than 10% of NFL Players registered under the NFL Settlement Agreement had been paid. Nathan further advised:

"The NFL has looked for every excuse not to pay and has succeeded without court, public or press intervention. They have created an information vacuum of a need-to-know basis divided amongst the players, their attorneys & third-party funders to eliminate cross chatter ... leaving all in the dark.

... the [NFL Funding Agreements] are valid non-recourse advances, and the [NFL] Player has no requirement to repay the advance unless the Player receives a settlement from the NFL ...

To add further insult, the NFL changed the rules of payment to the Third-Party funder leaving the [NFL] Player in control of decisions ... if a [NFL Player] can't resolve their claim with a Third-Party funder or does not wish to participate in the Resolution Protocol then the claims administrator will send all funds to the [NFL]

Player forcing the third-party funder to have to litigate with the [NFL] Player to recover its advance (sic)."

- 298 In particular, on March 19, 2020, the NFL Concussion Settlement *Rules Governing Third-Party Funding Resolution Protocol* (the “**NFL Resolution Protocol**”) and *Rules Governing Payment of Claims Involving Third Party Funders* (the “**NFL Thirty Party Funder Rules**”) were released, which modified the NFL Third-Party Funding Resolution Protocol initially published on September 20, 2018.
- 299 The NFL Resolution Protocol does not address the enforceability of the NFL Funding Agreements and instead outlines an alternative dispute resolution process that requires the voluntary participation of NFL Players.
- 300 The NFL Resolution Protocol confirms that any dispute over the enforceability or validity of the NFL Funding Agreements must be litigated or arbitrated in an appropriate forum outside of the NFL claims administration context, subject to “the full array of standard contract defenses available”. As noted in the April 26, 2019 NFL Order, “some of the class members are cognitively impaired, and it is possible that some of them lacked the capacity to contract at the time they entered into [these] agreements ... There may also be issues of unconscionability, fraud, or usury based on the high effective interest rates in the agreements”, which may function as “disguised predatory loans”. However, if an agreement is found to be enforceable, an NFL Player may risk incurring additional expenses by refusing to pay disputed funds while the dispute over enforceability plays out.
- 301 The NFL Resolution Protocol essentially requires that any third-party funder provide the NFL Settlement Agreement Claims Administrator with a consent form and transaction list identifying NFL Players with whom the third-party funder has entered into unresolved transactions. Once an NFL Player has received a final decision respecting a monetary award, the NFL Claims Administrator is to send a form to the NFL Player:
- a) informing them of the final decision and that a third-party funder has named the NFL Player as being involved in an unresolved transaction;
 - b) asking whether the NFL Player consents or declines to participate in the NFL Resolution Protocol; and

c) asking whether they consent or decline to share information regarding their claim status with the participating third-party funder.

302 If the NFL Player consents, the NFL Claims Administrator is to inform the participating third party funder of the amount and status of the NFL Player's monetary award upon a final decision being made, after which: (a) the participating funder must advise of the amount of money that it agrees to accept from the NFL Player to resolve any claims under the agreement(s) between the participating funder and the NFL Player within 30 days; and (b) the NFL Player must subsequently advise within 30 days whether they consent to direct payment of that amount by the NFL Claims Administrator to the participating funder in exchange for a termination of the relevant agreements and a release of all related claims.

303 If the NFL Player does not reach a timely agreement with the participating funder under the process described above, the NFL Claims Administrator will direct that the NFL Player be paid pursuant to Rule 6(a) of the NFL Thirty Party Funder Rules, which provides:

"No Resolution Reached in Resolution Protocol. If the Settlement Class Member fails to reach a resolution through the Resolution Protocol with any Participating Funders—either because the Settlement Class Member declined to consent/participate or failed to timely agree on the Resolution Amount with any of the Participating Funders—the Claims Administrator will direct the Trustee to pay the Monetary Claim to the Settlement Class Member, subject to all payable liens and other applicable deductions under the Settlement Agreement and any Orders of the Court. This payment will be made directly to the Settlement Class Member, whether represented by a lawyer or proceeding pro se. Once payment has been made, any subsequent disputes between the Settlement Class Member and any Third-Party Funders must be litigated or arbitrated in an appropriate forum outside the claims administration process."

304 Xynergy has also advised the Receiver that the NFL agreed to a new protocol for testing NFL Players to avoid race-based neurological testing standards, such that many NFL Players are still waiting to be retested prior to being able to receive settlement funds.

305 Copies of Xynergy's December 2024 update to the Receiver, the NFL Resolution Protocol and the NFL Thirty Party Funder Rules are attached hereto as **Appendix "35"**.

306 Xynergy's December 2024 update to the Receiver, and particularly the suggestion of significant delays in the NFL Settlement Agreement claims administration process, is consistent with news articles published by US media outlets, including an investigation by the Washington Post, which reported:

- a) the NFL Settlement Agreement's definition for dementia requires more impairment than the standard definition used in the United States;
- b) certain NFL Players have failed to qualify for settlement money or medical care and have died;
- c) certain NFL Players have been diagnosed with dementia by doctors, only to see their claims denied by settlement review doctors and the administrative law firm supervising the settlement, with dementia symptoms being attributed to other health problems, including depression and sleep apnea;
- d) the NFL's network of settlement doctors has been beset by administrative issues since its inception, with certain NFL Players waiting more than 15 months to see doctors, and has shrunk substantially since 2018, requiring NFL Players to travel long distances to get evaluated; and
- e) the administrative law firm overseeing the settlement can take more than a year to decide an NFL Player Claim, and had denied approximately 28% of the NFL Player Claims it had vetted based on diagnoses made by settlement doctors as of December 29, 2024.¹¹

Asset Searches Regarding Xynergy and KrunchCash

307 In considering whether to undertake additional enforcement efforts respecting the MMRPAA, the Receiver conducted asset searches using a third-party investigator, which revealed, among other things, that:

¹¹ [The NFL concussion settlement's broken promises - Washington Post](#); [Key findings from The Post's NFL concussion settlement investigation - The Washington Post](#); [NFL concussion settlement ignores 'critical' MRIs and other tests, Post finds - The Washington Post](#); [The NFL promised brain injury compensation. Most players don't get a dime. - The Washington Post](#).

- a) neither Xynergy nor KrunchCash have any known assets available to enforce against, as both are private equity funding corporations that offer loans for qualified businesses;
- b) both entities have been or remain involved in various lawsuits in the US; and
- c) it is unclear to what extent Xynergy remains active, as Nathan has launched a new venture titled 18 Wheel Funding LLC, and limited information regarding Xynergy is available online.

308 Having regard to the extensive delays and complications associated with realizing on the NFL Funding Agreements as described above, and the uncertainty of achieving any further recoveries for investors as contrasted with the professional costs which will be incurred in such further pursuit, the Receiver declined to pursue additional enforcement efforts regarding its remaining portfolio of NFL Participation Agreements, and instead entered into negotiations with Xynergy with respect to purchasing the Receiver's portfolio interest in the outstanding NFL Participation Agreements, described further below.

Asset Purchase Agreement with Xynergy

309 After follow-up requests by the Receiver's counsel regarding the outstanding NFL Participation Agreements, Xynergy provided the Receiver with a chart outlining the status of the remaining NFL Participation Agreements on April 6, 2025, a copy of which is attached hereto as **Appendix "36"**.

310 While the updated chart of NFL Participation Agreements lists a total outstanding of \$4,350,016.82 in principal and accrued fees (excluding Xynergy's fees), Xynergy advised that the increase in this amount since October 2017 is attributable to accrued interest over many years, but there is no scenario in which it expects that amount to be paid, particularly the fees. In the Receiver's view, the increased interest amount also appears to be inflated.

311 Xynergy also confirmed to the Receiver by email that it has not entered into any further agreements with NFL players, received any notices, or advanced any legal position against the NFL players regarding the validity of the NFL Participation Agreements to date.

312 Based on the foregoing, the Receiver entered into negotiations with Xynergy with respect to a purchase of the Medical Fund's interest in the outstanding NFL Participation

Agreements. Pursuant to an Asset Purchase Agreement dated May 16, 2025 (the “**Xynergy APA**”), Xynergy agreed to pay to the Receiver a purchase price of US \$200,000 in exchange for an assignment of the Medical Fund’s interest in the NFL Participation Agreements.

313 As the Receiver had previously negotiated a potential sale of the US Real Estate LP and NFL Participation Agreement portfolios for a price of approximately US \$300,000, subject to a further deduction, and in light of the above concerns regarding enforceability and delays in the NFL Concussion Settlement process, the Receiver concluded that a sale of the Medical Fund’s remaining portfolio to Xynergy for US \$200,000 was commercially sensible in the circumstances. Copies of the Xynergy APA and the associated assignment and assumption agreement dated May 16, 2025 are attached hereto as **Appendix “37”**.

314 The purchase price under the Xynergy APA was paid by Xynergy on May 16, 2025.

MEDIA LOANS

315 The Second Report and the Second Report Supplement described in detail the nature of the 24 independent films in which the Media Fund was invested. The nature of the investments were loans made to various single purpose production companies for the production of films, which loans consisted of two general types: (i) Gap Loans; and (ii) Tax Credit Loans (collectively, the “**Media Loans**”).

316 Each film would have its own separate legal entity in order for films to be financed and produced whereby the security of the loan is the unsold rights to the production. These were known as Gap Loans. In most scenarios, a producer would build a financing plan for the production budget, putting together the components of financing, including, but not limited to, one or more of tax credits, government subsidies, pre-sales, and private equity. If additional funding was required to produce the film over and above the available sources, a Gap Loan would be obtained. The Gap Loan is the riskiest type of financing for a lender as the Gap Loan is issued based solely on estimated sales which, often times, is far less than the actual sales that can be generated by the production.

317 Many jurisdictions offer tax credits as an incentive to producers to make their films in that jurisdiction. The tax credits are usually 25% - 30% of the overall production budget depending on where the film is shot and the nationalities of those involved. The Media

Fund advanced loans to certain production companies secured by the rights to tax credits, which security was occasionally subordinated to a senior secured lender. These were known as Tax Credit Loans.

- 318 According to the April 20th Package, the Company had attributed a Recorded Value in excess of \$53 million to the Media Loans, inclusive of principal and interest. Based on the Receiver's investigations, it became apparent that a significant number of the films underlying the Media Loans were experiencing significant issues and/or delays.
- 319 As discussed in the First Report, and the Supplement to the First Report, the Receiver engaged an expert advisor, Quiver Capital Inc. ("**Quiver**"), to assist the Receiver in its investigation and management of the Media Fund. As well, Quiver issued a report on November 22, 2017 that, among other things: (i) outlined the nature of the Media Loans issued to the various production companies; (ii) set out collections obtained by the Receiver for Media Loans as at the date of the Quiver Report; and (iii) provided an estimated value of the Gap Loans and Tax Credit Loans.
- 320 The Second Report detailed the Sales Process undertaken by the Receiver for certain Crystal Wealth Funds seeking:
- a) potential bidders to make an offer to purchase the investments from one or more of the Crystal Wealth Funds (known as a "**Purchase Offer**"); and/or
 - b) potential managers to present an offer to assume the management of one or more of the Crystal Wealth Funds' investment activities and assume the Company's position and duties to investors.
- 321 A Purchase Offer from Bron Releasing Inc. was received and negotiated relative to the Media Loans, which was approved by the Court in the February 20, 2018 Order and Endorsement.

UPDATE ON INVESTMENTS IN EACH OF THE CRYSTAL WEALTH FUNDS

- 322 For each of the Crystal Wealth Funds, the Receiver has prepared a statement of cash receipts and disbursements (the "**Cash R&Ds**") as at July 2, 2025, which includes:
- a) the cash balance as at April 20, 2017 pursuant to the April 20th Package;

- b) investment returns of each Fund (“**Investments**”) monetized by the Receiver since the date of the Appointment Order and the proceeds obtained from same (“**Monetized Investments**”);
- c) collections in the normal course since the date of the Appointment Order with respect to the Investments (“**Investment Collections**”);
- d) disbursements since the date of the Appointment Order; and
- e) the cash balance as at July 2, 2025.

323 Common items reflected in the Cash R&Ds for the Funds are:

- a) **Inter-Fund Investment Distributions** – reflects the total amount of the three interim distributions made by the Receiver received by a Fund on account of its Inter-Fund Investment(s);
- b) **Interim Distributions** – reflects the sum of: (i) the amount distributed by a Fund pursuant to the first interim distribution declared by the Receiver on January 18, 2018 in the aggregate amount of \$31 million, as authorized by the December 11, 2017 Order and Endorsement; (ii) the amount distributed by a Fund pursuant to the second interim distribution declared by the Receiver on September 28, 2018 in the aggregate amount of \$25 million, as authorized by the August 20, 2018 Order and Endorsement; and (iii) the amount distributed by a Fund pursuant to the third interim distribution declared by the Receiver on July 21, 2020 in the aggregate amount of \$47 million, as authorized by the June 2, 2020 Order and Endorsement;
- c) **Proposed Distribution** – the final distribution, the approval of which is the subject of this Sixth Report;
- d) **Professional Fees** – represents the sum of: (i) fees of the Receiver and its legal counsel for the period April 26, 2017 to February 29, 2020, as approved by the Court pursuant to the June 2, 2020 Order and Endorsement, and apportioned among all of the Crystal Wealth Funds on the basis as described in the previous reports of the Receiver; and (ii) the fees of the Receiver and its legal counsel for the period March 1, 2020 to June 20, 2025, which have been paid as provided in the Appointment Order and detailed in this Sixth Report but which are subject to the approval of the Court.

Such fees were apportioned among all of the Crystal Wealth Funds on the basis as described in the previous reports of the Receiver.

- 324 The following is a combined Cash R&D for all of the Crystal Wealth Funds. Individual Cash R&Ds are included in each of the Crystal Wealth Funds complete reporting attached hereto as **Appendix “38”**.

District of Ontario Division – 09 - Toronto Court File No.: CV-17-11779-00CL								
IN THE MATTER OF THE RECEIVERSHIP OF CRYSTAL WEALTH MANAGEMENT SYSTEMS LIMITED AND THE CRYSTAL WEALTH FUNDS RECEIVER'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR THE PERIOD ENDING JULY 2, 2025								
	CAD				USD			
	Receiver Trust Accounts	NBIN Accounts	Interactive Brokers Accounts	Combined	NBCN Accounts	Interactive Brokers Accounts	Combined	
OPENING BALANCE	\$ 500,000	\$ 5,324,427	\$ 656,289	\$ 6,480,716	\$ (204,060)	\$ (17,148)	\$ (221,208)	
CASH RECEIPTS								
Collection of Residential Mortgage Interest & Principal	-	20,223,592	-	20,223,592	-	-	-	
Sale of Media Loans	-	13,485,125	-	13,485,125	-	-	-	
Sale of Equities	-	9,522,956	214,321	9,737,277	4,228,221	-	4,228,221	
USD Account to CAD Account Transfers	-	8,874,530	-	8,874,530	(6,412,445)	(517,620)	(6,930,065)	
Collection of Media Loan Principal & Interest	-	6,883,087	-	6,883,087	229,690	-	229,690	
Redemption of Units in External Mutual Funds	-	5,095,907	-	5,095,907	-	-	-	
Collection of Commercial Loan Principal & Interest	-	7,703,304	-	7,703,304	-	-	-	
Inter-fund Investor Distribution [First Interim Distribution]	-	1,676,498	-	1,676,498	-	-	-	
Inter-fund Investor Distribution [Second Interim Distribution]	-	3,003,080	-	3,003,080	-	-	-	
Inter-fund Investor Distribution [Third Interim Distribution]	-	5,377,500	-	5,377,500	-	-	-	
Inter-fund Investor Distribution [Proposed Distribution]	-	578,449	-	578,449	-	-	-	
Sale/Settlement of Medical Factoring Contracts	-	-	-	-	1,030,428	-	1,030,428	
Settlement and Repayment of NFL Participation Agreements	-	-	-	-	1,380,843	-	1,380,843	
Proceeds from USD Futures	-	651,733	-	651,733	-	535,172	535,172	
Redemption of GIC	-	525,311	-	525,311	-	-	-	
Settlement of Factoring Contracts	-	524,920	-	524,920	-	-	-	
Collection of Factoring Contract Interest	-	53,094	-	53,094	-	-	-	
Interest	-	577,476	198	577,674	8,090	52	8,142	
Settlement of Gold Loans	-	319,270	-	319,270	-	-	-	
BDO Settlement	-	32,943,663	-	32,943,663	-	-	-	
Other Realizations	-	50,000	-	50,000	-	-	-	
Dividend Income	-	7,711	-	7,711	13,496	-	13,496	
Account Transfers	-	-	(869,764)	(869,764)	-	-	-	
TOTAL CASH RECEIPTS	-	118,077,206	(655,245)	117,421,961	478,323	17,604	495,927	
CASH DISBURSEMENTS								
First Interim Distribution	-	31,463,810	-	31,463,810	-	-	-	
Second Interim Distribution	-	25,271,733	-	25,271,733	-	-	-	
Third Interim Distribution	-	46,867,465	-	46,867,465	-	-	-	
Claimant Paid	-	5,000	-	5,000	-	-	-	
Proposed Distribution	-	12,012,636	-	12,012,636	261,367	-	261,367	
Loan Payment	-	12,130	-	12,130	-	-	-	
Exercising Warrants	-	589,844	-	589,844	-	-	-	
Custodial & Bank Charges	-	347,470	1,044	348,514	1,336	456	1,792	
Trustee and Tax Agent	-	46,496	-	46,496	-	-	-	
HST Paid	-	7,063	-	7,063	-	-	-	
Receiver Fees	-	3,278,590	-	3,278,590	-	-	-	
HST Paid on Receiver Fees	-	426,217	-	426,217	-	-	-	
Legal Fees	-	2,659,690	-	2,659,690	-	-	-	
HST Paid on Legal Fees	-	348,591	-	348,591	-	-	-	
Holdback	-	-	-	500,000	-	-	-	
TOTAL CASH DISBURSEMENTS	500,000	123,401,633	1,044	123,902,677	274,264	456	274,720	
ENDING BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

- 325 For each of the Crystal Wealth Funds, the Receiver has also prepared complete reporting on a Fund-by-Fund basis, which is contained in Appendix 38, detailing the:

- Recorded Value as at April 20, 2017 according to the April 20th Package;
- Monetized Investments and Investment Collections for the period April 20, 2017 to July 2, 2025;
- adjustments related to the Investments; and

- d) Recorded Value as at July 2, 2025. As all On-Book Asset and Off-Book Assets have been realized or determined to be unrealizable as previously discussed in this Sixth Report, all Recorded Values as at July 2, 2025 are zero.

CREDITOR CLAIMS PROCEDURE UPDATE

- 326 As discussed in the First Report, the Receiver was of the view that a Creditor Claims Procedure (as defined in the Creditor Claims Procedure Order) was warranted and would provide a mechanism to determine the amounts of non-investor creditor claims against the Crystal Wealth Group. In terms of the claims of investors of the Crystal Wealth Funds, the June 30th Order and Endorsement ordered that the Receiver may rely on the Unit Holder Listing (as defined in the First Report) to make distributions, without further approval of the Court, of the proceeds obtained from the divestiture of certain assets of the Crystal Wealth Funds to investors of the Crystal Wealth Funds.
- 327 The complete details of the proposed Creditor Claims Procedure are set out in the Creditor Claims Procedure Order to which the Receiver followed each component thereof which included the following:
- a) on June 30, 2017, a copy of the Creditor Claims Procedure Order (together with all schedules) was posted to the Receiver's Case Website;
 - b) on July 5, 2017, the Receiver sent a Claims Package and an instruction letter to each of the Known Creditors via regular mail as well as the Receiver provided a Claims Package to parties that requested same prior to the Claims Bar Date of August 3, 2017 (as such terms are defined in the Creditor Claims Procedure Order);
 - c) on July 10, 2017, a notice of the Creditor Claims Procedure was published in the national edition of *The Globe and Mail*;
- 328 As a result of the claims procedure as specified in the Creditor Claims Procedure Order, as at the Claims Bar Date, 30 persons or entities filed claims totaling \$16,227,134 as follows:

Crystal Wealth Group Schedule of Filed Claims				
Creditor	Amount of Claim	Type of Claim	Claim Subject	Claimed Entity/Individual
Bron Studios Inc.	\$ 11,164,457.00	Unsecured	Loans	Clayton Smith
Clayton Smith	1,094,129.31	Unsecured	Loans	CLJ Everest Ltd.
Bron Animation Inc.	1,087,998.00	Unsecured	Loans	Clayton Smith
BDO Canada LLP ¹	511,101.26	Unsecured	Services	CWMSL and all Funds
CLJ Everest Ltd.	425,689.47	Unsecured	Loans	CWMSL
Tim Johnston	324,387.82	Unsecured	Contractual Compensation	CWMSL
IPC Securities Corp.	298,190.65	Unsecured - Priority	Services	CW Mortgage Strategy
Lee-Ann Smith	225,000.00	Unsecured - Priority	Support	Clayton Smith
Clayton Smith	215,202.13	Unsecured	Loans	CWMSL
IFDS (Canada) Ltd.	183,225.18	Unsecured	Services	CWMSL
Al Housego	171,721.05	Unsecured	Contractual Compensation	CWMSL
NBCN Inc.	124,132.15	Unsecured	Services	CWMSL
Jeffrey Mushaluk	60,000.00	Unsecured	Contractual Compensation	CWMSL
Borden Ladner Gervais	58,865.37	Unsecured	Services	CWMSL, Clayton Smith
Joanne Bentley	53,950.00	Unsecured - Priority	Termination/Severance	Crystal Wealth Group
Shanine Drennill	42,265.00	Secured	Support	Clayton Smith
Edwin Scott Whale	37,485.00	Unsecured - Priority	Deferred Compensation	CWMSL
Sameer Azam	25,497.00	Unsecured - Priority	Contractual Compensation	CWMSL
Lee-Ann Smith	24,915.00	Unsecured - Priority	Support	Clayton Smith
Forward Motion Entertainment Corp.	21,913.39	Unsecured	Services	CW Media Strategy
Edwin Scott Whale	21,702.75	Unsecured - Priority	Contractual Compensation	CWMSL
Xerox Canada Ltd.	17,246.20	Unsecured	Rental	CWMSL
1150752 Ontario Ltd.	11,194.54	Unsecured	Loans	CLJ Everest Ltd.
Jillian Van Osch	9,204.30	Unsecured - Priority	Unpaid Wages	CWMSL
Jillian Van Osch	6,000.00	Unsecured - Priority	Demand Promissory Note	Clayton Smith
Gary Thomas David Allen	4,952.40	Unsecured	Demand Promissory Note	CWMSL
Fundserv Inc.	4,271.52	Unsecured	Services	CWMSL
Burlington Hydro Inc.	1,519.52	Unsecured	Hydro	CWMSL, Clayton Smith
MCM Compliance Solutions Inc.	918.13	Unsecured	Services	CWMSL
City of Burlington ²		Secured	Property Taxes	CLJ Everest Ltd.
Total	\$ 16,227,134.14			
1 - The amount claimed by BDO Canada LLP reflects the amounts claimed in the Initial BDO Claim and does not include the amounts claimed in the Amended BDO Claim discussed below.				
2 - The City of Burlington did not include an amount on their claim.				

329 Such claims are summarized among various Crystal Wealth Group entities as follows:

- a) the Company – nineteen (19) claims totaling \$2,251,071;
- b) Media Fund – one (1) claim for \$21,913;
- c) Mortgage Fund – one (1) claim for \$298,191;
- d) CLJ Everest – three (3) claims totaling \$1,105,324; and
- e) Smith – six (6) claims totaling \$12,550,635.

(collectively, the “**Filed Claims**”).

CLAIMS MADE AGAINST THE COMPANY

330 The Filed Claims relating to the Company were filed by: (i) third party fund administrators, service providers and trade creditors; (ii) former investment advisors independently

contracted by the Company; (iii) former employees of the Company for termination/severance and unpaid wages; and (iv) loans made by mostly parties related to the Company. In light of the Company having no funds available for distribution as per the conclusion at paragraph 336 below, the Receiver has not adjudicated these claims.

- 331 The most recent audited financial statements of the Company were for the year ended December 31, 2015 (the “**December 31, 2015 FS**”). Note 1 of these financial statements states the “Company provides management, trustee and accounting services to the [Crystal Wealth Funds] as well as to individual investors”. Note 5 of these financial statements goes on to say the “Company acts as a manager for the [Crystal Wealth] Funds in accordance with the respective agreements between the Funds and the Company. Under these agreements, the Company is responsible for management services, administration (for which it is reimbursed) and the distribution of securities of the Funds ... Pursuant to the Management Agreement between the Company and the Funds, the Funds are responsible for all expenses relating to the operation and the carrying on of their business, including legal fees and audit fees, interest, taxes, and administration costs relating to the redemption of securities as well as the cost of financial and other reports and compliance with applicable laws, regulations and policies. The Company acts as agent on behalf of the Funds for the ongoing allocation and payment of these expenses. The Company is reimbursed for all reasonable costs, expenses and liabilities incurred for performance of extraordinary services on behalf of the Funds in connection with the discharge by the Company of its management duties”.
- 332 The income statement and balance sheet of the December 31, 2015 FS appears to be consistent with the operations of the Company per Note 1 and Note 5 of such financial statements. In other words, the income statement appears to be a “flow-through” model whereby there are no retained earnings on the balance sheet; in fact, retained earnings are negative. Other than as amounts apparently owing from the Crystal Wealth Funds to the Company, the balance sheet and the books and records of the Company indicate no assets are available for realization in the Company.
- 333 The books and records of the Company contain an excel file containing a balance sheet and an income statement as at April 26, 2017 (the “**April 26, 2017 Excel Book**”). The balance sheet appears to indicate a total amount of \$366,714 owing, comprised to amounts owing from 12 Funds totaling \$265,139 and a category called “Loan to Funds”

totaling \$101,575. The books and records of the Company do not contain any information or support for such amounts being owing. The Revenue Recognition note to the December 31, 2015 FS states that “[m]anagement fees are calculated as a percentage of the net asset value (“NAV”) of the respective funds under management...”.

- 334 For the fiscal years 2014 and 2015, management fees were 90.6% and 92.7%, respectively, of total revenue. The balance of the revenue was comprised of consulting fees, trustee fees, accounting fees and interest. The April 26, 2017 Excel Book indicates management fees of \$617,055 with no other revenue being recorded.
- 335 The Receiver has previously expressed concern regarding the lack of completeness and accuracy of the books and records of the Company. This included the significant overstatement of the NAV of the Crystal Wealth Funds. Accordingly, the Receiver submits that the management fees of \$617,055 are likely overstated, and thus the amounts indicated as owing from the Crystal Wealth Funds are likely overstated as well. The Receiver also believes that, should a complete review of all management fees be undertaken, it would likely reveal that the Crystal Wealth Funds overpaid management fees to the Company due to the fact that the NAVs were overstated.
- 336 In light of the foregoing, the Receiver is of the view that no amounts are owing from the Crystal Wealth Funds. With there being no realizations from the other assets of Company (which were insignificant, other than amounts purportedly owing from two investment advisors totaling \$130,436, which were disputed with merit after the Receiver had demanded on same), the Receiver has concluded that the claims made against the Company will not receive any distribution. This view was taken before consideration of the fees of the Receiver and of its counsel allocable to the receivership proceedings of the Company.

CLAIMS MADE AGAINST SPECIFIC FUNDS

- 337 Two claims were filed against specific Funds: IPC Securities Corp. (“**IPC**”) in the amount of \$298,190.65 as against the Mortgage Fund; and Forward Motion Entertainment Corp. (“**FMEC**”) in the amount of \$21,913.39 as against the Media Fund.
- 338 IPC claimed entitlement to “Trailer Fees” representing compensation from the manager of the Mortgage Fund for ongoing services to the clients of IPC who invested in the Mortgage

Fund. The basis of the “Trailer Fees” was outlined in the Confidential Offering Memorandum of the Mortgage Fund. On October 18, 2021, the Receiver issued to IPC a Notice of Revision or Disallowance of claim which disallowed the entirety of the IPC claim as against the Mortgage Fund. As the Confidential Offering Memorandum of the Mortgage Fund defined manager of the Mortgage Fund to be the Company, the Receiver’s position was that the claim should have been made against the manager of the Mortgage Fund, that being the Company, and not against the Mortgage Fund. The Receiver advised IPC that the receivership of the Company would likely not result in any distributions being made to the creditors of the Company. No further correspondence was received from IPC, and IPC did not deliver a Notice of Dispute. In accordance with paragraph 11 of the Creditor Claims Procedure Order, the claim of IPC as against the Mortgage Fund has been recorded as \$nil.

- 339 FMEC claimed entitlement for services rendered to the Media Fund for the month of April 2017 and the first half of May 2017. On October 18, 2021, the Receiver issued to FMEC a Notice of Revision or Disallowance of claim which only allowed \$5,000 as a valid claim as against the Media Fund. The Receiver believed that the proof of claim of FMEC did not provide adequate support that a legally binding agreement existed between the Media Fund and FMEC. Moreover, after the issuance of the Appointment Order, the Receiver at no time agreed to engage FMEC in any capacity. However, due to the amount of the claim, in order to expedite matters and without admission that any agreement existed between the Media Fund and FMEC, the Receiver was prepared to allow the claim of FMEC in the total amount of \$5,000. Subsequent correspondence ensued between the Receiver and FMEC resulting in FMEC agreeing to the revised claim of \$5,000 as against the Media Fund.

CLAIMS MADE AGAINST CLAYTON SMITH AND CLJ EVEREST LTD.

- 340 The Appointment Order appointed Grant Thornton Limited receiver of Smith and CLJ Everest Ltd. (“CLJ”). At varying times since the appointment of the Receiver over Smith, the Receiver requested, investigated and reviewed the financial position of Smith. To the Receiver’s satisfaction, Smith possesses no material assets for realization for the benefit of the creditors of Smith. Accordingly, there are no funds for distribution to the creditors who filed claims as against Smith.

- 341 CLJ's primary asset was a property located at 5043 Mount Nemo Crescent in Burlington, Ontario ("**Mount Nemo**"). The Third Report detailed the status of Mount Nemo at the date of the Appointment Order, the Receiver's efforts to sell this property, and the Court providing its approval for the sale of Mount Nemo to a third-party purchaser.
- 342 The selling price of Mount Nemo was \$2.1 million. After the repayment of the first third-party mortgage of \$1.4 million, the agent's commission, outstanding property taxes, and costs for insurance, security, maintenance and utilities, the net proceeds were approximately \$75K. After the fees and disbursements of the Receiver and its legal counsel, A&B, no funds will remain for distribution to the creditors who filed claims as against CLJ.

CLAIM OF BDO CANADA LLP

- 343 The Fifth Report detailed the following in relation to the:
- a) Proposed Class Action initiated by an investor (Anthony Whitehouse) in certain Crystal Wealth Funds against BDO;
 - b) Receiver's issuance of a Notice of Action and Statement of Claim against BDO (the "**Receiver's Action**");
 - c) statement of allegations against BDO issued by the Enforcement Branch of the OSC (the "**OSC-BDO Proceedings**"); and
 - d) mediation and settlement of the Receiver's Action and OSC-BDO Proceedings.
- 344 The June 2, 2020 Order approved the settlement agreement entered into between the Receiver and BDO (the "**Settlement Agreement**") regarding the Receiver's Action. The OSC and BDO also settled matters pertaining to the OSC-BDO Proceedings.
- 345 Under the settlement with the OSC, BDO was required to pay an administrative penalty ("**AMP Payment**") to the Receiver, which AMP Payment was ultimately delivered by the OSC to the Receiver in the sum of \$3.5 million for distribution to the unit holders. Under the Settlement Agreement, BDO was required to pay the Receiver total consideration of \$32.5 million, comprised of: (i) a payment by BDO in the sum of \$31,703,662.27; and (ii) authorization by BDO for the Receiver to release \$796,337.73 being held on reserve in

respect of BDO's unpaid fees and legal fees (as such claims were submitted as part of the Creditor Claims Procedure) so that such amounts would be available for distribution to stakeholders.

346 Pursuant to the Creditor Claims Procedure, BDO had filed a proof of claim in the amount of \$511,101.26 representing Audit Fees relating to certain Crystal Wealth Funds.

347 BDO subsequently filed the Amended BDO Claim in the amount of \$180,796,337.73 representing:

- a) the foregoing Audit Fees of \$511,101.26 (the Invoice Claim);
- b) legal fees, and anticipated legal fees, in connection with Blakes' representation of BDO in the OSC-BDO Proceedings in the sum of \$285,327 (Blakes' Fees Indemnity Claim);
- c) the amount (\$175,000,000) claimed against BDO in the Proposed Class Action initiated by Whitehouse (the Class Action Indemnity Claim); and
- d) estimated legal fees of \$5,000,000 in relation to BDO's defence of the Proposed Class Action (the Estimated Defence Fees Indemnity Claim).

348 As is detailed at paragraphs 415 to 418 of the Second Report, rather than embark on a costly and time consuming adversarial process vis-a-vis BDO with respect to Amended BDO Claim, which would have hindered the Receiver's efforts in seeking timely interim distributions to investors, the Receiver secured BDO's agreement to abandon its Class Action Indemnity Claim in its entirety, in exchange for the Receiver's agreement to:

- a) admit the BDO Invoice Claim (\$511,101.26);
- b) admit the Blakes' Fees Indemnity Claim (\$285,237); and
- c) reserve \$1,000,000 on account of BDO's Estimated Defence Fees Indemnity Claim, while reserving the Receiver's right to deny and contest that indemnity claim at a later date.

349 As indicated above, as a term of the Settlement Agreement, BDO: (i) made a payment to the Receiver of \$31,703,662.27; and (ii) provided written authorization for the Receiver to release \$796,337.73 being held on reserve in respect of BDO's unpaid invoices and legal

fees so that such amounts would be available for distribution to stakeholders.

- 350 The proceeds from the BDO Settlement Agreement and AMP Payment were paid to the Receiver and distributed to investors in accordance with the distribution proposed in the Fifth Report, subject to certain holdbacks including the contingent claim filed by BDO, as detailed in the Second Report and amended for the aforementioned \$798,337.73.
- 351 With respect to the Proposed Class Action, the certification of the Proposed Class Action was denied by the Ontario Superior Court of Justice¹² and an appeal was also dismissed by the Divisional Court on April 20, 2021.¹³ By Order of the Ontario Superior Court of Justice issued July 18, 2022, attached as **Appendix “39”**, the Honourable Justice Perell issued an order dismissing the Proposed Class Action with prejudice and without costs.
- 352 By email dated April 23, 2025, counsel for BDO in the Proposed Class Action confirmed with the Receiver’s counsel that BDO’s Estimated Defence Fees Indemnity Claim is not being pursued and can be released by the Receiver on the proposed final distribution.
- 353 Based on the above, the Amended BDO Claim has been resolved in its entirety and a final distribution to investors can occur on the basis that no claims are being made by BDO.

RECEIVERSHIPS OF OTHER RELATED ENTITIES AND PERSONS

- 354 The Appointment Order also appointed GTL as the Receiver of CLJ Everest, 1150752 Ontario Limited, Chrysalis Yoga and Smith.

CLJ EVEREST LTD.

- 355 The matter involving CLJ Everest has been the subject of the Receiver’s previous reports to the Court. More notably, the Third Report and the Third Report Supplement addressed the sale of the Mount Nemo Property and vesting title of this property to the third-party purchaser.
- 356 Attached hereto as **Appendix “40”**, is the Final Statement of Receipts and Disbursements for CLJ Everest which indicates the selling price of the Mount Nemo Property, payment to the mortgagee, real estate commissions and occupation costs. After the fees of the

¹² *Whitehouse v. BDO Canada LLP*, [2020 ONSC 144 \(CanLII\)](#).

¹³ *Whitehouse v. BDO Canada LLP*, [2021 ONSC 2454 \(CanLII\)](#).

Receiver and legal counsel, which includes an allocation of costs related to the entire investigation of the Crystal Wealth Funds (due to CLJ Everest and other companies and individuals being related to and part of the Receivership Proceedings) there are no funds available for distribution to the creditors who filed proof of claims pursuant to the Creditor Claims Procedure, namely Smith and 1150752 Ontario Limited.

1150752 ONTARIO LIMITED

- 357 Upon the issuance of the Appointment Order, the Receiver froze the bank account of 1150752 Ontario Limited, which had a balance of \$221.46. After payment of an amount to the Mortgage Fund held at NBIN for reimbursement of amounts relating to the pre-receivership period, the balance in this bank account was \$0.30.
- 358 Apart from holding shares in 63.5% of the Company, the Receiver is not aware of any other assets of 1150752 Ontario Limited. The Smith Examination confirmed that 1150752 Ontario Limited held no assets.
- 359 With no claims against 1150752 Ontario Limited being filed pursuant to the Creditor Claims Procedure, the Receiver transferred the remaining balance of \$0.30 to the Receiver's trust account for Crystal Wealth Management System Limited.
- 360 In light of the foregoing, the Receiver recommends that the Receivership of 1150752 Ontario Limited should come to an end.

CHRYSLIS YOGA INC.

- 361 The Appointment Order was very specific with respect to the appointment of the Receiver in that the Receiver was appointed only over a specific bank account of Chrysalis Yoga held at the Bank of Nova Scotia.
- 362 Subsequent to the issuance of the Appointment Order, the Receiver corresponded with the Bank of Nova Scotia and obtained the bank statements of the subject account since November 2017, which indicated a balance of \$43,996.51 as at April 28, 2017. A review of these bank statements indicated nothing material of concern.
- 363 The balance in the subject bank account is \$43,307.80 as at July 8, 2025, which is essentially the balance in the account at the outset of the Receivership Proceedings less

bank charges. In light of the foregoing, the Receiver suggests that the freeze on the subject account be lifted and that Chrysalis Yoga be entitled to use the entirety of the funds in this account.

- 364 The Receiver has made inquiries which indicated that the principal of Chrysalis Yoga (who is not Smith) continues to operate the yoga studio under the same legal name as at the commencement of these Receivership Proceedings.

CLAYTON SMITH

- 365 Upon the issuance of the Appointment Order, the Receiver froze the bank account of Clayton Smith and an account under the name of Smith, Clayton Edward and Lee Anne #2, which had balances of \$16,778.50 and \$280.30, respectively. After payment of amounts to the Mortgage Fund held at NBIN for reimbursement of amounts relating to the pre-receivership period, the balances in these bank accounts were \$25.90 and \$0.38, respectively. Due to the immateriality of such amounts, the Receiver transferred both of these remaining balances to the Receiver's trust account for Crystal Wealth Management System Limited.
- 366 At the request of the Receiver, Smith provided sworn Statutory Declarations on August 24, 2017 and July 13, 2018. Both of these Statutory Declarations indicated minimal unencumbered assets and significant liabilities.
- 367 On January 25, 2017, the Receiver conducted the Smith Examination, at which Smith provided testimony under oath regarding his personal affairs that was consistent with his Statutory Declarations.
- 368 In light of the foregoing, the Receiver recommends that the Receivership of Smith should come to an end.

RECEIPTS AND DISBURSEMENTS OF THE RECEIVERSHIP

- 369 The Receiver's Final Statement of Receipts and Disbursements for the period April 26, 2017 to July 2, 2025, which outlines the cash balances of the Company and the Crystal Wealth Funds, is set out at paragraph 324 and Appendix 38 above.

OTHER ACTIVITIES OF THE RECEIVER SINCE THE FIFTH REPORT

370 Upon its appointment, the Receiver took immediate steps to secure and preserve the Property of the Crystal Wealth Group, communicate with stakeholders, and deal with other operational and administrative tasks. The Receiver has conducted the following key activities in relation to its appointment since the date of the Fifth Report:

- a) Corresponded or met with borrowers and debtors of the Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors and entered into settlement negotiations for amounts owing or commenced litigation or bankruptcy proceedings, as considered appropriate;
- b) conducted meetings and correspondence with certain third-parties, borrowers/debtors and their legal counsel, as appropriate;
- c) corresponded and held numerous discussions with the Receiver's counsel concerning enforcement and recovery initiatives;
- d) corresponded with the trustees of the various entities subject to bankruptcy proceedings;
- e) attended to various requests for mortgage discharges relating to the mortgage portfolios;
- f) corresponded and held a number of discussions with NBIN on various fund administration matters related to the Crystal Wealth Funds;
- g) collected monthly payments and funds held by third-parties administering certain Crystal Wealth Funds and/or their assets;
- h) prepared the financial statements for various taxation years for each of the Crystal Wealth Funds and compiled the supporting information for same;
- i) prepared the necessary taxation reporting and filings for each of the Crystal Wealth Funds;
- j) issued tax receipts to investors, and engaged SS&C Fund Administration Company in connection with same;

- k) responded to numerous calls and emails from Crystal Wealth Group investors and other stakeholders and distributed various general Notices to Investors;
- l) maintained a listing of investors with holdings, accounts, and contact information including email addresses; and
- m) maintained various trust accounts of the Receiver regarding the Company, the Crystal Wealth Funds and other entities subject to the Appointment Order; and
- n) maintained a public website for the Receivership Proceedings in accordance with the Commercial List E-Service Protocol.

RECEIVER'S FEES AND DISBURSEMENTS

- 371 Pursuant to paragraph 23 of the Appointment Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Appointment Order. Pursuant to paragraph 24 of the Appointment Order, the Receiver and its counsel shall pass their accounts.
- 372 The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court for the period beginning March 1, 2020 and ending June 20, 2025. The Receiver and its counsel have maintained detailed records of their professional time and costs.
- 373 The total fees for the Receiver for the period March 1, 2020 to June 20, 2025, were \$1,312,935.03, plus disbursements of \$599.31, plus HST of \$170,759.43, for a total of \$1,484,293.77. The time spent by the Receiver is more particularly described in the Affidavit of Bruce Bando sworn June 25, 2025 (the "**Bando Affidavit**"), which is attached hereto as **Appendix "41"** and contains copies of invoices that set out the services provided during this time period.
- 374 The total fees of A&B, as counsel to the Receiver, for the period of March 1, 2020 to June 20, 2025, were \$625,731.50, plus disbursements of \$15,424.88, plus HST of \$82,056.04, for a total of \$723,212.42. The time spent by A&B is more particularly described in the Affidavit of Dillon Collett sworn July 3, 2025 (the "**Collett Affidavit**"), which is attached as

Appendix “42” and contains, among other things, copies of invoices that set out the services provided during this period of time.

- 375 It is the Receiver’s opinion that the fees and disbursements of the Receiver and A&B accurately reflect the work done by the Receiver and on behalf of the Receiver by A&B in connection with the receivership and the administration of the Property of the Crystal Wealth Group from March 1, 2020 to June 20, 2025.
- 376 It is the Receiver’s opinion that the fees and disbursements of A&B are fair and reasonable and justified in the circumstances. The Receiver recommends approval of A&B’s accounts by this Honourable Court.
- 377 The fees and disbursements of the Receiver and A&B to complete the administration of the Receivership Proceedings are estimated to be \$500,000 (HST included) as set forth on the Receiver’s Final Statement of Receipts and Disbursements (the “**Fee Accrual**”) and as more described in the Remaining Duties as defined in the section below. It is the Receiver’s opinion that the Fee Accrual accurately reflects the work to be completed by the Receiver and A&B and are reasonable and justified in the circumstances. The Receiver requests that the Court approve the Fee Accrual.

ACTIONS REQUIRED PRIOR TO DISCHARGE

- 378 The Receiver has substantially completed its duties as set out in the Appointment Order and other Orders of the Court made in these Receivership Proceedings, except for the following outstanding matters (the “**Remaining Duties**”):
- a) issuing the final distribution to the investors of the Crystal Wealth Funds as discussed herein and tending to inquiries from the various custodians of investor accounts;
 - b) issuing relevant income tax slips to the investors following the issuance of the final distribution;
 - c) preparing and filing all relevant income tax returns for each of the Crystal Wealth Funds;
 - d) finalizing all banking matters relating to the Receiver’s trust accounts and all custodial arrangements with NBIN;

- e) attending to inspector responsibilities as required by the Bowra Group Inc. in relation to the seven bankruptcies initiated by the Receiver as discussed in this Sixth Report;
- f) completing other administrative matters incidental to GTL's appointment as Receiver; and
- g) filing of the Receiver's certificate of discharge.

379 The Receiver is of the view that it is appropriate at this time to seek an order of this Court discharging the Receiver, subject to the Receiver filing a certificate (the "**Certificate**") with this Court confirming that the Remaining Duties have been completed, and that doing so will benefit stakeholders by avoiding additional costs in these Receivership Proceedings.

380 To the extent any remaining funds following the final distribution become available to distribute to investors as part of the Receiver's completion of the Remaining Duties, the Receiver is seeking court authorization to apply the same methodology as described in this Sixth Report for any further distribution to investors.

381 As a term of the requested Distribution and Discharge Order, the Receiver is also seeking a release from the Court in respect of any and all claims and obligations as a result of Grant Thornton acting in its capacity as Receiver, excepting those claims and obligations arising as a result of gross negligence or wilful misconduct.

CONCLUSION

382 For the reasons set out in this Sixth Report, the Receiver respectfully requests the relief and approval requested in the Receiver's Notice of Motion dated July 23, 2025.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 23rd day of July, 2025.

**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**

Per: 
Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 1



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e étage
20, rue queen ouest
Toronto ON M5H 3S8

**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, c. S.5, AS AMENDED**

- and -

**IN THE MATTER OF
CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED**

**TEMPORARY ORDER
(Subsections 127(1) and 127(5))**

WHEREAS:

1. it appears to the Ontario Securities Commission (the “Commission”) that:
 - a. Crystal Wealth Management System Limited (“Crystal Wealth”) is a Burlington-based Ontario corporation, registered in the categories of Exempt Market Dealer (“EMD”), Investment Fund Manager (“IFM”), Portfolio Manager (“PM”) and Commodity Trading Manager;
 - b. Crystal Wealth is the trustee, IFM, PM and promoter, and for some funds is also the commodity trading manager, for the following 15 investment funds, which are structured as open-ended mutual fund trusts:

Crystal Wealth Media Strategy

Crystal Wealth Mortgage Strategy

Crystal Enlightened Resource & Precious Metal 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

(collectively with any other investment funds managed or advised by Crystal Wealth, the “Crystal Wealth Funds”);

- c. Clayton Smith (“Smith”) is an Ontario resident and is the sole officer and director of Crystal Wealth. Smith is registered in Ontario as a dealing representative, an advising representative in the category of PM, an advising representative in the category of Commodity Trading Manager, and as Crystal Wealth’s Chief Compliance Officer (“CCO”) and Ultimate Designated Person (“UDP”);
- d. CLJ Everest Ltd, (“CLJ Everest”) is an Ontario company, with a registered office in Burlington. Smith is the sole officer and director of CLJ Everest. CLJ Everest holds 28.26% of Crystal Wealth’s shares and 100% of the shares of 1150752 Ontario Limited (“115 Limited”);
- e. 115 Limited holds 63.5% of Crystal Wealth’s outstanding shares;
- f. Smith and Crystal Wealth (collectively, the “Respondents”) may have participated in a course of conduct relating to securities that they knew or reasonably ought to have known perpetrated a fraud contrary to subsection 126.1(1)(b) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”); failed to act fairly, honestly and in good faith with clients, contrary to section 2.1 of Rule 31-505 – *Conditions of Registration*; and failed to comply with the standard of care expected of an IFM under section 116 of the Act;
- g. Crystal Wealth may have failed to comply with the Funds’ obligations to deliver the Funds’ audited financial statements for the calendar year ending December 31,

2016, according to sections 2.1, 2.2 and 2.11 of National Instrument 81-106 – *Investment Fund Continuous Disclosure*;

- h. Crystal Wealth may have failed to comply with its obligations to file its audited financial statements in compliance with subsection 21.10(3) of the Act and sections 12.10(2), 12.12, 12.13 and 12.14 of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registration Obligations*;
 - i. Crystal Wealth and Smith may have acted contrary to the public interest.
 - j. Smith may have authorized, permitted or acquiesced in Crystal Wealth's contraventions of the Act and if so, may be deemed to have failed to comply with Ontario securities law pursuant to section 129.2 of the Act;
 - k. Staff are conducting an investigation into the conduct described above;
- 2. the Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest as set out in subsection 127(5) of the Act;
 - 3. the Commission is of the opinion that it is in the public interest to make this Order;
 - 4. by Authorization Order made March 24, 2017, pursuant to subsection 3.5(3) of the Act, each of Maureen Jensen, Monica Kowal, D. Grant Vingoe, Philip Anisman, Robert P. Hutchison, Janet Leiper, Timothy Moseley, and Mark J. Sandler, acting alone, is authorized to make orders under section 127 of the Act.

IT IS ORDERED pursuant to section 127 of the Act that:

- 1. pursuant to paragraphs 2 and 2.1 of subsection 127(1), all trading, including redemptions and distributions, or acquisitions of the securities of Crystal Wealth Funds shall cease;
- 2. pursuant to paragraphs 2 and 2.1 of subsection 127(1) all trading in securities held by the Crystal Wealth Funds, or the acquisition of securities by Crystal Wealth on behalf of the Crystal Wealth Funds shall cease;

3. pursuant to paragraphs 2 and 2.1 of subsection 127(1), the trading in or the acquisition of any securities or derivatives by Smith, CLJ Everest and 115 Limited shall cease;
4. pursuant to subsection 127(2), as an exception to the prohibition on trading securities and derivatives in paragraphs 2 and 3 above, Crystal Wealth in its capacity as portfolio manager for the Funds may, and Clayton Smith in his capacity as advising representative may, if in compliance with Ontario securities law, place orders to sell securities and derivatives already held as of the date of this temporary order by the Crystal Wealth Funds, provided that the sales occur through the facilities of a recognized exchange and all proceeds of such sales remain in the account of the respective Crystal Wealth Fund for which the order was placed until further order of the Commission;
5. pursuant to subsection 127(2), as an exception to the prohibition on trading securities and derivatives in paragraphs 2 and 3 above, Smith in his capacity as advising representative may, if in compliance with Ontario securities law, place orders to sell securities and derivatives already held by clients in discretionary accounts for which Crystal Wealth is the portfolio manager (the “Managed Accounts”), provided that the sales occur through the facilities of a recognized exchange;
6. pursuant to subsection 127(2), the following terms and conditions apply to the registration of Crystal Wealth as an exempt market dealer:
 - a. Crystal Wealth and any dealing representatives shall not accept any new money for investment from any existing clients, and shall not accept any new clients or open any new client accounts of any kind;
7. pursuant to subsection 127(2), the following terms and conditions apply to the registration of Crystal Wealth as a portfolio manager and investment fund manager:
 - a. Crystal Wealth’s activities as a portfolio manager and investment fund manager shall be applied exclusively to the Managed Accounts and to the Crystal Wealth Funds, subject to the restrictions on trading set out in paragraph 2 and the exception in paragraph 4;

- b. Crystal Wealth and any advising representatives shall not accept any new money for investment from any existing clients, shall not accept any new clients or open any new client accounts of any kind;
8. pursuant to subsection 127(6) of the Act, this Order shall take effect immediately and shall expire on the 15th day after its making unless extended by the Commission.

DATED at Toronto, this 7th day of April, 2017.

“Maureen Jensen”



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e étage
20, rue queen ouest
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**IN THE MATTER OF
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 METAL 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 and
CRYSTAL WEALTH RETIREMENT ONE FUND**

Janet Leiper, Commissioner

October 2, 2017

ORDER

(Subsection 127(8) of the *Securities Act*, RSO 1990, c S.5)

WHEREAS on October 2, 2017, the Ontario Securities Commission (the **Commission**) held a hearing at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario, with respect to an application by Staff of the Commission (**Staff**) to extend the temporary cease trade order initially issued on April 6, 2017, amended on April 7, 2017, and extended on April 13, 2017 and April 28, 2017 (the **Temporary Order**);

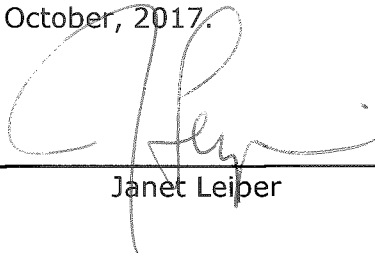
ON READING the materials filed by Staff, the consent email dated September 21, 2017 from counsel for the Receiver, Grant Thornton Limited which was appointed by order of the Ontario Superior Court of Justice (Commercial List) pursuant to section 129 of the *Securities Act*, RSO 1990, c S.5 (the **Act**) on April 26, 2017 (the **Receiver**), and the email of Clayton Smith (**Smith**), dated September 23, 2017 stating that Smith does not consent to the extension of the Temporary Order, and on considering the oral submissions of Staff, appearing in person, and no one appearing for the Receiver and no one appearing for Smith although properly served;

IT IS ORDERED that:

1. pursuant to subsection 127(8) of the Act, the Temporary Order is extended until April 10, 2018, or until further order of the Commission, without prejudice to the right of any of the parties to seek to vary the Temporary Order on application to the Commission, with the following modifications:

- a. the portions of paragraphs 4 and 5 of the order dated April 7, 2017, referring to Smith in his capacity as advising representative are struck, given that Smith is no longer acting in the capacity of an advising representative at Crystal Wealth Management System Limited, as his registration was automatically suspended when he was terminated by the Receiver; and
2. the hearing of this matter is adjourned until April 9, 2018 at 10:00 a.m. or such other date and time as provided by the Office of the Secretary and agreed to by the parties.

DATED at Toronto, this 2nd October, 2017.

A handwritten signature in dark ink, appearing to read 'Janet Leiper', is written over a solid horizontal line.

Janet Leiper



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
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**IN THE MATTER OF
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 METAL 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 and
CRYSTAL WEALTH RETIREMENT ONE FUND**

Janet Leiper, Commissioner and Chair of the Panel

April 9, 2018

ORDER
(Subsection 127(8) of the *Securities Act*, RSO 1990, c S.5)

WHEREAS on April 9, 2018, the Ontario Securities Commission (the “Commission”) held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, with respect to a motion by Staff (“Staff”) of the Commission to extend the temporary order issued on April 6, 2017, amended on April 7, 2017, and extended on April 13, 2017, April 28, 2017 and October 2, 2017 (the “Temporary Order”);

ON READING the materials filed by Staff, including the consent email dated March 28, 2018 from counsel for the receiver, Grant Thornton Limited, which was appointed by order of the Ontario Superior Court of Justice (Commercial List) pursuant to section 129 of the *Securities Act*, RSO 1990, c S.5 (the "Act") on April 26, 2017 (the "Receiver"), and the consent email dated March 27, 2018 from Clayton Smith ("Smith"), and on considering the oral submissions of Staff, appearing in person, and no one appearing for the Receiver or Smith;

IT IS ORDERED THAT:

1. pursuant to subsection 127(8) of the Act, the Temporary Order is extended until July 5, 2018, or until further order of the Commission, without prejudice to the right of any of the parties to seek to vary the Temporary Order on application to the Commission; and
2. the hearing of this matter is adjourned until July 4, 2018 at 10:00 a.m. or such other date and time as provided by the Office of the Secretary and agreed to by the parties.

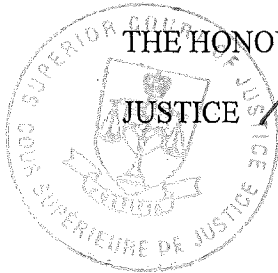


Janet Lelper

APPENDIX 2

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**



THE HONOURABLE

JUSTICE

NEWBOLD

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WEDNESDAY, THE 26th DAY

OF APRIL, 2017

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
(Appointing Receiver)

THIS APPLICATION made by the Ontario Securities Commission (the “**Commission**”) for an Order pursuant to section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “*Securities Act*”) appointing Grant Thornton Limited (“**GTL**”) as: (i) receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 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**”), and of all contents, including funds, contained in the Chrysalis Account, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the application record of the Commission, including the affidavit of Marcel Tillie sworn April 17, 2017 and the exhibits thereto, the affidavit of Michael Ho sworn April 17, 2017 and the exhibits thereto, the supplementary affidavit of Michael Ho sworn April 24, 2017 and the exhibits thereto, the affidavit of David Adler sworn April 24, 2017 and the exhibits thereto, the consent of GTL to act as the Receiver, and the factum and brief of authorities of the Commission, and on hearing the submissions of counsel for the Commission, counsel for the Crystal Wealth Group, and counsel for Chrysalis Yoga,

CONSOLIDATION

1. **THIS COURT ORDERS** that the application to extend Freeze Directions commenced by the Commission by way of a notice of application issued through this Honourable Court on April 18, 2017 (Court File No. CV-17-11769-00CL) is hereby consolidated with the within application and that they proceed as one application identified by Court File No. CV-17-11779-00CL.

SERVICE

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

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to section 129 of the *Securities Act*, GTL is hereby appointed Receiver, without security, of:

- (a) all of the present and future assets, undertakings and properties of the Crystal Wealth Group of every nature and kind whatsoever, whether in the possession or under the control of the Crystal Wealth Group or any other Person (as defined herein) and wherever situate including all proceeds thereof (the “**Property**”), including, without limitation, cash, deposit instruments, securities or other property held by the Crystal Wealth Group on behalf of or in trust for any other person or entity and the funds, securities, or other property frozen by Freeze Directions issued by the Commission on April 6 and 7, 2017 which are attached hereto as Schedule “**A**”; and
- (b) as the Receiver of the Chrysalis Account, and of all contents, including funds, contained in the Chrysalis Account (hereinafter included in all references to the Property).

4. **THIS COURT ORDERS** that all institutions holding funds on deposit to the credit of the Crystal Wealth Group, or any of them, including the institutions which are the subject of the Freeze Directions attached hereto as Schedule “**A**”, are directed to pay all such funds to the Receiver or as the Receiver may otherwise direct in writing.

5. **THIS COURT ORDERS** that the the Freeze Directions issued by the Commission on April 6, 2017 with respect to Chrysalis Yoga, copies of which are attached hereto as Schedule “**B**”, shall continue until further order of this Court, with the exception:

- (a) that the funds contained in the Chrysalis Account shall be paid by Bank of Nova Scotia to the Receiver or as the Receiver may otherwise direct in writing, and that the Receiver shall have unrestricted access to the Chrysalis Account and records in connection therewith; and

(b) Chrysalis Yoga shall be permitted to use a bank account opened by Chrysalis Yoga at the Canadian Imperial Bank of Commerce, account no. 05162 010 59 37914 (the "**Chrysalis Yoga CIBC Account**"), for the sole purpose of operating Chrysalis Yoga's yoga studio business, provided that:

- ~~(i) the sole sources of the funds deposited into the Chrysalis Yoga CIBC Account shall be: (i) the parents of Shanine Lee Dennill; or (ii) clients of the yoga studio operated by Chrysalis Yoga, and not, directly or indirectly, from the Respondent Clayton Smith ("**Smith**") and entities connected with or related to Smith as further particularized in sub-paragraph 5(b)(ii) below;~~
- (ii) the Chrysalis Yoga CIBC Account shall not be used in any manner by, and the funds contained therein shall not be received from or distributed to, directly or indirectly, Smith or persons or entities connected with or related to Smith, including, without limitation: (i) the Crystal Wealth Group; (ii) any investment funds managed by Crystal Wealth Management System Limited; or (iii) any other company associated with Smith; and
- (iii) copies of monthly bank statements for the Chrysalis Yoga CIBC Account shall forthwith be provided on a monthly basis by Chrysalis Yoga to Staff of the Ontario Securities Commission ("**Staff**"), until such time as Staff revokes or varies this requirement in writing, or the Ontario Securities Commission or Ontario Superior Court of Justice (Commercial List) orders otherwise.

RECEIVER'S POWERS

6. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality

of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Crystal Wealth Group, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Crystal Wealth Group;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, legal counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Crystal Wealth Group or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Crystal Wealth Group and to exercise all remedies of the Crystal Wealth Group in collecting such monies, including, without limitation, to enforce any security held by the Crystal Wealth Group;

- (g) to settle, extend or compromise any indebtedness owing to the Crystal Wealth Group;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Crystal Wealth Group, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Crystal Wealth Group, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business as follows:
 - (i) without the approval of this Court, liquidating any exchange traded securities and derivatives held by the Respondents, 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 (collectively, the **"Crystal Wealth Funds"**), Crystal Wealth Management System Limited (**"Crystal Wealth"**), CLJ Everest Ltd. (**"CLJ Everest"**), and 1150752 Ontario Limited (**"115"**), within 60 days of the Receiver's appointment, or within such longer period of time as the Receiver deems advisable;

- (ii) without the approval of this Court, selling, conveying, transferring, leasing, or assigning any other Property of the Crystal Wealth Funds, including without limitation illiquid assets such as film loans, mortgages, medical receivables, factoring receivables, or any other illiquid assets, regardless of the purchase price or aggregate purchase price of such transactions;
- (iii) without the approval of this Court, selling, conveying, transferring, leasing, or assigning any other Property of Crystal Wealth, CLJ Everest, and 115 in which the consideration for the transaction does not exceed \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000;
- (iv) with the approval of this Court, selling, conveying, transferring, leasing, or assigning any other Property of Crystal Wealth, CLJ Everest, and 115 in which the consideration for the transaction or the aggregate consideration for all such transactions exceeds \$250,000 or \$1,000,000, respectively; and
- (v) with the approval of this Court, selling, conveying, transferring, leasing, or assigning any Property of the Respondent, Clayton Smith;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with any person or entity deemed necessary or advisable by the Receiver on all matters as the Receiver deems appropriate relating to the Property, the affairs of the Crystal Wealth Group, and the receivership, and to share information with such persons and entities, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental or regulatory authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Crystal Wealth Group;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Crystal Wealth Group, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Crystal Wealth Group;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Crystal Wealth Group may have;
- (r) without limiting the generality of clause 6(m) above, to share information, meet with and discuss with any regulatory bodies and their advisors, including without limitation the Commission and any other regulatory

authorities as the Receiver deems appropriate on all matters relating to the Property, the affairs of the Crystal Wealth Group, and the receivership of the Crystal Wealth Group, subject to such terms as to confidentiality as the Receiver deems advisable, including, without limitation, the Communications Protocol attached as Schedule "C" hereto;

- (s) to examine under oath any person the Receiver reasonably considers to have knowledge of the affairs of the Crystal Wealth Group, including, without limitation, any present or former director, officer, employee or person registered or previously registered with the Commission or subject to or formerly subject to the jurisdiction of the Commission or any other regulatory body respecting the Property and affairs of the Crystal Wealth Group;
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations; and
- (u) and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Crystal Wealth Group, and without interference from any other Person.

7. **THIS COURT ORDERS** that the Receiver may engage as its legal counsel Aird & Berlis LLP, notwithstanding that Aird & Berlis LLP has had an advisory role with respect to the Commission.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

8. **THIS COURT ORDERS** that (i) the Respondents, (ii) all of their current and former directors, officers, employees, persons registered or previously registered or subject or formerly subject to the jurisdiction of the Commission or any other regulatory body, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a

"Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

9. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not required, to take possession and control of any monies, funds, deposit instruments or securities held by or in the name of the Crystal Wealth Group, or any of them, or by a third party for the benefit of the Crystal Wealth Group, or any of them, including without limitation the monies, funds, deposit instruments, or securities held in the accounts listed on the attached Schedule "D".

10. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondents, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 10 or in paragraph 11 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure, and that, without limiting the generality of subparagraph 6(r) or this paragraph 10 of this Order, the process for the Commission's review of information that may include documents over which privilege may be claimed, which process is attached as Schedule "E" hereto, is hereby approved.

11. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the

information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

12. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

13. **THIS COURT ORDERS** that no proceeding or enforcement process in any court, tribunal, regulatory or administrative body (each, a "**Proceeding**") shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE CRYSTAL WEALTH GROUP OR THE PROPERTY

14. **THIS COURT ORDERS** that no Proceeding against or in respect of the Crystal Wealth Group or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Crystal Wealth Group or the Property are hereby stayed and suspended pending further Order of this Court, provided that nothing herein shall prevent the commencement or continuation of any investigation or proceedings against the Respondents or any of them by or

before any regulatory body including, without limitation, the Commission or the Enforcement Staff of the Ontario Securities Commission.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that all rights and remedies against the Crystal Wealth Group, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and further provided that nothing in this paragraph shall: (i) empower the Receiver or the Crystal Wealth Group to carry on any business which the Crystal Wealth Group is not lawfully entitled to carry on; (ii) exempt the Receiver or the Crystal Wealth Group from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

16. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Crystal Wealth Group, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

17. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Crystal Wealth Group or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Crystal Wealth Group are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Crystal Wealth Group's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in

accordance with normal payment practices of the Crystal Wealth Group or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

18. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

19. **THIS COURT ORDERS** that all employees of the Crystal Wealth Group shall remain the employees of the Crystal Wealth Group until such time as the Receiver, on the Crystal Wealth Group's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay.

PIPEDA

20. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* and any other applicable privacy legislation, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such

information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Crystal Wealth Group, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

21. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act*, and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

22. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by any applicable legislation.

RECEIVER'S ACCOUNTS

23. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person.

24. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

25. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

26. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.

27. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

28. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "F" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

29. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

30. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in these proceedings, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure (the "**Rules**"). Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL; www.granthornton.ca/crystalwealth.

31. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, and any notices or other correspondence, by forwarding a notice with a link to the Case Website to the Crystal Wealth Group's creditors or other interested parties by email, facsimile transmission, or ordinary mail to their respective addresses as last shown on the records of the Crystal Wealth Group, or as otherwise ordered by the Court, and that any such service or distribution by email, facsimile transmission, or ordinary

mail shall be deemed to be received on the next business day following the date of sending thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

32. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

33. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Crystal Wealth Group.

34. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

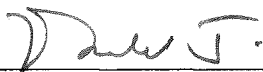
35. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

36. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than thirty (30) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 26 2017

PER / PAR:



SCHEDULE "A"
FREEZE DIRECTIONS - CRYSTAL WEALTH GROUP

See attached.



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22^e étage
20, rue queen ouest
Toronto ON M5H 3S8

Phone: 416-263-7653
Fax: 416-593-2319

Web site: www.osc.gov.on.ca

**IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED**

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

**FREEZE DIRECTION
(Subsection 126(1))**

TO: CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED
192 Plains Road East
Burlington, Ontario
L7T 2C3

C/O: CLAYTON SMITH
192 Plains Road East
Burlington, Ontario
L7T 2C3

RE: Accounts at NBCN Inc., Royal Bank of Canada, The Toronto Dominion Bank and
Interactive Brokers Canada Inc.

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act") you are directed to refrain from withdrawing any funds, securities or property from the institutions listed in Schedule "A" to this Freeze Direction including from, but not limited to, the accounts listed in Schedule "A" to this Freeze Direction until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

TAKE NOTICE THAT pursuant to subsection 126(1) of the Act you are directed to maintain funds, securities or property, and you are directed to refrain from disposing of, transferring,

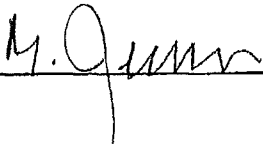
dissipating or otherwise dealing with or diminishing the value of those funds, securities or property until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise, except that Crystal Wealth may dispose of securities and derivatives already held in Brokerage Accounts identified on Schedule "A" as at the date of the Directions on behalf of one or more of the following funds:

- Crystal Wealth Media Strategy (the "Media Fund")
- Crystal Wealth Mortgage Strategy (the "Mortgage Fund")
- Crystal Enlightened Resource & Precious Metal Fund (the "Enlightened Resource Fund")
- Crystal Wealth Medical Strategy (the "Medical Fund")
- Crystal Wealth Enlightened Factoring Strategy (the "Factoring Fund")
- ACM Growth Fund
- ACM Income Fund
- Crystal Wealth High Yield Mortgage Strategy (the "High Yield Mortgage Fund")
- Crystal Enlightened Bullion Fund (the "Enlightened Bullion Fund")
- Absolute Sustainable Dividend Fund (the "Sustainable Dividend Fund")
- Absolute Sustainable Property Fund (the "Sustainable Property Fund")
- Crystal Wealth Enlightened Hedge Fund (the "Enlightened Hedge Fund")
- Crystal Wealth Infrastructure Strategy (the "Infrastructure Fund")
- Crystal Wealth Conscious Capital Strategy (the "Conscious Capital Fund")
- Crystal Wealth Retirement One Fund (the "Retirement Fund")

(collectively the "Funds"),

provided that any disposition of securities on behalf of the Funds occurs through the facilities of a recognized exchange and all proceeds of such sales are maintained in the account of the Fund on whose behalf the trade is executed.

DATED at Toronto this 6th day of April, 2017.



SCHEDULE "A" TO FREEZE DIRECTION

Institution	Account Name	Account Number
NBCN Inc.	Crystal Wealth Management System Limited	27Q000A
NBCN Inc.	Crystal Wealth Management System Limited	27QCNA
NBCN Inc.	Crystal Wealth Management System Limited	27QTAA
NBCN Inc.	Crystal Wealth Management System Limited	27QAABC
NBCN Inc.	Crystal Wealth Management System Limited	27QCNCA
Royal Bank of Canada	Crystal Wealth Management System Limited	00002 1304211
Royal Bank of Canada	Crystal Wealth Management System Limited	00002 1304260
The Toronto Dominion Bank	Crystal Wealth Management System Limited	5004279-0122
Interactive Brokers Canada Inc.	Crystal Wealth Management System Limited	F4795511
The Toronto Dominion Bank	Crystal Wealth Mortgage Strategy	5266530-0125
Interactive Brokers Canada Inc.	ACM Growth Fund	U1446894
Interactive Brokers Canada Inc.	Crystal Wealth Strategic Yield Media Fund	U4657920
Interactive Brokers Canada Inc.	Crystal Wealth Medical Income Fund	U4895282
Interactive Brokers Canada Inc.	Crystal Enlightened Resource and Precious Metals Fund	U4804316

Institution	Account Name	Account Number
NBCN Inc.	Crystal Wealth Media Strategy	27Q003E
NBCN Inc.	Crystal Wealth Media Strategy	27Q003F
NBCN Inc.	Crystal Wealth Mortgage Strategy	27Q050E
NBCN Inc.	Crystal Wealth Mortgage Strategy	27Q050F
NBCN Inc.	Crystal Enlightened Resource & Precious Metal Fund	27Q070E
NBCN Inc.	Crystal Enlightened Resource & Precious Metal Fund	27Q070F
NBCN Inc.	Crystal Wealth Medical Strategy	27Q080E
NBCN Inc.	Crystal Wealth Medical Strategy	27Q080F
NBCN Inc.	Crystal Wealth Enlightened Factoring Strategy	27Q090E
NBCN Inc.	Crystal Wealth Enlightened Factoring Strategy	27Q090F
NBCN Inc.	ACM Growth Fund	27QA23E
NBCN Inc.	ACM Growth Fund	27QA23F
NBCN Inc.	ACM Income Fund	27QA24E
NBCN Inc.	ACM Income Fund	27QA24F
NBCN Inc.	Crystal Wealth High Yield Mortgage Strategy	27QB26E
NBCN Inc.	Crystal Wealth High Yield Mortgage Strategy	27QB26F

Institution	Account Name	Account Number
NBCN Inc.	Crystal Enlightened Bullion Fund	27QC25E
NBCN Inc.	Crystal Enlightened Bullion Fund	27QC25F
NBCN Inc.	Absolute Sustainable Dividend Fund	27QD93A
NBCN Inc.	Absolute Sustainable Dividend Fund	27QD93B
NBCN Inc.	Absolute Sustainable Property Fund	27QD94A
NBCN Inc.	Absolute Sustainable Property Fund	27QD94B
NBCN Inc.	Crystal Wealth Enlightened Hedge Fund	27QF14E
NBCN Inc.	Crystal Wealth Enlightened Hedge Fund	27QF14F
NBCN Inc.	Crystal Wealth Infrastructure Strategy	27QG01E
NBCN Inc.	Crystal Wealth Infrastructure Strategy	27QG01F
NBCN Inc.	Crystal Wealth Conscious Capital Strategy	27QH93E
NBCN Inc.	Crystal Wealth Conscious Capital Strategy	27QH93F
NBCN Inc.	Crystal Wealth Retirement Retirement One Fund	27QB27E
NBCN Inc.	Crystal Wealth Retirement Retirement One Fund	27QB27F



Ontario
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Commission des
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de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22^e étage
20, rue queen ouest
Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: CLAYTON SMITH
5043 Mount Nemo Crescent
Burlington, Ontario
L7M 0T7

RE: Accounts at The Toronto Dominion Bank

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act") you are directed to refrain from withdrawing any funds, securities or property from the institutions listed in Schedule "A" to this Freeze Direction including from, but not limited to, the accounts listed in Schedule "A" to this Freeze Direction until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

TAKE NOTICE THAT pursuant to subsection 126(1) of the Act you are directed to maintain funds, securities or property, and you are directed to refrain from disposing of, transferring, dissipating or otherwise dealing with or diminishing the value of those funds, securities or property until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

DATED at Toronto this 6th day of April, 2017.

SCHEDULE "A" TO FREEZE DIRECTION

Institution	Account Name	Account Number
The Toronto Dominion Bank	Clayton Edward Smith	6045439-2228
The Toronto Dominion Bank	Clayton Edward Smith and Lee Ann Smith	0523771-0122



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Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: CLJ EVEREST LTD.
5043 Mount Nemo Crescent
Burlington, Ontario
L7M 0T7

C/O: CLAYTON SMITH
5043 Mount Nemo Crescent
Burlington, Ontario
L7M 0T7

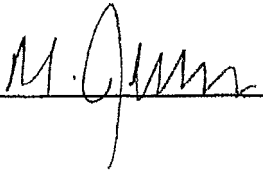
RE: Accounts at The Toronto Dominion Bank

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act") you are directed to refrain from withdrawing any funds, securities or property from the institutions listed in Schedule "A" to this Freeze Direction including from, but not limited to, the accounts listed in Schedule "A" to this Freeze Direction until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

TAKE NOTICE THAT pursuant to subsection 126(1) of the Act you are directed to maintain funds, securities or property, and you are directed to refrain from disposing of, transferring, dissipating or otherwise dealing with or diminishing the value of those funds,

securities or property until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

DATED at Toronto this 6th day of April, 2017.



A handwritten signature, appearing to read "M. Quinn", is written over a horizontal line.

SCHEDULE "A" TO FREEZE DIRECTION

Institution	Account Name	Account Number
The Toronto Dominion Bank	CLJ Everest Ltd	5002640-0122



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20 Queen Street West
Toronto ON M5H 3S8

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Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: Branch Manager
Royal Bank of Canada
200 Bay Street
Main Floor
Toronto, Ontario
M5J 2J5

RE: Crystal Wealth Management System Limited

All Accounts and Sub Accounts under Nos. (1) 00002 1304211 and (2) 00002 1304260

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") you are hereby directed to retain all funds, securities or property that you may have on deposit or under your control or for safekeeping in the name of or otherwise under the control of **Crystal Wealth Management System Limited** including any funds, securities or property on deposit in accounts with the following numbers:

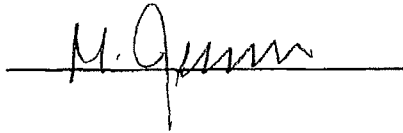
00002 1304211, and
00002 1304260

or any other account, and hold them until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

AND TAKE FURTHER NOTICE THAT this Freeze Direction applies to any and all funds, securities or property in a recognized clearing agency and to any and all securities in the process of transfer by a transfer agent.

AND TAKE FURTHER NOTICE THAT this Freeze Direction may be served by fax or courier to the last known address of the parties named in this Freeze Direction in the records of Royal Bank of Canada.

DATED at Toronto this 6th day of April, 2017.

A handwritten signature, appearing to be "M. Quinn", is written over a horizontal line.



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20 Queen Street West
Toronto ON M5H 3S8

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Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: Branch Manager
Interactive Brokers Canada Inc.
1800 McGill College Avenue
Suite 2106
Montreal, Quebec
H3A 3J6

RE: 1. ACM Growth Fund,
2. Crystal Wealth Management System Limited,
3. Crystal Wealth Strategic Yield Media Fund,
4. Crystal Wealth Medical Income Fund, and
5. Crystal Enlightened Resource and Precious Metals Fund

All Accounts and Sub Accounts under Nos. (1) U1446894, (2) F4795511, (3) U4657920,
(4) U4895282 and (5) U4804316

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") you are hereby directed to retain all funds, securities or property that you may have on deposit or under your control or for safekeeping in the name of or otherwise under the control of **ACM Growth Fund, Crystal Wealth Management System Limited, Crystal Wealth Strategic Yield Media Fund, Crystal Wealth Medical Income Fund and Crystal Enlightened Resource and Precious Metals Fund (the "Funds")** including any funds, securities or property on deposit in accounts with the following numbers:

U1446894,
F4795511,
U4657920,
U4895282, and
U4804316

or any other account, and hold them until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise, with the exception that securities other than units of **Crystal Wealth Media Strategy, Crystal Wealth Mortgage Strategy, Crystal Enlightened Resource & Precious Metal 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** (collectively the "Crystal Wealth Funds"), held in the name of, or otherwise under the control of, or on behalf of any of the Funds in the accounts at the brokerage may be sold provided that the disposition occurs through the facilities of a recognized exchange and all proceeds of such sales are maintained in the account where such securities were held.

AND TAKE FURTHER NOTICE THAT this Freeze Direction applies to any and all funds, securities or property in a recognized clearing agency and to any and all securities in the process of transfer by a transfer agent.

AND TAKE FURTHER NOTICE THAT this Freeze Direction may be served by fax or courier to the last known address of the parties named in this Freeze Direction in the records of Interactive Brokers Canada Inc.

DATED at Toronto this 6th day of April, 2017.





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20 Queen Street West
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Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: Branch Manager
NBCN Inc.
The Exchange Tower
130 King Street West
Suite 3000
PO Box 21
Toronto, Ontario
M5X 1J9

- RE:
1. Crystal Wealth Media Strategy,
 2. Crystal Wealth Mortgage Strategy,
 3. Crystal Enlightened Resource & Precious Metal Fund,
 4. Crystal Wealth Medical Strategy,
 5. Crystal Wealth Enlightened Factoring Strategy,
 6. ACM Growth Fund,
 7. ACM Income Fund,
 8. Crystal Wealth High Yield Mortgage Strategy,
 9. Crystal Enlightened Bullion Fund,
 10. Absolute Sustainable Dividend Fund,
 11. Absolute Sustainable Property Fund,
 12. Crystal Wealth Enlightened Hedge Fund,
 13. Crystal Wealth Infrastructure Strategy,
 14. Crystal Wealth Conscious Capital Strategy,
 15. Crystal Wealth Management System Limited, and
 16. Crystal Wealth Retirement One Fund

All Accounts and Sub Accounts under Nos. (1) 27Q003E and 27Q003F, (2) 27Q050E and 27Q050F, (3) 27Q070E and 27Q070F, (4) 27Q080E and 27Q080F, (5) 27Q090E and 27Q090F, (6) 27QA23E and 27QA23F, (7) 27QA24E and 27QA24F, (8) 27QB26E and 27QB26F, (9) 27QC25E and 27QC25F, (10) 27QD93A and 27QD93B, (11) 27QD94A and 27QD94B, (12) 27QF14E and 27QF14F, (13) 27QG01E and 27QG01F, (14) 27QH93E and 27QH93F, (15) 27Q000A, 27QCNA, 27QTAAA, 27QAABC and 27QCNCA, and (16) 27QB27E and 27QB27F

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") you are hereby directed to retain all funds, securities or property that you may have on deposit or under your control or for safekeeping in the name of or otherwise under the control of Crystal Wealth Media Strategy, Crystal Wealth Mortgage Strategy, Crystal Enlightened Resource & Precious Metal 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 (collectively the "Funds") and Crystal Wealth Management System Limited including any funds, securities or property on deposit in accounts with the following numbers:

27Q003E and 27Q003F,
 27Q050E and 27Q050F,
 27Q070E and 27Q070F,
 27Q080E and 27Q080F,
 27Q090E and 27Q090F,
 27QA23E and 27QA23F,
 27QA24E and 27QA24F,
 27QB26E and 27QB26F,
 27QC25E and 27QC25F,
 27QD93A and 27QD93B,
 27QD94A and 27QD94B,
 27QF14E and 27QF14F,
 27QG01E and 27QG01F,
 27QH93E and 27QH93F,
 27Q000A, 27QCNA, 27QTAAA, 27QAABC and 27QCNCA, and
 27QB27E and 27QB27F

or any other account, and hold them until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise, with the exception:

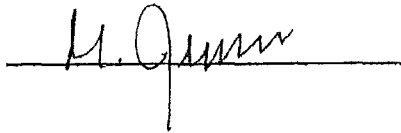
- (1) securities other than units of the Funds held in the name of or otherwise under the control of or on behalf of any of the Funds in the accounts at the brokerage may be sold provided that the sale or disposition occurs through the facilities of a recognized

- exchange and all proceeds of such sales or distributions are maintained in the account where such securities were held; and
- (2) of managed accounts, except managed accounts in the name or for the benefit of Clayton Edward Smith, Crystal Wealth Management System Limited, CLJ Everest Ltd., Chrysalis Yoga Inc., 1150752 Ontario Limited and Lee Ann Smith.

AND TAKE FURTHER NOTICE THAT this Freeze Direction applies to any and all funds, securities or property in a recognized clearing agency and to any and all securities in the process of transfer by a transfer agent.

AND TAKE FURTHER NOTICE THAT this Freeze Direction may be served by fax or courier to the last known address of the parties named in this Freeze Direction in the records of NBCN Inc.

DATED at Toronto this 6th day of April, 2017.

A handwritten signature, appearing to be "M. Quinn", is written over a horizontal line. The signature is in cursive and includes a vertical line extending downwards from the end of the signature.



Ontario
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22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

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20, rue queen ouest
Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: Branch Manager
TD Bank Group
2931 Walkers Line
Burlington, Ontario
L7M 4M6

RE: Clayton Edward Smith
All Accounts and Sub Accounts under No. 6045439-2228

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") you are hereby directed to retain all funds, securities or property that you may have on deposit or under your control or for safekeeping in the name of or otherwise under the control of **Clayton Edward Smith** including any funds, securities or property on deposit in accounts with the following number:

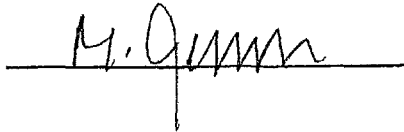
6045439-2228

or any other account, and hold them until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

AND TAKE FURTHER NOTICE THAT this Freeze Direction applies to any and all funds, securities or property in a recognized clearing agency and to any and all securities in the process of transfer by a transfer agent.

AND TAKE FURTHER NOTICE THAT this Freeze Direction may be served by fax or courier to the last known address of the parties named in this Freeze Direction in the records of TD Bank Group.

DATED at Toronto this 6th day of April, 2017.

A handwritten signature, appearing to read "M. Gurner", is written over a horizontal line. A vertical line extends downwards from the center of the horizontal line.



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22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22^e étage
20, rue queen ouest
Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: Branch Manager
TD Bank Group
20 Main Street East
Grimsby, Ontario
L3M 1M9

RE: 1. CLJ Everest Ltd
2. Crystal Wealth Management System Limited
3. Clayton Edward Smith and Lee Ann Smith

All Accounts and Sub Accounts under Nos. (1) 5002640-0122, (2) 5004279-0122 and (3) 0523771-0122

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") you are hereby directed to retain all funds, securities or property that you may have on deposit or under your control or for safekeeping in the name of or otherwise under the control of **CLJ Everest Ltd, Crystal Wealth Management System Limited and Clayton Edward Smith and Lee Ann Smith** including any funds, securities or property on deposit in accounts with the following numbers:

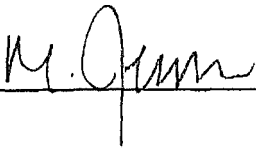
5002640-0122,
5004279-0122, and
0523771-0122

or any other account, and hold them until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

AND TAKE FURTHER NOTICE THAT this Freeze Direction applies to any and all funds, securities or property in a recognized clearing agency and to any and all securities in the process of transfer by a transfer agent.

AND TAKE FURTHER NOTICE THAT this Freeze Direction may be served by fax or courier to the last known address of the parties named in this Freeze Direction in the records of TD Bank Group.

DATED at Toronto this 6th day of April, 2017.



A handwritten signature, appearing to read "M. Quinn", is written over a horizontal line.



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20 Queen Street West
Toronto ON M5H 3S8

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Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: Branch Manager
TD Bank Group
55 King Street West
Toronto, Ontario
M5K 1A2

RE: Crystal Wealth Mortgage Strategy
All Accounts and Sub Accounts under No. 5266530-0125

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") you are hereby directed to retain all funds, securities or property that you may have on deposit or under your control or for safekeeping in the name of or otherwise under the control of **Crystal Wealth Mortgage Strategy** including any funds, securities or property on deposit in accounts with the following number:

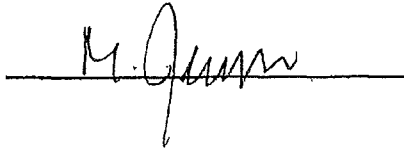
5266530-0125

or any other account, and hold them until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

AND TAKE FURTHER NOTICE THAT this Freeze Direction applies to any and all funds, securities or property in a recognized clearing agency and to any and all securities in the process of transfer by a transfer agent.

AND TAKE FURTHER NOTICE THAT this Freeze Direction may be served by fax or courier to the last known address of the parties named in this Freeze Direction in the records of TD Bank Group.

DATED at Toronto this 6th day of April, 2017.

A handwritten signature in black ink, appearing to read "M. Quinn", is written over a horizontal line.

SCHEDULE "B"
FREEZE DIRECTIONS OVER CHRYSALIS YOGA

See attached.



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22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22^e étage
20, rue queen ouest
Toronto ON M5H 3S8

Phone: 416-263-7853
Fax: 416-593-2319

Web site: www.osc.gov.on.ca

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: CHRYSALIS YOGA INC.
4040 Palladium Way
Burlington, Ontario
L7M 0C2

C/O: Shanine Lee Dennill
4040 Palladium Way
Burlington, Ontario
L7M 0C2

RE: Accounts at The Bank of Nova Scotia

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act") you are directed to refrain from withdrawing any funds, securities or property from the institutions listed in Schedule "A" to this Freeze Direction including from, but not limited to, the accounts listed in Schedule "A" to this Freeze Direction until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

SCHEDULE "B"
FREEZE DIRECTIONS OVER CHRYSALIS YOGA

See attached.



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22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22^e étage
20, rue queen ouest
Toronto ON M5H 3S8

Phone: 416-263-7653
Fax: 416-693-2319

Web site: www.osc.gov.on.ca

**IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED**

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

**FREEZE DIRECTION
(Subsection 126(1))**

TO: CHRYSALIS YOGA INC.
4040 Palladium Way
Burlington, Ontario
L7M 0C2

C/O: Shanine Lee Dennill
4040 Palladium Way
Burlington, Ontario
L7M 0C2

RE: Accounts at The Bank of Nova Scotia

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act") you are directed to refrain from withdrawing any funds, securities or property from the institutions listed in Schedule "A" to this Freeze Direction including from, but not limited to, the accounts listed in Schedule "A" to this Freeze Direction until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

TAKE NOTICE THAT pursuant to subsection 126(1) of the Act you are directed to maintain funds, securities or property, and you are directed to refrain from disposing of, transferring, dissipating or otherwise dealing with or diminishing the value of those funds, securities or property until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

DATED at Toronto this ^{17th}6 day of April, 2017.

M. Quinn

SCHEDULE "A" TO FREEZE DIRECTION

Institution	Account Name	Account Number
The Bank of Nova Scotia	Chrysalis Yoga Inc.	87296 00518 10



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22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

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Toronto ON M5H 3S8

IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED

- and -

IN THE MATTER OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED

FREEZE DIRECTION
(Subsection 126(1))

TO: Branch Manager
Bank of Nova Scotia
4519 Dundas Street
Burlington, Ontario
L7M 5B4

RE: Chrysalis Yoga Inc.
All Accounts and Sub Accounts under No. 87296 00518 10

TAKE NOTICE THAT pursuant to subsection 126(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") you are hereby directed to retain all funds, securities or property that you may have on deposit or under your control or for safekeeping in the name of or otherwise under the control of **Chrysalis Yoga Inc.** including any funds, securities or property on deposit in accounts with the following number:

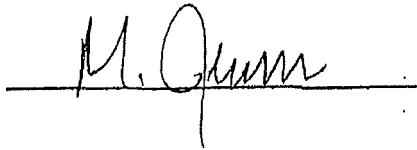
87296 00518 10

or any other account, and hold them until the Ontario Securities Commission in writing revokes or varies this Freeze Direction or consents to release a particular fund, security or property from this Freeze Direction or until the Ontario Superior Court of Justice orders otherwise.

AND TAKE FURTHER NOTICE THAT this Freeze Direction applies to any and all funds, securities or property in a recognized clearing agency and to any and all securities in the process of transfer by a transfer agent.

AND TAKE FURTHER NOTICE THAT this Freeze Direction may be served by fax or courier to the last known address of the parties named in this Freeze Direction in the records of Bank of Nova Scotia.

DATED at Toronto this 6th day of April, 2017.

A handwritten signature, appearing to be "M. Quinn", is written over a horizontal line.

SCHEDULE "C"
COMMUNICATIONS PROTOCOL

WHEREAS:

1. Pursuant to Orders of the Honourable Justice _____ of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated April 26, 2017 (the "**Appointment Order**"), Grant Thornton Limited has been appointed as Receiver of a bank account No. 87296 00518 10 at Bank of Nova Scotia in the name of Chrysalis Yoga Inc., and of all of the assets, undertakings and properties (collectively, the "**Property**") of:
 - (i) Clayton Smith;
 - (ii) Crystal Wealth Management System Limited;
 - (iii) CLJ Everest Ltd.;
 - (iv) 1150752 Ontario Limited;
 - (v) Crystal Wealth Media Strategy;
 - (vi) Crystal Wealth Mortgage Strategy;
 - (vii) Crystal Enlightened Resource & Precious Metals Fund;
 - (viii) Crystal Wealth Medical Strategy;
 - (ix) Crystal Wealth Enlightened Factoring Strategy;
 - (x) ACM Growth Fund;
 - (xi) ACM Income Fund;
 - (xii) Crystal Wealth High Yield Mortgage Strategy;
 - (xiii) Crystal Enlightened Bullion Fund;
 - (xiv) Absolute Sustainable Dividend Fund;
 - (xv) Absolute Sustainable Property Fund;
 - (xvi) Crystal Wealth Enlightened Hedge Fund;
 - (xvii) Crystal Wealth Infrastructure Strategy;
 - (xviii) Crystal Wealth Conscious Capital Strategy,
 - (xix) Crystal Wealth Retirement One Fund,

(collectively, the "**Crystal Wealth Group**");

2. The Receiver was initially appointed pursuant to an Application of the Ontario Securities Commission (the "**OSC**") under section 129 of the *Securities Act* (Ontario);
3. The OSC has commenced an investigation into the activities of Crystal Wealth Management Systems Limited ("**Crystal Wealth**") and its principal, Clayton Smith ("**Smith**"), as well as the activities of companies connected to Smith, which investigation is ongoing.
4. In the course of the Receiver's appointment it receives, reviews and is otherwise advised of confidential information (including personal information), documents and/or materials (collectively, the "**Confidential Information**"), including without limitation Confidential Information relating to (i) the business, operations, financial condition and/or affairs of the Crystal Wealth Group; and (ii) former and current officers, directors, employees, clients, investors, shareholders and/or creditors of the Crystal Wealth Group;
5. Pursuant to paragraph 6(r) of the Appointment Order, the Receiver is authorized to share information, meet with and discuss with any regulatory bodies ("**Regulators**") and their advisors, including without limitation the OSC and any other regulatory authorities as the Receiver deems appropriate, on all matters relating to the Property, the affairs of the Crystal Wealth Group and the receivership of the Crystal Wealth Group, subject to such terms as to confidentiality as the Receiver deems advisable;
6. The Receiver is of the view that if so requested by the OSC or any other Regulator, the Receiver should have the authority to provide the requesting Regulator with information and documentation regarding the Crystal Wealth Group (the "**Information**", which term includes, without limitation, Confidential Information), on and subject to the terms of this protocol; and
7. Staff of the OSC seeks approval of this protocol by the Court.

NOW THEREFORE:

1. The Receiver may provide Information to the OSC or a Regulator upon request by the OSC or the Regulator; provided that the Receiver determines in its sole discretion that provision of such Information (i) is in the best interests of the estate herein, (ii) would not breach or be prohibited by any agreement to which the Receiver is a party or by the laws of any jurisdiction to which the Receiver (which term includes any of its officers, partners, employees and agents) may be subject; and (iii) would not result in the breach of any duty or obligation of confidentiality to which the Receiver (which term includes any of its officers, partners, employees and agents) may be subject or which the Receiver may owe pursuant to the laws of Canada or of any other jurisdiction.
2. The Regulator will deal with any Information provided by the Receiver in a manner consistent with any law to which the OSC or Regulator is subject, including, without limitation, the *Securities Act* (Ontario) and subject to any specific confidentiality

requirements imposed by the Receiver in respect of any such Information provided to the Regulator.

3. The Receiver is in no way responsible or liable for any incorrect and/or incomplete Information.
4. The Receiver shall have no liability arising from (i) the disclosure of Information to the Regulator; (ii) the content of the Information; (iii) the use of the Information by the Regulator; or (iv) any disclosure of the Information by the OSC or Regulator.

SCHEDULE "D"
DEPOSIT ACCOUNTS

As provided at paragraph 9 of the Order to which this Schedule is attached, the Receiver is hereby empowered and authorized, but not required, to take possession and control of any monies, funds, deposit instruments, or securities held by or in the name of the Crystal Wealth Group, or any of them, or by a third party for the benefit of the Crystal Wealth Group, or any of them, including without limitation the monies, funds, deposit instruments, or securities held in the following accounts:

Institution	Account Name	Account Number
Bank of Nova Scotia	Chrysalis Yoga Inc.	87296 00518 10
Royal Bank of Canada	Crystal Wealth Management System Limited	00002 1304211
Royal Bank of Canada	Crystal Wealth Management System Limited	00002 1304260
TD Bank Group	Clayton Edward Smith	6045439-2228
TD Bank Group	CLJ Everest Ltd.	5002640-0122
TD Bank Group	Crystal Wealth Management System Limited	5004279-0122
TD Bank Group	Crystal Wealth Mortgage Strategy	5266530-0125
TD Bank Group	Clayton Edward Smith and Lee Ann Smith	0523771-0122
TD Bank Group	1150752 Ontario Limited	5001601-0122
Interactive Brokers Canada Inc.	ACM Growth Fund	U1446894
Interactive Brokers Canada Inc.	Crystal Wealth Management System Limited	F4795511

Institution	Account Name	Account Number
Interactive Brokers Canada Inc.	Crystal Wealth Strategic Yield Media Fund	U4657920
Interactive Brokers Canada Inc.	Crystal Wealth Medical Income Fund	U4895282
Interactive Brokers Canada Inc.	Crystal Enlightened Resource and Precious Metals Fund	U4804316
NBCN Inc.	Crystal Wealth Media Strategy	27Q003E
NBCN Inc.	Crystal Wealth Media Strategy	27Q003F
NBCN Inc.	Crystal Wealth Mortgage Strategy	27Q050E
NBCN Inc.	Crystal Wealth Mortgage Strategy	27Q050F
NBCN Inc.	Crystal Enlightened Resource & Precious Metals Fund	27Q070E
NBCN Inc.	Crystal Enlightened Resource & Precious Metals Fund	27Q070F
NBCN Inc.	Crystal Wealth Medical Strategy	27Q080E
NBCN Inc.	Crystal Wealth Medical Strategy	27Q080F
NBCN Inc.	Crystal Wealth Enlightened Factoring Strategy	27Q090E
NBCN Inc.	Crystal Wealth Enlightened Factoring Strategy	27Q090F
NBCN Inc.	ACM Growth Fund	27QA23E
NBCN Inc.	ACM Growth Fund	27QA23F

Institution	Account Name	Account Number
NBCN Inc.	ACM Income Fund	27QA24E
NBCN Inc.	ACM Income Fund	27QA24F
NBCN Inc.	Crystal Wealth High Yield Mortgage	27QB26E
NBCN Inc.	Crystal Wealth High Yield Mortgage	27QB26F
NBCN Inc.	Crystal Enlightened Bullion Fund	27QC25E
NBCN Inc.	Crystal Enlightened Bullion Fund	27QC25F
NBCN Inc.	Absolute Sustainable Dividend Fund	27QD93A
NBCN Inc.	Absolute Sustainable Dividend Fund	27QD93B
NBCN Inc.	Absolute Sustainable Property Fund	27QD94A
NBCN Inc.	Absolute Sustainable Property Fund	27QD94B
NBCN Inc.	Crystal Wealth Enlightened Hedge Fund	27QF14E
NBCN Inc.	Crystal Wealth Enlightened Hedge Fund	27QF14F
NBCN Inc.	Crystal Wealth Infrastructure Strategy	27QG01E
NBCN Inc.	Crystal Wealth Infrastructure Strategy	27QG01F
NBCN Inc.	Crystal Wealth Conscious Capital Strategy	27QH93E
NBCN Inc.	Crystal Wealth Conscious Capital Strategy	27QH93F

Institution	Account Name	Account Number
NBCN Inc.	Crystal Wealth Management System Limited	27Q000A
NBCN Inc.	Crystal Wealth Management System Limited	27QCNA
NBCN Inc.	Crystal Wealth Management System Limited	27QTAA
NBCN Inc.	Crystal Wealth Management System Limited	27QAAB
NBCN Inc.	Crystal Wealth Management System Limited	27QCN
NBCN Inc.	Crystal Wealth Retirement One Fund	27QB27E
NBCN Inc.	Crystal Wealth Retirement One Fund	27QB27F

SCHEDULE "E"**IN THE MATTER OF
CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, *ET AL.*****PRIVILEGE PROTOCOL FOR RECEIVER PRODUCTIONS**

This Protocol identifies how Staff of the Ontario Securities Commission ("**Staff**") intend to address any potentially solicitor-client privileged documents that may be obtained from the Receiver in Staff's investigation of Crystal Wealth Management Systems Limited ("**Crystal Wealth**") and its principal, Clayton Smith ("**Smith**"), as well as the activities of companies connected to Smith. Generally, Staff will make best efforts to identify, in accordance with this Protocol, any documents over which privilege may be claimed prior to reviewing them and exclude those documents from Staff's review. Staff will advise the Receiver of any privilege issues that may arise as a result of the review and will consult with the Receiver on those issues that are not otherwise addressed in this Protocol.

A. HARD COPY DOCUMENTS

1. The investigating team (the "**Team**") will endeavor not to request any hard copy documents from the Receiver that could be privileged.
2. Prior to requesting any documents, the Team will review any index provided by the Receiver. The Team will also not review any documents or folders obtained that on their face may contain privileged advice. For example, folders labelled "**Privileged and Confidential**" will not be reviewed and will be immediately returned to the Receiver.
3. Hard copy documents obtained from the Receiver will be scanned by the Technology & Evidence Control Unit ("**TEC**") and added to the main database of documents (the "**Main Database**").

B. E-MAILS

4. Upon request by the Team, the Receiver will provide electronic documents, which include the emails of certain custodians. These electronic documents will not have been reviewed for privilege prior to production.
5. TEC will upload the electronic documents into a database (the "**Receiver Database**") that is segregated from the Main Database. The Team will never have access to the Receiver Database.
6. TEC may "**de-dupe**" the electronic documents in the Receiver Database.
7. TEC will run searches through the Receiver Database to attempt to identify potentially privileged electronic documents (the "**Blind Search**"). The search terms for the Blind Search will be provided by the Team, based on its knowledge of the file (see Appendix

"A"). This list will be supplemented with a list of Ontario law firms provided by TEC.¹ Electronic documents that do not include "hits" from the Blind Search will be added to the Main Database and can be reviewed by the Team.

8. TEC will generate a summary report of the emails in the Receiver Database that contain "**hits**" from the Blind Search. The Report will set out the address fields (i.e., "**To**"; "**From**"; "**CC**" and "**BCC**"). A Team member will review the report to determine which emails have also been addressed to third parties and will code those emails as "**Third Party**". Those emails may also be added to the Main Database and can be reviewed by the Team.
9. With regard to the remaining electronic documents in the Receiver Database, that is those which generated a "**hit**" in the Blind Search, the Team will discuss next steps with the Receiver before taking any steps with respect to these documents. Options to consider may include, but are not limited to, delaying the assessment of privilege issues in the Receiver Database to a later time when a privilege holder is able to review or initiating a privilege review with the use of a "**Filter Lawyer**".

IDENTIFICATION AND SEGREGATION OF POTENTIALLY PRIVILEGED DOCUMENTS DURING REVIEW

1. In the event a Team member comes across a potentially privileged document in the Main Database, the Team member will stop reviewing the document immediately, record the document ID and advise litigation counsel, who will advise the Receiver.
2. If the potentially privileged document identified was originally a hard copy document, TEC will remove the electronic version from the Main Database and will identify the original document from the boxes provided by the Receiver. TEC will secure the document in an envelope, which will be returned to the Receiver with a completed chain of custody form.
3. If the potentially privileged document identified was originally an electronic document, TEC will remove the document from the Main Database and put it back into the Receiver Database, to which the Team has no access.
4. If possible, TEC may extract information such as name of lawyer, name of law firm, email address and, upon direction by litigation counsel, use the information to run further Blind Searches in the Main Database to segregate any similar, additional documents identified. These electronic documents will be dealt with as described in item 8, above.

Staff reserve the right to challenge at a later date any claim of solicitor client privilege that may be made over any documents identified as potentially privileged in accordance with this

¹ List downloaded from Korbitec Inc. (ACL or Automated Civil Litigation software) on July 27, 2016. The list for the Blind Search shall not include Kelly Margaritas, Margaritis Law, Stephanie McManus, or Compliance Support Services.

Protocol. Staff also acknowledge that production of a document by the Receiver does not constitute a waiver of solicitor client privilege with respect to it.

APPENDIX "A"

PRIVILEGE SEARCH TERMS
LAWYERS AND LAW FIRMS

From following list, search:

- (a) last name of known lawyer
- (b) portions of law firm email address
- (c) email address of known lawyer (to the extent not covered by (b))

	Name of Lawyer	Law Firm	Email Address
1.	Laura Paglia	Borden Ladner Gervais LLP	lPaglia@blg.com
2.	Suzanne Kittell	Borden Ladner Gervais LLP	SKittell@blg.com
3.	Kathryn M. Fuller	Borden Ladner Gervais LLP	kfuller@blg.com
4.	Martin J. Doane	Martin J. Doane, Barrister & Solicitor	mjd@martinjoane.com
5.	Jeremy Devereux	Norton Rose Fulbright Canada LLP	Jeremy.devereux@nortonrosefulbright.com
6.	Bruce O'Toole	Crawley MacKewn Brush LLP	botoole@cmblaw.ca
7.	Ellen Bessner	Babin Bessner Spry	ebessner@babinbessnerspry.com
8.	Nigel Campbell	Blake, Cassels & Graydon LLP	nigel.comapbell@blakes.com
9.	Doug McLeod	Blake, Cassels & Graydon LLP	Doug.mcleod@blakes.com

SCHEDULE "F"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Grant Thornton Limited is the receiver and manager (in such capacities, the "Receiver") of the assets, undertakings and properties of all of the Respondents, except the Respondent Chrysalis Yoga Inc., including all proceeds thereof (collectively, the "Property", which term shall include the funds contained in the account of Chrysalis Yoga Inc. bearing No. 87296 00518 10 at Bank of Nova Scotia), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 2017 (the "Order") made in an application having Court file number 17-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly] not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

GRANT THORNTON LIMITED, solely in its
capacity as Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

ONTARIO SECURITIES COMMISSION**and CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, ET AL.**

Applicant

Respondents

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at TORONTO**

APPOINTMENT ORDER

ONTARIO SECURITIES COMMISSION
20 Queen Street West, 22nd Floor
Toronto ON M5H 3S8

Catherine Weiler (LSUC # 52424M)
Tel: (416) 204-8985
Fax: (416) 593-8321
Email: cweiler@osc.gov.on.ca

Yvonne B. Chisholm (LSUC No. #37040F)
Tel: (416) 593-2363
Fax: (416) 593-8321
Email: ychisholm@osc.gov.on.ca

*Lawyers for the Applicant,
Ontario Securities Commission*

April 26, 2017

ONTARIO SECURITIES COMMISSION

and

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, ET AL.

Applicant

Respondents

Court File No. CV-17-11779-0022

April 26, 2017

Counsel for Crystal Wealth Gross and for
Chrysalis Yogo Inc have attended & advised
they do not oppose the order sought. I
am satisfied that the relief is fully
justified and that the requirements of
section 129 of the Securities Act have
been met. Order to go.

Dated J.

Service of a true copy hereof admitted

this 25 day of April 2017

Chrysalis Yogo Inc.
SOLICITOR FOR

Service of a true copy hereof admitted

this 25 day of April 2017

Crystal Wealth
SOLICITOR FOR

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at Toronto

APPLICATION RECORD
VOLUME 8 OF 8

ONTARIO SECURITIES COMMISSION
20 Queen Street West, 22nd Floor
Toronto ON M5H 3S8

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Lawyers for the Applicant,
Ontario Securities Commission

APPENDIX 3



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e étage
20, rue queen ouest
Toronto ON M5H 3S8

FILE NO.: 2018-35

**IN THE MATTER OF
CLAYTON SMITH**

Janet Leiper, Commissioner and Chair of the Panel
Philip Anisman, Commissioner
Frances Kordyback, Commissioner

June 14, 2018

ORDER

(Subsections 127(1) and 127.1(1) of the
Securities Act, RSO 1990, c S.5)

WHEREAS on June 13, 2018, the Ontario Securities Commission (the **Commission**) held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, to consider an application made jointly by Clayton Smith (the **Respondent**) and staff of the Commission (**Staff**) for approval of a settlement agreement dated as of May 28, 2018 (the **Settlement Agreement**);

ON READING the Joint Application for a Settlement Hearing dated June 8, 2018, including the Statement of Allegations, the Settlement Agreement and the Consent of the parties, and on hearing the submissions of the Respondent, appearing in person, and of the representative for Staff;

IT IS ORDERED THAT:

1. the Settlement Agreement is approved;
2. the registrations granted to the Respondent under Ontario securities law are terminated;
3. trading in any securities or derivatives by the Respondent cease permanently;
4. the acquisition of any securities by the Respondent is prohibited permanently;
5. any exemptions contained in Ontario securities law not apply to the Respondent permanently;
6. the Respondent is reprimanded;
7. the Respondent immediately resign any position that he holds as a director or officer of an issuer or a registrant, including an investment fund manager;
8. the Respondent is permanently prohibited from becoming or acting as a director or officer of any issuer or registrant, including an investment fund manager;

9. the Respondent is permanently prohibited from becoming or acting as a registrant, including an investment fund manager, or a promoter;
10. the Respondent pay an administrative penalty in the amount of \$250,000, which amount is designated for allocation or use by the Commission in accordance with paragraph 3.4(2)(b) of the *Securities Act*, RSO 1990, c S.5; and
11. the Respondent pay costs in the amount of \$50,000.

"Janet Leiper"

Janet Leiper

"Philip Anisman"

Philip Anisman

"Frances Kordyback"

Frances Kordyback

APPENDIX 4

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**FIRST REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

JUNE 22, 2017



Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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APPENDICES

- Appendix 1** Temporary Order dated April 7, 2017
- Appendix 2** Extension Order dated April 28, 2017
- Appendix 3** Appointment Order dated April 26, 2017
- Appendix 4** Vesting Order dated April 26, 2017
- Appendix 5** Commission Affidavits
- Appendix 6** Receiver's Interim R&D dated June 16, 2017
- Appendix 7** Company Corporate Chart dated November 4, 2016
- Appendix 8** April 20th Package provided by the Company dated April 20, 2017
- Appendix 9** Summary of Crystal Wealth Fund's Investments as at April 20, 2017
- Appendix 10** Summary of Inter-fund Investments as at April 20, 2017
- Appendix 11** Summary of Gold Contracts dated April 20, 2017
- Appendix 12** Settlement Contract Example (Redacted for certain Information)
- Appendix 13** Media Loan Summary provided by the Company
- Appendix 14** US Real Estate LP Organizational Structure
- Appendix 15** Draft Claims Procedure Order
- Appendix 16** Letter to M. McCready dated April 28, 2017
- Appendix 17** Mount Nemo RFP
- Appendix 18** Smith Email dated May 1, 2017
- Appendix 19** Receiver's Response to Smith Email dated May 10, 2017
- Appendix 20** Smith Email to Paco dated May 18, 2017

- Appendix 21** Receiver's Response to Smith email to Paco dated May 20, 2017
- Appendix 22** Smith Termination Letter dated May 16, 2017
- Appendix 23** Statutory Declaration delivered by the Receiver May 18, 2017
- Appendix 24** Endorsement dated May 24, 2017
- Appendix 25** Notice of Motion included in the June 1 Materials
- Appendix 26** Endorsement dated June 2, 2017
- Appendix 27** Housego Email dated May 17, 2017
- Appendix 28** Housego Response dated May 18, 2017
- Appendix 29** Receiver's Housego Email response to investors dated May 24, 2017
- Appendix 30** May 16th Crawley Letter dated May 16, 2017
- Appendix 31** A&B Response to May 16th Crawley Letter dated May 17, 2017
- Appendix 32** May 19th Crawley Letter dated May 19, 2017
- Appendix 33** A&B Response to May 19th Crawley Letter dated May 19, 2017
- Appendix 34** Krieger Affidavit dated June 21, 2017
- Appendix 35** Graff Affidavit dated June 22, 2017

CONFIDENTIAL APPENDICES

- Appendix 1** Securityholder Services Agreement dated February 17, 2004, unsigned Securityholder Services Agreement dated May, 2009, and unsigned Amending Agreement dated November 30, 2016
- Appendix 2** Summary of Mount Nemo Property Proposals Received
- Appendix 3** Mount Nemo Property Listing Agreement dated June 8, 2017

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**FIRST REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER OF THE RESPONDENTS**

JUNE 22, 2017

INTRODUCTION AND PURPOSE OF THE FIRST REPORT

- 1 On April 7, 2017, the Ontario Securities Commission (the “**OSC**”) issued a temporary order (the “**Temporary Order**”) providing that the trading of units of all of the Crystal Wealth Funds (defined herein) cease, that trading in securities held by the Crystal Wealth Funds cease, and prohibiting the trading in or acquisition of securities by Clayton Smith (“**Smith**”) and Crystal Wealth Management System Limited (the “**Company**”), with limited exceptions that permitted Smith and the Company to liquidate exchange-traded securities in the Crystal Wealth Funds with such proceeds being deposited into the bank account of the relevant fund. A copy of the Temporary Order is attached as **Appendix “1”** to this First Report of the Receiver (the “**First Report**”). On April 28, 2017, the OSC extended the Temporary Order to October 3, 2017 (the “**Extension Order**”). The Extension Order is attached as **Appendix “2”** to this First Report.

- 2 On April 26, 2017, on application of the OSC to the Ontario Superior Court of Justice (Commercial List), the Honourable Mr. Justice Newbould issued an Order (the “**Appointment Order**”) appointing Grant Thornton Limited: (i) as receiver and manager (in such capacities, the “**Receiver**”), without security, of all of the assets, undertakings and properties (collectively, the “**Property**”) of 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) as Receiver of the account of the Respondent, Chrysalis Yoga, No. 87296 00518 10 at Bank of Nova Scotia (the “**Chrysalis Account**”), and of all contents, including funds, contained in the Chrysalis Account. The proceedings were commenced by way of application made by the OSC (the “**Application**”) under section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”). The said receivership proceedings, shall be referred to herein as the “**Receivership Proceedings**”. A copy of the Appointment Order and the endorsement of the Honourable Mr. Justice Newbould are attached as **Appendix “3”** to this First Report of the Receiver (the “**First Report**”).

- 3 On April 26, 2017, the Honourable Mr. Justice Newbould issued an Order (the “**Vesting Order**”) that, among other things, authorized the Receiver to complete, on behalf of the Respondent, CLJ Everest Ltd. (“**CLJ Everest**”), the sale transaction of the property located at 5043 Mount Nemo Crescent in Burlington, Ontario (the “**Mount Nemo Property**”) to Martin McCready (the “**Purchaser**”) pursuant to and in accordance with an

agreement of purchase and sale dated April 12, 2017 (the “**Mount Nemo Sale Agreement**”). A copy of the Vesting Order is attached to this First Report as **Appendix “4”**.

- 4 As outlined in the OSC’s Application, the appointment of the Receiver was based on concerns the OSC had regarding, among other things, the Respondent, Crystal Wealth Media Strategy (the “**Media Fund**”). The OSC presented evidence that:

- a) *...Smith advanced approximately \$9.6M from the Media Fund (which are investors’ monies) to a third-party, Media House Capital (Canada) Corp., and another entity related to it, purportedly to purchase film loans for the Media Fund (“**Film Loans**”, also referred to herein as “**Media Loans**”), when in fact at least \$329,930 was transferred to Smith’s personal account, and \$2,307,347.50 was transferred to his personal holding company, CLJ Everest. It was stated that Smith used these monies to, among other things, make credit card payments, purchase the Mount Nemo Property, and fund his then common-law spouse’s yoga studio.¹*
- b) *...raised concerns about the existence and validity of the Film Loans owned by the Media Fund, and whether the value of the Film Loans as reflected in the net asset value (“NAV”) of the Media Fund has been materially overstated. Smith appears to have acknowledged that the Film Loans should be written down in value, but nevertheless he has not caused that to happen and the NAV of the Media Fund remained substantially unchanged.²*

- 5 The OSC stated that it believed that Smith and the Company may have:

- a) participated in a course of conduct relating to securities that they knew or reasonably ought to have known perpetrated a fraud, contrary to s. 126.1(1)(b) of the Act;
- b) failed to act fairly, honestly and in good faith with clients, contrary to s. 2.1 of Rule 31-505 - *Conditions of Registration*; and

¹ Affidavit of Marcel Tillie, sworn April 17, 2017, para. 26; Affidavit of Michael Ho, sworn April 17, 2017, paras. 17-63

² Affidavit of Marcel Tillie, sworn April 17, 2017, paras. 32 and 41-57.

- c) failed to comply with the standard of care expected of investment fund managers under s. 116 of the Act.

6 The potential breaches of the Act identified with respect to the Media Fund have an impact on several of the other Crystal Wealth Funds due to the significant number of inter-fund investments between the Crystal Wealth Funds which inter-fund transactions, as discussed in detail later in this First Report, are particularly prevalent with respect to the Media Fund.

7 More detailed information pertaining to the Crystal Wealth Group, including the circumstances leading to the appointment of the Receiver, are contained in the affidavits of:

- a) Marcel Tillie sworn April 17, 2017;
- b) Michael Ho sworn April 17, 2017;
- c) David Adler sworn April 24, 2017; and
- d) the supplementary affidavit of Michael Ho sworn April 24, 2017;

(collectively, the “**Commission Affidavits**”), all filed in support of the Application. Copies of the Commission Affidavits, without exhibits, are attached hereto as **Appendix “5”**.

8 The purpose of this First Report is to inform the Court of the Receiver’s activities since the date of the Appointment Order, to inform the Court of the Receiver’s recommendations for the sale of certain investments of the Crystal Wealth Group, and to support the Receiver’s request for an order, among other things, approving:

- a) this First Report, including the actions and activities of the Receiver as described in this First Report;
- b) a claims process to be conducted by the Receiver in respect of creditor claims against the Crystal Wealth Group, other than those of investors (the “**Creditor Claims Procedure Order**”);
- c) the Receiver’s reliance on the Unit Holder Listing (as defined herein) to make interim distributions to investors, where possible, without further approval of the

Court, of the proceeds obtained from the divestiture of certain assets of the Crystal Wealth Funds;

- d) the Receiver's request for an Order approving the proposed sale process ("**Sale Process**") with respect to certain Crystal Wealth Funds and authorizing the Receiver to carry out its functions in accordance with the Sale Process;
- e) the Receiver's Interim Statement of Receipts and Disbursements for the period from April 26, 2017 to May 31, 2017 appended as **Appendix "6"** to the First Report;
- f) the fees and disbursements of the Receiver and Aird & Berlis LLP, legal counsel to the Receiver ("**A&B**"), as described herein; and
- g) sealing **Confidential Appendices "1", "2", and "3"** of this First Report until further Order of the Court.

- 9 The Receiver's activities since its appointment are detailed throughout this First Report, with specific details of particular activities being described at paragraph 178 below.

RESTRICTIONS AND TERMS OF REFERENCE

- 10 In preparing this First Report, the Receiver has relied upon unaudited financial information, the Crystal Wealth Group's books and records, certain financial information, discussions with the Crystal Wealth Group's former management and employees, and discussions with various interested parties (collectively, the "**Information**"). Except as described in this First Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
- 11 This First Report has been prepared for the use of this Court to provide general information and an update relating to the Receivership Proceedings for the purpose of assisting the Court in making a determination as to whether to approve the relief sought. This First Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

- 12 Capitalized terms not defined in this First Report are as defined in the Appointment Order. All references to dollars are in Canadian currency unless otherwise noted.
- 13 Copies of materials filed in these Receivership Proceedings are available on the Receiver's Case Website at: www.grantthornton.ca/crystalwealth.

BACKGROUND

- 14 The Company is a corporation registered with the OSC in the categories of: "Exempt Market Dealer", "Investment Fund Manager", "Portfolio Manager", and "Commodity Trading Manager". Prior to the commencement of the Receivership Proceedings, it operated out of an office located at 192 Plains Road E., Burlington, Ontario (the "**Premises**").
- 15 Smith is the controlling mind of the Company, is listed as the sole director and officer, and holds a controlling interest of 91.76% in the Company. Smith's ownership is held indirectly through CLJ Everest, a holding company incorporated in Ontario of which Smith is the sole shareholder, officer, and director. CLJ Everest holds 28.26% of the Company's outstanding shares and 100% of the shares of the Respondent, 1150752 Ontario Limited ("**115 Ontario**"). 115 Ontario in turn holds 63.50% of the Company's outstanding shares. The remaining 8.24% of the Company's shares are held by an individual named Gary Allen who, as the Receiver understand, acts as a silent shareholder. A copy of the legal corporate structure provided by Smith to the Receiver is attached hereto as **Appendix "7"**.
- 16 At the time of the Appointment Order, Smith was registered in Ontario with the OSC as a dealing representative, an advising representative in the category of "Portfolio Manager", and an advising representative in the category of "Commodity Trading Manager". Smith was also registered as the Company's chief executive officer, chief compliance officer and ultimate designated person. In fulfilling his responsibilities in the latter two roles, Smith bears responsibility for the Company's compliance with Ontario securities laws, including, without limitation, the Act.
- 17 The Company created and managed the following 15 proprietary investment funds (collectively referred to as the "**Crystal Wealth Funds**"):
 - a) Crystal Wealth Mortgage Strategy (the "**Mortgage Fund**");

- b) Crystal Enlightened Resource and Precious Metals Fund (the “**Resource Fund**”);
- c) Crystal Wealth Enlightened Factoring Strategy (the “**Factoring Fund**”);
- d) Crystal Wealth Medical Strategy (the “**Medical Fund**”);
- e) Crystal Enlightened Bullion Fund (the “**Bullion Fund**”);
- f) Crystal Wealth Media Strategy (the Media Fund);
- g) Crystal Wealth High Yield Mortgage Strategy (the “**High Yield Mortgage Fund**”);
- h) Crystal Wealth Infrastructure Strategy (the “**Infrastructure Fund**”);
- i) Crystal Wealth Enlightened Hedge Fund (the “**Hedge Fund**”);
- j) Crystal Wealth Conscious Capital Strategy (the “**Conscious Capital Fund**”);
- k) ACM Income Fund;
- l) ACM Growth Fund;
- m) Absolute Sustainable Dividend Fund (the “**Sustainable Dividend Fund**”)
- n) Absolute Sustainable Property Fund (the “**Sustainable Property Fund**”); and
- o) Crystal Wealth Retirement One Fund (the “**Retirement Fund**”).

A detailed description of the Crystal Wealth Funds and the work performed by the Receiver with respect to each of them is included later in this First Report.

- 18 The Crystal Wealth Funds are structured as open-ended mutual fund trusts. Units in each of the funds were distributed to investors on an exempt basis, pursuant to offering memoranda (“**OMs**”). The Company managed the day-to-day business of the Crystal Wealth Funds and was required to make investment decisions consistent with each fund’s investment objectives. Based on internal information provided by Smith, the assets under management (“**AUM**”) of the Crystal Wealth Funds, as at April 20, 2017, was approximately \$193,198,912. The Receiver believes this amount is materially overstated.

OVERVIEW OF THE CRYSTAL WEALTH FUNDS

- 19 During the initial stages of its appointment, the Receiver obtained a general understanding of the Company and, in particular, the Crystal Wealth Funds. The following sections of this First Report provide a summary of the Crystal Wealth Funds and details regarding the steps and actions taken by the Receiver in this regard.
- 20 The Receiver conducted a series of discussions with Smith focusing on the process of administering the Crystal Wealth Funds, the individuals who made investment decisions, how buy/sell orders were executed by the Company, the entities involved in recording trades, and the identity of investors within the Crystal Wealth Funds at any given time, and the frequency and methodology for the pricing of the funds.
- 21 On May 4, 2017, the Receiver met with Smith and Joanne Bentley ("**Bentley**") (the Company's trading officer and an associate advising representative at the time of the Appointment Order), to review each of the Crystal Wealth Funds in detail, for the purpose of understanding the investment objective of each fund and the underlying investments contained within. During the meeting, Smith provided the Receiver with the most recent valuation package for each of the Crystal Wealth Funds prepared by the Company prior to the Appointment Order. The valuation package, dated April 20, 2017 (the "**April 20th Package**"), outlines the investments in, and respective values of, each investment for each of the funds. This information includes the acquisition cost and the supposed market value of each investment, which are referred to herein as the "**Recorded Cost**" and the "**Recorded Value**", respectively. A copy of the April 20th Package is attached to this First Report as **Appendix "8"**.
- 22 In general, each of the Crystal Wealth Funds contains one or more of the following types of investments:
- a) cash and money market securities ("**Cash**") held with two third parties, NBCN Inc. (otherwise known as National Bank Correspondent Network) ("**NBCN**") and Interactive Brokers Canada Inc. ("**IBCI**");
 - b) investments where the underlying security is held and recorded by NBCN ("**On-Book Assets**"); and
 - c) investments not held or recorded by NBCN but rather administered by the

Company and/or a third-party ("**Off-Book Assets**")

(collectively referred to as the "**Investment Categories**").

- 23 At the conclusion of the meeting, the Receiver provided Smith with a more detailed request to provide supporting documentation verifying the existence, value, and ownership of the investments contained in each of the Crystal Wealth Funds, with specific emphasis on the Off-Book Assets.
- 24 Shortly thereafter, Smith compiled and delivered to the Receiver a set of documents in response to the Receiver's request (the "**Provided Documents**"). The Provided Documents, particularly as they relate to the Off-Book Assets, are largely incomplete. In order to supplement the Provided Documents, the Receiver has been concurrently contacting various third parties to obtain the information required to support and corroborate the assets recorded on the Company's records.
- 25 Through discussions with Smith and the Receiver's review of the Provided Documents, it became apparent to the Receiver that the governance and management of the Crystal Wealth Funds, again more relating to the Off-Book Assets, was insufficient for a Company managing AUM of purportedly approximately \$200M. Through a continued review of the additional documentation obtained from various sources, the Receiver noted that there are little to no internal tracking mechanisms in place at the Company with respect to the Off-Book Assets. In addition, there appears to be no protocol for organizing documentation with respect to the investments and no central location or repository for same. This has continued to further impact the Receiver's efforts to gain a comprehensive understanding of the Off-Book Assets.
- 26 Notwithstanding the foregoing, the following is a summary of the Crystal Wealth Funds and the Investment Categories outlined in the April 20th Package:

Fund ¹	Portfolio Manager	Cash	On-Book Assets	Off-Book Assets	Accruals	Total
Mortgage Fund	Smith	\$ 1,217,989	\$ 2,578,364	\$ 23,242,421	\$ 44,162	\$ 27,082,935
Resource Fund	A. Housego	185,489	1,908,151	966	(6,799)	2,087,807
Factoring Fund	A. Housego	411,706	11,026,656	27,771,688	(1,085,882)	38,124,168
Medical Fund	Smith	449,770	1,540,927	7,277,553	1,840	9,270,090
Bullion Fund	A. Housego	268,830	763,006	-	(2,280)	1,029,555
Media Fund	Smith	731,305	1,018,720	53,520,539	(803,721)	54,466,843
High Yield Mortgage Fund	Smith	760,006	1,378,897	3,344,820	(41,557)	5,442,165
Infrastructure Fund	Smith	2,087,302	315,000	5,362,300	-	7,764,601
Hedge Fund	A. Housego	531,692	1,561,271	11,862,643	(36,657)	13,918,950
Conscious Capital Fund	Smith	27,905	658,198	(274,000)	(2,897)	409,206
ACM Income Fund	Smith	371,053	10,458,518	-	(14,153)	10,815,417
ACM Growth Fund	Smith	(2,040,779)	13,674,671	-	(24,828)	11,609,064
Sustainable Dividend Fund	Smith	121,340	6,524,987	3,475	(19,627)	6,630,175
Sustainable Property Fund	Smith	245,796	-	4,314,619	(12,480)	4,547,935
		\$ 5,369,403	\$ 53,407,366	\$ 136,427,023	\$ (2,004,879)	\$ 193,198,912
1-USD to CAD Rate: 1.3481001						

27 The general types of investments contained within each of the Investment Categories, all of which are discussed in detail later in this First Report, are as follows:

a) On-Book Assets include:

- i. investments in units of Crystal Wealth Funds ("**Inter-fund Investments**");
- ii. equity investments in companies whereby the securities of same are traded on active market exchanges and readily saleable ("**Equities**") as well as warrant options for the purchase of similar shares at a stated price in respect of equities traded on active market exchanges ("**Warrants**");
- iii. equity investments in companies whereby the securities were obtained through private placements or direct purchases and are not traded on active market exchanges and therefore are not readily saleable ("**Private Equities**") and warrant options for the purchase of shares in same at a stated price ("**Private Warrants**");
- iv. gold purchase agreements for the right to purchase a stated number of gold bullion ounces ("**Gold**") at a discount ("**Gold Contracts**");
- v. fixed income debentures with the option for the holder to convert the instrument into a set number of shares in the borrower ("**Convertible Debentures**");

- vi. unit holdings in mutual funds not managed by the Company and thus external to the Crystal Wealth Group, which the Receiver understands should be reasonably redeemable or monetizable (“**External Mutual Funds**”); and
- vii. currency future contracts, entered into with the purpose of hedging against a decline of the U.S. Dollar in relation to the Canadian Dollar (“**USD Futures**”).

b) Off-Book Assets include:

- i. investments in first or second non-conventional residential mortgages administered by third parties (“**Residential Mortgages**”);
- ii. term loans issued to private corporations and entities for various purposes (“**Commercial Loans**”);
- iii. term loans purchased from Media House Capital (Canada) Corp. (“**MHC**”) reflecting loans made to various production companies for the production of films (“**Media Loans**”);
- iv. contracts with commercial businesses under which specific Crystal Wealth Funds purchased accounts of such businesses at a discount (“**Factoring Contracts**”);
- v. participation rights in contracts with healthcare providers to purchase medical accounts receivable at a discount (“**Medical Factoring Contracts**”); and
- vi. preferred and common partnership units in 1076874 Properties Limited Partnership (“**107 LP**”), an entity that owns an interest in various rental properties located in the United States.

A detailed summary of the Crystal Wealth Funds and the Recorded Values of the investments as at April 20, 2017, prepared by the Receiver, is attached as **Appendix “9”** to this First Report.

CRYSTAL WEALTH FUND DESCRIPTIONS

- 28 For the purposes of this section, noted Cash balances and investment values are based on the Recorded Values in the April 20th Package, unless otherwise stated. They should not be taken as any statement, representation or reflection of actual or realizable value.

Mortgage Fund

- 29 The Mortgage Fund is the oldest active fund of the Crystal Wealth Group initially launched on or about April 12, 2007 with the objective of generating “a consistently high level of interest income with no downside volatility by investing primarily in first and second Canadian residential mortgages”³.

- 30 As at April 20, 2017, the Mortgage Fund held Cash of \$1,217,989 along with the following investments:

a) On-Book Assets:

- i. a 90 day GIC with HSBC Canada with a Recorded Value of \$522,765; and
- ii. Inter-fund Investment in the Media Fund with a Recorded Value of \$2,055,599.

b) Off-Book Assets:

- i. one hundred thirty four (134) individual Residential Mortgages managed by Spectrum Canada Mortgage Services Inc. (“**Spectrum**”) and Squire Management Inc. (“**Squire**”), with a Recorded Value of \$14,322,861;
- ii. Commercial Loans with a Recorded Value of \$8,543,500 made to the following entities:
 - 1. MCSnoxrecovery Inc. (“**MCSnox**”) – \$2,000,000;
 - 2. 2441472 Ontario Inc. (“**1472**”) – \$1,800,000;

³ <http://crystalwealth.com/quartz-strategies/crystal-wealth-mortgage-strategy/>, Mortgage Fund OM, Nov. 21, 2016.

3. Magnitude CS Energy Inc. ("**Magnitude**") – \$1,133,500;
4. Pond Technologies Inc. (formerly known as Pond Biofuels Inc.) ("**Pond**") – \$3,110,000; and
5. Kanwal Development Inc. ("**Kanwal**") – \$500,000.

A detailed discussion of the Commercial Loans appears later in this First Report.

- iii. accrued and uncollected interest related to Residential Mortgages and Commercial Loans with a Recorded Value of \$376,060.

Resource Fund

- 31 The Resource Fund was launched on or about August 14, 2009, and its objective was to "...generate positive absolute annual returns by investing primarily in securities with economic exposure to the global resource and precious metals sector"⁴.
- 32 As at April 20, 2017, the Resource Fund held Cash of \$185,489. The Resource Fund also held the following investments:
 - a) On-Book Assets:
 - i. thirty nine (39) Equities in the resource and precious metals sector with a Recorded Value of \$1,563,820 along with 21 Warrants with a Recorded Value of \$36,878;
 - ii. one (1) 5% Convertible Debenture with a Recorded Value of \$50,000 plus accrued interest with a Recorded Value of \$966 (recorded as an Off-Book Asset);
 - iii. one (1) USD foreign exchange contract with a Recorded Value of negative \$4,718; and

⁴ crystalwealth.com/sapphire-funds/crystal-enlightened-resource-and-precious-metals-fund, Resource Fund OM, Nov. 21, 2016.

- iv. Inter-fund Investments in the Bullion Fund and Factoring Fund with Recorded Values of \$261,643 and \$528, respectively.

Factoring Fund

- 33 The Factoring Fund has an inception date of on or about January 22, 2010 and an objective to “...provide consistently positive total returns while seeking to protect against downside risk by investing primarily in commercial factoring contracts”⁵. In addition, the Factoring Fund is “...authorized to invest in other securities including equities, fixed income securities, investment funds and exchange-traded derivatives”⁶. The exclusive partner of this Crystal Wealth Fund in executing this strategy is Frontline Factoring Inc. (“**Frontline**”). Frontline is discussed later in this First Report.
- 34 As at April 20, 2017, the Factoring Fund held Cash of \$411,706 and held the following investments:
- a) On-Book Assets:
 - i. six (6) Equities and three (3) Warrants totaling a Recorded Value of \$988,026;
 - ii. one (1) 10% Convertible Debenture, from Garmatex Holdings Ltd. with a Recorded Value of \$30,000;
 - iii. five (5) Gold Contracts with a Recorded Value of \$6,996,654;
 - iv. one (1) External Mutual Fund with a Recorded Value of 67,406;
 - v. USD foreign exchange contracts with a Recorded Value of negative \$8,234; and
 - vi. Inter-fund Investments in the Hedge Fund and Media Fund with Recorded Values of \$2,951,950 and \$854, respectively.

⁵ crystalwealth.com/sapphire-funds/crystal-wealth-enlightened-factoring-strategy, Factoring Fund OM, Nov. 21, 2016

⁶ crystalwealth.com/sapphire-funds/crystal-wealth-enlightened-factoring-strategy, Factoring Fund OM, Nov. 21, 2016

b) Off-Book Assets:

- i. a promissory note with a principal amount owing of USD \$125,000 (Recorded Value of \$168,513) along with an additional conversion option for common shares in the borrower, 1092545 B.C. Ltd. ("**109 BC**"), along with accrued interest with a Recorded Value of \$41,136;
- ii. twelve (12) Factoring Contracts managed by Frontline with a Recorded Value of \$22,821,205, in addition to accrued interest and fees with a Recorded Value of \$1,641,268; and
- iii. a 31.545% ownership in 107 LP with Recorded Cost and a Recorded Value of \$2,898,415 (US \$2,650,000) in addition to accrued (but uncollected) interest with a Recorded Value of \$201,151.

Medical Fund

35 The Medical Fund was launched on or about January 22, 2010 with an objective to "...generate a high level of interest income with minimal volatility and low correlation to most traditional asset classes by investing in American health care receivables"⁷. The exclusive partner in executing this strategy is Xynergy Medical Capital LLC ("**Xynergy**"), who is discussed later in this First Report.

36 As at April 20, 2017, the Medical Fund held Cash of \$449,770 and the following investments:

a) On-Book Assets:

- i. one (1) External Mutual Fund with a Recorded Value of \$25,288;
- ii. one (1) USD Equity traded on the "Over-The-Counter Markets Exchange" in the United States with a Recorded Value of \$7,846;
- iii. one (1) USD foreign exchange contract with a Recorded Value of negative \$18,812; and

⁷ <http://crystalwealth.com/quartz-strategies/crystal-wealth-medical-strategy/>, Medical Fund OM, Nov. 21, 2016

- iv. Inter-fund Investment in the Media Fund with a Recorded Value of \$1,526,605.

b) Off-Book Assets:

- i. thirty (30) Medical Factoring Contracts managed by Xynergy and accrued fees related to same with Recorded Values of \$6,470,773 (US \$4,800,019) and \$806,780 (US \$598,469), respectively.

Bullion Fund

37 The Bullion Fund was launched on or about July 3, 2015. The Bullion Fund's objective was to "...provide investors with the opportunity to invest in gold and silver bullion in a convenient way while simultaneously earning a yield on their bullion holdings"⁸.

38 As at April 20, 2017, the Bullion Fund held Cash of \$268,830 and the following investments:

a) On-Book Assets:

- i. two (2) Gold Contracts with a Recorded Value of \$763,006.

Media Fund

39 The Media Fund was launched on or about September 2, 2011. This fund's objective was to "...generate a high level of interest income with minimal volatility and low correlation to most traditional asset classes by investing in debt obligations of motion pictures and series television productions"⁹. The exclusive partner in executing this strategy was MHC, who is discussed in detail later in this First Report.

40 As at April 20, 2017, the Media Fund held Cash of \$731,305 and the following investments:

a) On-Book Assets:

- i. one (1) External Mutual Fund with a recorded value of \$1,042,228; and

⁸ <http://crystalwealth.com/sapphire-funds/crystal-enlightened-bullion-fund/>, Bullion Fund OM, May 17, 2016

⁹ <http://crystalwealth.com/quartz-strategies/crystal-wealth-media-strategy/>, Media Fund OM, Nov. 21, 2016

- ii. one (1) USD foreign exchange contract with a negative Recorded Value of \$23,508.

b) Off-Book Assets all managed by MHC:

- i. twenty one (21) CAD Media Loans with principal and accrued interest Recorded Values of \$33,649,959 and \$11,873,156, respectively; and
- ii. four (4) USD Media Loans with principal and accrued interest Recorded Values of \$5,325,456 (US \$3,950,423) and \$2,671,968 (US \$1,982,065), respectively.

High Yield Mortgage Fund

41 The High Yield Mortgage Fund was launched on or about January 23, 2015. The High Yield Mortgage Fund's objective was to "...generate a consistently high level of interest income while focusing on preservation of capital by investing primarily in residential 2nd mortgages in Canada"¹⁰. The exclusive partner in executing this strategy was and continues to be Spectrum.

42 As at April 20, 2017, the High Yield Mortgage Fund held Cash of \$760,006 and the following investments:

a) On-Book Assets:

- i. Inter-fund Investments in the Media Fund and Mortgage Fund with Recorded Values of \$516,820 and \$862,077, respectively.

b) Off-Book Assets:

- i. fifty one (51) individual Residential Mortgages, administered by Spectrum, with a principal balance of \$2,467,145 (Recorded Value) plus monthly accrued interest with a Recorded Value of \$437;

¹⁰ crystalwealth.com/quartz-strategies/crystal-wealth-high-yield-mortgage-strategy/, High Yield Mortgage Fund OM, Nov. 21, 2016

- ii. an inter-fund loan receivable from the Conscious Capital Fund with a Recorded Value of \$274,000; and
- iii. participation in the Pond Loan (as defined below) with a principal balance of \$550,000 plus accrued interest with a Recorded Value of approximately \$53,238;

Infrastructure Fund

43 The Infrastructure Fund was launched on or about May 6, 2016. The Infrastructure Fund's objective was to "...generate a consistently high level of interest income along with long-term growth potential while focusing on preservation of capital by investing primarily in debt and equity instruments of infrastructure projects and companies"¹¹.

44 As at April 20, 2017, the Infrastructure Fund held Cash of \$2,087,302 and the following investments:

a) On-Book Assets:

- i. a Convertible Debenture to Cinnos Mission Critical Incorporated ("**Cinnos**") with a principal balance of \$315,000 (the note is convertible into common shares of Cinnos at a rate of 85% of the value of such share upon an initial equity raise); and

b) Off-Book Assets:

- i. seven (7) separate loans to two (2) companies for a total principal value of \$5,154,571 called the OOM Energy Loans (defined and discussed herein) with a Recorded Value of accrued interest of \$193,782; and
- ii. accrued interest related to the Convertible Debenture from Cinnos with a Recorded Value of \$13,947.

¹¹ <http://crystalwealth.com/quartz-strategies/crystal-wealth-infrastructure-strategy/>, Infrastructure Fund OM, Nov. 21, 2016

Hedge Fund

- 45 The Hedge Fund was launched on or about February 26, 2016. The Hedge Fund's objective was to "...generate consistently positive annual returns regardless of the directional movement in equity, interest rates or currency markets"¹².
- 46 As at April 20, 2017, the Hedge Fund held Cash of \$531,692 and the following investments:
- a) On-Book Assets:
 - i. one (1) USD, and three (3) CAD Equities, as well as two (2) Warrants, with a cumulative Recorded Value of \$272,508;
 - ii. four (4) Gold Contracts with a cumulative Recorded Value of \$1,235,773; and
 - iii. one (1) External Mutual Fund with a Recorded Value of \$52,990;
 - b) Off-Book Assets:
 - i. three (3) Factoring Contracts with principal and related accrued interest with Recorded Values of \$2,992,362 and \$568,797, respectively;
 - ii. a 68.45% ownership in 107 LP with a Recorded Cost and Recorded Value of \$7,751,575 (US \$5,750,000) and accrued interest with a Recorded Value of \$503,909 (US \$373,800); and
 - iii. a non-interest bearing promissory note with a face value of \$46,000 issued from the 107 LP due December 31, 2017.

Conscious Capital Fund

- 47 The Conscious Capital Fund was launched on or about May 27, 2016. The Conscious Capital Fund's objective was "...long term capital growth through investment in companies"

¹² <http://crystalwealth.com/sapphire-funds/crystal-wealth-enlightened-hedge-fund/>, Hedge Fund OM, Nov. 21, 2016

*that are making a positive change in the world*¹³.

48 As at April 20, 2017, the Conscious Capital Fund held Cash of \$27,905 and the following investments:

a) On-Book Assets:

- i. 336,571 common shares in Pond (Private Equities) with a Recorded Value of \$632,753; and
- ii. 212,040 warrants (Private Warrants) in Pond with the right to purchase shares (one share per warrant) at a strike price of \$2.50/share, expiring November 21, 2018 with a Recorded Value of \$25,445.

b) Off-Book Assets (Liabilities):

- i. an inter-fund loan owing to the High Yield Mortgage Fund with a principal balance of \$274,000.

ACM Income Fund

49 The ACM Income Fund was launched on or about July 4, 2014. The ACM Income Fund's objective was to *"...provide a consistent level of current income while protecting against loss of capital"*¹⁴.

50 As at April 20, 2017, the ACM Income Fund held Cash of \$371,053 and the following investments:

a) On-Book Assets:

- ii. Manulife Yield Opportunities Fund (External Mutual Fund) with a Recorded Value of \$560,025; and
- iii. Inter-fund Investments with a total Recorded Value of \$9,898,493 in the following four Funds with the respective Recorded Values:

¹³ <http://crystalwealth.com/quartz-strategies/conscious-capital-strategy/>, Conscious Capital Fund OM, Nov. 28, 2016

¹⁴ <http://crystalwealth.com/sapphire-funds/acm-income-fund/>, ACM Income Fund and ACM Growth Fund OM, May 6, 2016

1. Media Fund – \$6,594,529;
2. Factoring Fund – \$2,426,339;
3. Medical Fund – \$560,297; and
4. Hedge Fund – \$317,328.

ACM Growth Fund

51 The ACM Growth Fund was launched on or about July 4, 2014. The ACM Growth Fund's objective was to "...provide long term capital appreciation while minimizing the risk of loss of capital"¹⁵.

52 As at April 20, 2017, the ACM Growth Fund had a margin balance (negative Cash) of \$2,040,779 and held the following investments:

a) On-Book Assets:

- i. fourteen (14) Equities in publicly traded entities with a Recorded Value of \$5,452,400;
- ii. four (4) External Mutual Funds with a Recorded Value of \$3,482,518; and
- iii. Inter-fund Investments with a total Recorded Value of \$4,739,753 in the following four Funds with the respective Recorded Values of:

1. Factoring Fund – \$2,511,933;
2. Mortgage Fund - \$1;
3. Hedge Fund – \$1,655,059; and
4. Media Fund – \$572,761.

b) Off-Book Assets:

- i. accrued interest and dividends related to investments with a Recorded

¹⁵ Ibid.

Value of \$3,475.

Sustainable Dividend Fund

53 The Sustainable Dividend Fund was launched on or about February 5, 2016. The Sustainable Dividend Fund's objective was to "...generate long term capital appreciation while focusing on preservation of capital by combining sustainable, responsible and values-based investing principles"¹⁶.

54 As at April 20, 2017, the Sustainable Dividend Fund held Cash of \$121,340 and the following investments:

a) On-Book Assets:

- i. nine (9) CAD Equities with a Recorded Value of \$1,440,897;
- ii. twenty Five (25) USD Equities with a Recorded Value of \$5,008,397 (US \$3,715,153); with accrued dividends with a Recorded Value of \$3,475 (classified as an Off-Book Asset); and
- iii. Inter-fund Investment in the Sustainable Property Fund with a Recorded Value of \$75,693.

Sustainable Property Fund

55 The Sustainable Property Fund was launched on or about February 5, 2016. The Sustainable Property Fund's objective was to "...generate a consistently reasonable level of income while focusing on preservation of capital by investing primarily in a diversified portfolio of alternative financing vehicles on real properties, within the residential and commercial sectors while adhering to Responsible, Equitable and Values-Based principles"¹⁷. The exclusive partner in executing this strategy, was and continues to be Spectrum.

¹⁶ <http://crystalwealth.com/sapphire-funds/absolute-sustainable-dividend-fund/>, Sustainable Dividend Fund OM, Nov. 21, 2016

¹⁷ <http://crystalwealth.com/sapphire-funds/absolute-sustainable-property/>, Sustainable Property Fund OM, Nov. 21, 2016

56 As at April 20, 2017, the Sustainable Property Fund held Cash of \$245,796 and the following investments:

a) Off-Book Assets:

- i. six (6) individual Residential Mortgages with a principal balance of \$2,219,879 administered by Spectrum; and
- ii. a Commercial Loan to MCSAB10 Inc. ("**MCSAB**") with a principal balance of \$2,000,000 plus accrued user fees with a Recorded Value of \$94,740.

Retirement Fund

57 The Retirement Fund was originally launched on or about January 2015 and was discontinued in March 2017. The Unit Holder Listing (defined later in this First Report) provided by International Financial Data Services (Canada) Limited ("**IFDS**") (a third-party that maintained the listing of investors) indicated that there were zero investors in the Retirement Fund and it had a NAV of \$0.

ON-BOOK ASSETS – SPECIFIC DETAILS

Inter-Fund Investments

58 Upon review of the April 20th Package, the Receiver noted that there were significant Inter-fund Investments between the Crystal Wealth Funds. The Media Fund is the single largest recipient of Inter-fund Investments with a Recorded Cost of \$11,349,768. The Recorded Costs noted for the following Crystal Wealth Funds represent the Inter-fund Investment balance in the Media Fund as at April 20, 2017:

- a) ACM Income Fund – \$6,641,115;
- b) Mortgage Fund – \$2,072,643;
- c) Medical Fund – \$1,537,291;
- d) ACM Growth Fund – \$576,764;
- e) High Yield Mortgage Fund – \$521,098; and

f) Factoring Fund – \$857.

The Receiver has prepared a diagram outlining the Inter-fund Investments between the Crystal Wealth Funds, with the noted Recorded Costs, which is attached as **Appendix “10”**.

- 59 When questioned, Smith advised the Receiver that Inter-fund Investments are common in the mutual fund industry and were utilized to manage cash flow requirements between the Crystal Wealth Funds, specifically for requested redemptions from investors. Based on the transaction data obtained from NBCN for the 12 months ending April 26, 2017, it appears the inter-fund transfers are largely one sided, meaning that the Media Fund is the largest recipient of proceeds from other funds to create liquidity in the Media Fund for redemptions.
- 60 The Receiver intends to conduct a more thorough review of the inter-fund transfers and will report the results of such review in a future report to the Court.

Equities and Warrants

- 61 Certain Equities in the Funds are traded in the following active markets:
- a) Toronto Stock Exchange;
 - b) TSX – Venture Exchange;
 - c) New York Stock Exchange;
 - d) National Association of Securities Dealers Automated Quotations (“**NASDAQ**”);
 - e) Australian Stock Exchange; and
 - f) Over-The-Counter Markets Exchange in the United States.

As a result, Equities quoted on these exchanges ***should be*** relatively liquid.

- 62 Based on a preliminary review of supporting documentation, some of the Warrants contain restrictions on their assignability and ultimately their saleability. Therefore, these warrants may not be readily liquid. The Receiver will continue to review the supporting documentation regarding these warrants to determine if and when they may be turned into

cash.

Private Equities and Private Warrants

- 63 Private Equities held in the Crystal Wealth Funds are obtained primarily through private placements or through direct purchases from persons who independently hold same. These investments are not actively traded in external markets. Therefore, they are not easily valued or realizable. The Receiver continues to review documentation and correspond and/or meet with the issuers with respect to these investments to develop a monetization strategy.
- 64 Similar to the Warrants, the Receiver continues to review the documentation with respect to each of the Private Warrants.

Gold Contracts

- 65 The Bullion Fund, Factoring Fund, and Hedge Fund collectively have a total of eleven (11) Gold Contracts:
- a) Onstar Exploration Ltd. ("**Onstar**") – 4 Gold Contracts with a combined Recorded Value of approximately \$6,447,484 (the "**Onstar Contracts**");
 - b) 611802 B.C. Ltd. ("**611 BC**") – 4 Gold Contracts with a combined Recorded Value of approximately \$1,255,819 (the "**611 Contracts**");
 - c) Inca One Gold Corp. ("**Inca**") – 2 Gold Contracts with a combined Recorded Value of approximately \$958,797 (the "**Inca Contracts**"); and
 - d) Solid Holdings Ltd. ("**Solid Holdings**") – 1 Gold Contract with a Recorded Value of \$333,332 (the "**Solid Contract**").

(Onstar, 611 BC, Inca, and Solid Holdings are referred to as the "**Gold Sellers**"). A summary of the Gold Contracts is attached hereto as **Appendix "11"**.

Onstar Contracts, 611 Contracts, Inca Contracts, and Solid Contract

- 66 The 611 Contracts, the Inca Contracts and the Solid Contract (collectively, the "**Settlement Contracts**") are similar in nature in that upon expiry, the contract is

completed either through: (i) the delivery of the Gold; or (ii) a cash settlement.

67 In general, the commercial arrangement for the Settlement Contracts is as follows:

- a) the Crystal Wealth Fund enters into a monthly Settlement Contract whereby it becomes entitled to purchase a certain amount of Gold at the current quoted spot price per ounce (the “**Spot Price**”), less a stated discount (between 1% to 5%) (the “**Purchase Price**”) for a stated period of time until the contract matures (the “**Maturity Date**”);
- b) on the anniversary date of each month (the commencement date of the Settlement Contract), there is a settlement in cash between the Gold Seller and the Crystal Wealth Fund whereby the Fund “sells” the Gold to the Seller at the Spot Price and then “re-purchases” the Gold at the Purchase Price (no actual transfer of physical Gold occurs);
- c) at the Maturity Date, a final settlement occurs either through the delivery of Gold to an agreed upon location or through a cash settlement whereby the Gold Seller remits payment to the Crystal Wealth Fund for the current market value of the Gold.

An example of a Settlement Contract under increasing and decreasing Gold prices along with an example of the appendices of such a contract (with financial terms redacted) is attached to this First Report as **Appendix “12”**.

68 Based on the contact information provided by the Company, the Receiver corresponded with the Gold Sellers advising them of the Appointment Order and requested a discussion to be scheduled with the Receiver. A summary of the various correspondence and discussions with each of the Gold Sellers is included below:

- a) 611 BC
 - i. 611 BC explained the nature of the Settlement Contract and 611 BC’s role in same. The 611 Contracts begin to expire in November 2017.
 - ii. The Receiver inquired into the potential for an early exit from the 611 Contracts. 611 BC indicated that since it does not have to settle the 611 Contract until November 2017, the potential for an early exit would not be

possible as 611 BC does not have the funds required to buyout the contract at this time or to deliver the Gold. Mining of the Gold under this contract has not yet commenced.

b) Inca

- i. There are currently two Inca Contracts (“**Inca 1**” and “**Inca 2**”). The third and final tranche of Inca 1 expired on June 1, 2017 while Inca 2 expires December 1, 2017.
- ii. The Receiver conducted a call with Inca on May 24, 2017. Inca indicated that it did not have the funds available to settle the third and final tranche of Inca 1 and that it would prepare a re-payment proposal for the Receiver to review.
- iii. On June 7, 2017, Inca provided a proposal to the Receiver which proposed that Inca settle the Inca Contracts for a cumulative value of \$1,000,000 over the course of 52 weeks beginning June 26, 2017. The proposal also included an alternative for Inca to repay the original face value (i.e. the acquisition cost) of the Inca Contracts plus a 2.5% annual interest rate, for total proceeds of approximately \$725,000 within 60 days. The Receiver has acknowledged receipt of this proposal but has not provided a response to Inca.

c) Solid Holdings

- i. On May 20, 2017, the Receiver obtained a response from a representative from Solid Holdings stating that the president of the company (the contact for the Solid Contract) was very ill, and, therefore, was unable to respond to questions. The Receiver advised the representative to have the president of Solid Holdings contact the Receiver once available. The Solid Contract does not expire until February 2018.
- ii. On June 20, 2017, the Receiver had a discussion with the president of Solid Holdings who indicated the company was undergoing significant financial and operational challenges. The Receiver has requested certain information to better understand this situation.

d) Onstar

- i. The nature of the Onstar Contracts differs slightly from the Settlement Contracts. The Factoring Fund and Hedge Fund entered into Gold Certificate Subscription Agreements whereby the Hedge/Factoring Fund purchased gold certificates for 1,000 ounces of gold per certificate (the “**Gold Certificates**”). The Receiver was able to locate unsigned Gold Certificates in the Company’s books and records which included the following:

*1. Gold deliveries to the Owner [the Hedge/Factoring Fund] shall commence **on April 30, 2017 F.O.B. Juneau, Alaska** and shall occur monthly, until the entire 1,000 ounces of gold due under this Certificate has been delivered to the Owner. It is expected that all gold payments will be completed no later than April 30, 2019.*

The Receiver has confirmed with Onstar that no Gold has been delivered to either the Factoring Fund or the Hedge Fund.

- ii. The Receiver is unable to locate executed versions of the Gold Certificates in the Company’s books and records.
- iii. The Receiver conducted a call with Onstar on May 24, 2017. On this call, Onstar claimed that one of the Company’s former independent investment advisors, Al Housego (“**Housego**”), had verbally agreed to provide a total of US \$10M of funding to Onstar for the development of a mine in Juneau, Alaska. However, to date, the Hedge Fund and Factoring Fund had only provided USD \$4M. As a result, Onstar has had to seek external financing to complete the development of such mine.
- iv. The Receiver had requested that Onstar provide copies of the executed Onstar Contracts which, as at the date of this Report, have not been provided to the Receiver.

External Mutual Funds

69 External Mutual Funds include units in mutual funds managed by large asset management

firms, including: Hollis Canadian Bank, Sentry Investments, National Bank Mutual Funds, Manulife Asset Management Limited, and Sprott Asset Management LP. It is the Receiver's understanding that the units in these External Mutual Funds should be reasonably redeemable.

OFF-BOOK ASSETS – SPECIFIC DETAILS

Residential Mortgages

- 70 The Mortgage Fund, High Yield Mortgage Fund, and Sustainable Property Fund contain a total of 191 Residential Mortgages with a cumulative principal balance owing to the said Funds of \$19,009,884.
- 71 Of the 191 Residential Mortgages, 189 (\$18,813,884) are administered by a third-party, Spectrum, while the remaining two Residential Mortgages (\$196,000) are administered by Squire (the **"Squire Mortgages"**). Spectrum and Squire are both licensed financial intermediaries involved in originating, underwriting, and managing non-conventional first and second Residential Mortgages. Spectrum and Squire both have Mortgage Procurement and Administration Agreements (**"MPAAs"**) with the Company, the Mortgage Fund, the High Yield Mortgage Fund, and the Sustainable Property Fund (collectively the **"Mortgage Related Funds"**) outlining their respective roles in administering Residential Mortgages on behalf of the Mortgage Related Funds.
- 72 Spectrum and Squire evaluate and underwrite Residential Mortgages which are then presented to the Mortgage Related Funds for purchase. Once purchased, Spectrum and Squire administer the Residential Mortgages by performing duties, including, but not limited to:
 - a) collecting and remitting principal and interest payments by the mortgagors on a monthly basis;
 - b) negotiating and settlement of, and collecting payments in arrears;
 - c) the management of any legal actions require to enforce on a Residential Mortgage; and
 - d) administering a trust account(s) on behalf of the Company and Mortgage Related

Funds and remitting monies to same as requested by the Company.

- 73 Shortly after the commencement of the Receivership Proceedings, the Receiver instructed Spectrum to continue to perform its obligations under the MPAA with the Company and remit balances collected in the trust account administered by Spectrum on behalf of the Mortgage Related Funds on a weekly basis to NBCN. The Receiver remains in regular contact with Spectrum with respect to the administration of the Mortgage Related Funds.
- 74 On June 19, 2017, Squire offered to acquire the Squire Mortgages, with an effective date of June 23, 2017, for proceeds of \$197,526 (proceeds include the entire principal value of the Squire Mortgages (\$196,000) plus accrued interest of \$1,526 to June 23, 2017). The Receiver subsequently accepted the offer and intends to close the transaction on June 23, 2017 as permitted by the Appointment Order.

Term Loans & Promissory Notes

- 75 The Funds have a total of fourteen (14) individually issued Commercial Loans with a cumulative principal balance of \$16,416,584 issued to:
- a) Pond;
 - b) MCSnox, Magnitude, 1472, 2445958 Ontario Inc. ("**5958 Ontario**"), MCSAB (each of these entities are under the control of a common individual, Craig Clydesdale ("**Clydesdale**")), and are collectively referred to as the "**OOM Energy Group**");
 - c) Kanwal; and
 - d) 109 BC.

Pond Loan

- 76 A term-loan in the amount of \$4,500,000 was advanced to Pond by the Company on December 15, 2015 (the "**Pond Loan**"). Subsequent to its advance, the Company executed various participation agreements assigning the rights to a stated portion of the Pond Loan to the Mortgage Fund, High Yield Mortgage Fund, and an individual, Suzanne West, resulting in the following participation amounts of the Pond Loan:

- a) Mortgage Fund – \$2,950,000;

b) High Yield Mortgage Fund – \$550,000; and

c) Suzanne West - \$1,000,000.

77 Shortly after the Receiver's appointment, the Receiver contacted Pond to notify it of the Receivership Proceedings at which time Pond acknowledged the outstanding amount of \$4,500,000. Subject to the review of all documentation related to these loans, it appears that the Company is the first secured creditor over all of the assets of Pond.

78 Pond was incorporated on May 27, 2008 under the laws of Canada, with the purpose of pursuing microalgal biomass production using raw stack gas emissions from industrial emitters. Pond remains in the development stage, has not yet reached profitability, and has relied on non-conventional sources of financing to fund operations.

79 The Receiver has continued discussions with Pond and reviewed certain documentation, but is currently not in a position to advise the Court regarding monetization of these loans for the benefit of the investors. The Receiver will update the Court in a future report.

OOM Energy Group

80 The following term loans and promissory notes with a cumulative principal sum of \$12,090,607 were advanced to the entities under the OOM Energy Group as follows:

a) MCSnox – a ten year term-loan with a principal value of \$2,000,000 issued on November 2, 2016 held by the Mortgage Fund (the "**MCSnox Loan**");

b) 5958 Ontario – advances reflected by four (4) promissory notes totaling \$967,107 issued between May 26, 2016 and August 4, 2016 all held by the Infrastructure Fund and all of which are repayable on demand (the "**5958 Ontario Notes**");

c) MCSAB – a three year term-loan with a principal value of \$2,000,000 advanced on December 9, 2016 held by the Infrastructure Fund (the "**MCSAB Loan**");

d) Magnitude – a five year term-loan with a principal value of \$3,000,000 advanced on July 6, 2016 held by the Infrastructure Fund (the "**Magnitude Loan**"), further advances reflected by two (2) promissory notes with a cumulative value of \$1,190,000 issued on July 8, 2016 and January 12, 2017 (the "**Magnitude Notes**"), and a \$1,133,500 loan advanced on April 28, 2016 administered by Spectrum (the

“Magnitude Spectrum Loan”); and

- e) 1472 – a fifteen year term-loan with a principal value of \$1,800,000 advanced on December 4, 2014 held by the Mortgage Fund (the **“1472 Ontario Loan”**)

(collectively the **“OOM Energy Loans”**).

- 81 On May 9, 2017, Smith provided the Receiver with the contact information for Clydesdale. Subsequent to obtaining the information, the Receiver immediately contacted Clydesdale advising him of the Appointment Order along with a request to discuss the OOM Energy Loans.
- 82 On May 11, 2017, the Receiver received a response from Bill McKenzie (**“McKenzie”**) from KWM Law Professional Corporation advising that he had been retained to represent the OOM Energy Group and Clydesdale with respect to these matters.
- 83 On May 18, 2017, the Receiver conducted a call with McKenzie; Clydesdale did not attend the call. During the call, McKenzie had little knowledge of the specifics surrounding the OOM Energy Group and the loans issued to same. Upon request for Clydesdale to provide documents related to the OOM Energy Loans, McKenzie advised that such documents would be provided after a written request was issued, outlining the specific documents required by the Receiver. The Receiver issued a document request list for the MCSnox Loan and the 1472 Ontario Loan on June 7, 2017 but, as at the date of this First Report, neither McKenzie nor Clydesdale have provided the documents requested.
- 84 The Receiver continues to work with A&B to determine the outstanding documents required to fully understand the status of the remaining OOM Energy Loans.

Media Loans

MHC and the Bron Companies

- 85 All of the Media Loans are administered by a third-party, MHC, and are held in the Media Fund. MHC was originally incorporated in the Province of Alberta on December 22, 2010 and continued out of Alberta on January 11, 2011 to be a federal corporation, with a registered office in Vancouver, British Columbia specializing in the structuring, sourcing and administration of loans for the independent film and television market. MHC’s

President, CEO, Chairman, and sole director is Aaron Gilbert (“**Gilbert**”). In addition, Bron Studios Inc. and Bron Animation Inc. are both entities related to MHC of which Gilbert is listed as a director.

- 86 From December 22, 2010 to July 13, 2015, MHC operated under Media House Capital (Canada) Corp. Beginning July 13, 2015, MHC operated under Bron Capital Partners Corp. until April 7, 2016 when it reverted to and continued to operate under MHC.
- 87 Gilbert has some involvement in the films which are investments of the Media Fund. Gilbert is listed as a producer or executive producer on 19 of the 25 film productions for which Media Loans have been purchased by the Media Fund. For five of the productions, he is a director or officer of the production company (the underlying borrower)¹⁸. A detailed account of the Receiver’s interactions with MHC are included below in this section.
- 88 Media Loans are made to production companies who require financing in excess of the funds raised through other sources (e.g. equity and financing tax credits) (this shortfall is referred to as the “**Gap Financing**” or “**Gap Loans**”) required to develop films or television productions (“**Production**”).
- 89 The Media Fund OM states that: “The [Media] Fund will not be in the business of making loans, but rather purchasing already existing securities such as notes and other debt obligations”. However, a preliminary review of the documentation supporting the Media Loans indicates that in many cases, the loans were made directly by the Media Fund to the production companies (this is discussed in greater detail in the Commission Affidavits). A schedule of the Media Loans provided by Smith on May 9, 2017 (“**Media Loan Schedule**”), is attached hereto as **Appendix “13”**.
- 90 The purported process for acquiring Media Loans was as follows:
- a) MHC sourced potential Gap Loans and conducted initial underwriting and lending (i.e. MHC advanced the funds to the production company);
 - b) the Company conducted secondary underwriting and analyzed how/if the loans fit into the Media Fund’s portfolio;

¹⁸ Paragraph 39 of the Tillie Affidavit attached to this First Report as Appendix “2”.

- c) the Media Fund would buy the pre-existing loans from MHC and all loan rights would be transferred to the Media Fund;
- d) the Company would hire MHC to provide Management Services (defined below); and
- e) Smith, the sole individual responsible for valuing the Media Loans, would monitor and determine the weekly value of the Media Loans (i.e. ensuring Media Loans were performing and recording loss reserves as needed).

91 The process for Production and the collection of proceeds was as follows:

- a) as the Production was produced, interest on the Media Loan would accrue in accordance with the original loan documents between MHC and the Production;
- b) during production, a sales agent would be hired to promote the Production to different geographical distributors;
- c) MHC would set up an account with a collection account manager (a “**CAM**”) and execute a Collection Account Management Agreement (a “**CAMA**”) with the CAM and any other parties who had a financial interest in the Production (e.g. equity owners, lenders, the actors’, directors’, and producers’ guilds (unions) etc.) (the “**Production Interests**”);
- d) the CAM would be a third-party responsible for collecting all revenues earned from the Production (i.e. revenue from distributors, broadcasters, merchandising, and other revenues); and
- e) the CAMA between all of the Production Interests outlines, among other things, the fees earned by the CAM, the ranking of Production Interests, and the “waterfall” payment structure for the film’s receipts to the various Production Interests (the “**CAMA Waterfall**”).

92 Based on a preliminary review of the CAMAs obtained thus far from MHC, the principal and interest of a sample of Media Loans appear after payment to other interests in the CAMA Waterfall, such as: the CAM expenses and fees, the actors’, directors’, and producer’s guilds and the entitlement to a portion of the sales agents fees/expense.

Documentation of Media Loans

- 93 In addition to the Media Loan Schedule, Smith provided documentation relating to the Media Loans and Media Fund's payment relationship with MHC but did not provide documentation to support the value, security, status of collections, and the position of the Media Fund in the respective CAMA Waterfalls.
- 94 Upon reviewing fully the Company's books and records, the Receiver was unable to obtain the information required to fully understand and support the value of the Media Loans. Aside from the Media Loan Schedule, it appears that there was no documentation used by Smith or the Company to understand the performance of the Media Loans. As a result, the Receiver and its counsel have spent significant time contacting and conducting discussions with various third parties with respect to the Media Loans to gather sufficient documentation to understand the entirety of the Media Fund and its holdings and their structure.

Dealings with MHC

- 95 MHC and the Media Fund entered into a Master Assignment Agreement (the "**Media Master Assignment Agreement**"), dated October 6, 2011 which, among other things, outlined the terms in which the Media Fund would purchase Media Loans from MHC.
- 96 On August 12, 2011, MHC and the Media Fund entered into a Production Loan Administration Agreement (the "**Media Production Loan Administration Agreement**") which, among other things, outlined MHC's role in sourcing and presenting potential Media Loans to the Media Fund for purchase and administration of same. Under the Media Production Loan Administration Agreement, MHC was to manage and service each Media Loan by performing duties, including, but not limited to:
- a) the collection and remittance of all prescribed payments of principal and interest and any profit or other participations (exclusive only of the 10% facility fee that is retained by MHC but deferred in part during the term) generated by the Production, as required under each Media Loan;
 - b) the collection of any penalties or miscellaneous fees, including any shared sales agent fee;

- c) the provision of information to the Production and any other parties for the maintenance or discharge of the loan;
- d) the negotiation and settlement, subject to the Company's approval, of any payments in arrears;
- e) the management of any legal actions required to enforce the Media Loans;
- f) the negotiation and management of any actions with the completion bond company, sales agent(s), distributor(s) or other third parties, if any;
- g) the negotiation and management of any actions required with the producers or production company; and
- h) the takeover, management, and oversight of all of or part of the film production, if necessary.

(collectively referred to as the "**Management Services**").

- 97 On May 9, 2017, Smith provided the Receiver with the contact information for MHC. Subsequent to obtaining the information, the Receiver contacted Gilbert advising him of the Appointment Order along with a request to discuss the Media Loans and MHC's involvement in same.
- 98 On May 10, 2017, the Receiver obtained a response from Gilbert who advised that MHC would be available for a discussion along with MHC's US counsel, Adam Davids from Davoli Davids, LLP ("**Davids**"), and MHC's Toronto counsel, Fasken Martineau DuMoulin LLP ("**Faskens**").
- 99 On May 16, 2017, the Receiver and A&B attended a conference call with MHC, Davids, and Faskens. During the call, the Receiver inquired into MHC's role in administering the Media Loans whereby MHC indicated that activities related to the tracking, monitoring, and valuation of same was performed by Smith. The Receiver also requested that MHC provide all of the necessary documentation and supporting schedules with respect to the Media Loans.
- 100 On May 23, 2017, MHC provided an email response (the "**May 23 MHC Email**") which, among other things:

- a) included the executed Media Master Assignment Agreement and Media Production Loan Administration Agreement;
- b) provided background information on the Management Services MHC performed;
- c) notified the Receiver that in the second quarter of 2016, the Media Fund retained an individual named Paco Alvarez ("**Paco**") to assist in administering and managing the Media Loans on behalf of the Media Fund;
- d) provided status updates on specific Media Loans and the Management Services provided by MHC with respect to same; and
- e) provided the Receiver with access to a Dropbox account containing documentation for two Media Loans.

- 101 Based on the status updates contained in the May 23 MHC Email, it is apparent that a significant number of the films underlying the Media Loans appear to be experiencing significant issues and/or delays. The status updates included in the May 23 MHC Email are included in the Media Loan Schedule.
- 102 On May 24, 2017, A&B, on the Receiver's behalf, requested that Davids direct MHC to provide all of the closing/security documents for all of the Media Loans. On May 30, 2017, MHC began providing same. As of the date of this First Report, the Receiver has been provided with certain documents requested for only 20 Media Loans. With respect to 6 of these loans, critical documentation, including distribution agreements, collection agreements, and sales agent agreements, remain outstanding.
- 103 On May 26, 2017, A&B, on the Receiver's behalf, requested that MHC provide current contact information for all individuals and entities who are currently involved or associated with the sale, distribution, collection, and remittance of payments (whether on account of principal, interest, profit, or otherwise) in connection with each of the Media Loans. On May 31, 2017, MHC provided a spreadsheet that identified the aforementioned contact information.

Paco Alvarez

- 104 Subsequent to advising Paco of the Receivership Proceedings on May 31, 2017, the

Receiver attended a call with Paco on June 1, 2017.

- 105 Paco advised the Receiver that he and his company, Forward Motion Entertainment Corp. ("**Forward Motion**"), were retained in December 2016 to administer the Media Loans on behalf of the Media Fund which included but was not limited to: assisting in collecting amounts from distributors and agents, obtaining reports from CAMs, conducting discussions with sales agents, and providing updates to Smith. Paco advised that he was retained by the Media Fund as MHC began to focus more on producing its own movies through Bron and wanted to reduce its involvement in administering the Media Loans.
- 106 Smith, in an earlier email, advised the Receiver that Forward Motion was paid a monthly fee for its services plus expenses to attend film sale festivals; Paco confirmed this arrangement. There is no written contract between the Company or Media Fund and Paco/Forward Motion.
- 107 The Receiver requested that Paco provide any documentation with respect to the Media Loans, including but not limited to, agreements, supporting schedules, notes from conversations with sales agents, contacts of individuals and companies involved in the Media Loans, and status updates on the Productions. Paco advised that he would not provide the Receiver with the requested information until he was paid his arrears (including expenses) up to and including May 2017.
- 108 The Receiver is currently assessing all of the issues regarding the Media Fund before any commitment is made to any party relating to on-going services to the Media Fund.

Receiver's Potential Engagement of an Advisor

- 109 Given the complex and unique nature of the Media Fund, the Receiver has sought out and discussed the potential of engaging an independent advisor to assist with the management of the Media Fund.
- 110 On June 13, 2017, after initial discussions, the Receiver and A&B attended a meeting with Quiver Capital Inc. ("**Quiver**") to discuss the potential engagement of Quiver as an independent expert to assist in recapturing as much value as possible from the Media Loans.
- 111 Quiver is involved in financing and distributing films and television productions throughout

the world. Quiver's management team consists of three individuals who have had lengthy careers in all facets of the film and television entertainment industry including but not limited to producing, financing, and distributing of a wide variety of content. Prior to starting Quiver, its management team founded and sold companies such as Hollywood Suite, ThinkFilm, Phase 4 Films, and KaBOOM! Entertainment in addition to holding executive level positions at companies such as Lions Gate Films, Momentum Pictures (an Entertainment One Company), and Peace Arch Home Entertainment.

112 On June 14, 2017, Quiver delivered a proposal to the Receiver which outlined the scope of the potential engagement along with a proposed fee structure. More specifically, the proposal outlined Quiver's mandate as follows:

- a) engage with all third party sales agents and domestic distributors to review the status of each film, including but not limited to interest and results from international distributors, timing of such interest, exposure and interest at film markets and festivals, and identification of unpaid, current and long-term accounts receivable;
- b) identify the unsold rights by film, by media (e.g. video on demand, television, etc.), and determine the best course of action to extract value from said rights and provide recommendations on the best course of action moving forward; and
- c) utilize relationships with the distributors and customers (e.g. Netflix, Amazon, Walmart, etc.) to influence collection of accounts receivable, and assist to generate further revenue to maximize value to the unit holders of the fund.

113 Subject to negotiations on the proposed fee structure, the Receiver is of the view that engaging Quiver as an advisor to the Receiver with respect to the Media Fund is the most efficient way to:

- a) obtain all of the relevant Media Loan documentation directly from third-parties (other than MHC);
- b) determine the current underlying value of the Media Loans; and
- c) develop and execute a strategy to create additional value through unpursued markets and revenue streams.

Factoring Contracts

- 114 All of the Factoring Contracts are administered by Frontline, which is a corporation based in Alberta that sources and administers contracts that the Factoring Fund and Hedge Fund enter into to purchase invoices (after purchase, invoices are referred to as “**Purchased Receivables**”) from operating businesses (“**Merchants**”) for a discount (typically 70% - 95% of the invoice value) and a service fee. Each of the Purchased Receivables are then assigned to Frontline who ultimately collects the invoice value. Any amounts collected over the purchase price, less applicable fees, are remitted to the company that sold the invoice.
- 115 The Factoring Fund and Hedge Fund entered into a Factoring Procurement and Administration Agreement (“**FPAA**”) with Frontline on November 25, 2014. The FPAA outlines that Frontline is responsible for evaluating and presenting potential Factoring Contracts to the Factoring Fund/Hedge Fund for purchase (i.e. the rights of the Factoring Contract(s) are assigned) and administering same. Once purchased, Frontline, under the FPAA, administers the Factoring Contracts by performing duties, including, but not limited to:
- a) the registration and assignment of, or transfer into the name of the Factoring/Hedge Fund of all Purchased Receivables pursuant to the Factoring Contracts entered into between the Factoring/Hedge Fund and the Merchants;
 - b) the provision of assurances, as required by the Factoring/Hedge Fund, for enforcing its rights, benefits, title, interest, and vesting of the Purchased Receivables;
 - c) the collection and remittance to the Factoring/Hedge Fund of all Purchased Receivables (less any fees under the FPAA) received from the Merchants as well as any fees, commissions, or penalties, if any;
 - d) the negotiation and settlement of any payments in arrears;
 - e) the management of any legal actions required to enforce the Factoring/Hedge Fund’s rights with respect to Purchased Receivables, the Merchants or the Factoring Contracts;

- f) the provision of weekly reporting to the Factoring/Hedge Fund; and
 - g) the administration of a bank account on behalf of the Factoring/Hedge Fund and remittance of monies to same as requested by the Company.
- 116 Under the section 4.4 of the FPAA, *“the [Factoring/Hedge] Fund hereby authorizes and empowers Frontline, without the requirement of further authorization or direction from the [Factoring/Hedge] Fund to:*
- a) *Make, or cause to be made, advances out of the fund provided by the [Factoring/Hedge] Fund in accordance with a Factoring Agreement;*
 - b) *Make any emergency type advances to preserve and protect the property and assets which are the subject matter of a Factoring Agreement.”*

Specific to item (a) above, except where the Merchant is in default under the applicable Factoring Contract, the Factoring/Hedge Fund is required to purchase all of the approved receivables from the Merchant (i.e. the Factoring/Hedge Fund was obligated to continue to purchase invoices after the Receivership Date) under and pursuant to the terms of the operative Factoring Contract.

- 117 Subsequent to advising Frontline of the Receivership Proceedings, the Receiver conducted a call with representatives from Frontline on May 12, 2017. Frontline advised that it had not and would not purchase approved receivables from the various Merchants after the Receivership Date but it has been collecting proceeds from Purchased Receivables on behalf of the Factoring/Hedge Fund.
- 118 The Receiver remains in regular contact with Frontline with respect to the administration of the Factoring/Hedge Fund. The Receiver has instructed Frontline to send available cash balances to the Factoring/Hedge Fund’s NBCN accounts, and to provide a full accounting and reconciliation of all amounts currently outstanding to the Receiver. As of the date of this Report, the Receiver has yet to receive any cash currently being held by Frontline on the Factoring/Hedge Fund’s behalf or a reconciliation of same.

Medical Factoring Contracts

- 119 Similar to the Factoring/Hedge Fund’s contractual arrangement with Frontline, the Medical

Fund holds investments in medical factoring receivables which are sourced and administered by Xynergy.

- 120 Xynergy is a corporation based in Florida that enters into contracts to purchase healthcare receivables (after purchase, invoices are referred to as **“Purchased Medical Receivables”**) from operating businesses in the United States (**“Clients”**) for a discount and service fees pursuant to which the invoice is assigned to Xynergy who ultimately collects the invoice value. Unlike Factoring Contracts, the Medical Factoring Contracts are not entered into between the Clients and the Medical Fund but rather a participation in the relationship is purchased by the Medical Fund.
- 121 Xynergy and the Medical Fund entered into a Master Medical Receivables Purchase and Administration Agreement on March 31, 2016 (the **“MMRPAA”**) which essentially gives the Medical Fund the opportunity to purchase participations in Xynergy’s Medical Factoring Contracts with various Clients (defined therein). For active participations, Xynergy, under the MMRPAA, administers the Medical Factoring Contracts by performing duties, including, but not limited to:
- a) bearing all costs and expenses of managing and servicing the Medical Factoring Contracts;
 - b) providing weekly reporting to the Medical Fund; and
 - c) administering a trust account on behalf of the Medical Fund and remitting monies to same as requested by the Company.
- 122 Subsequent to advising Xynergy of the Receivership Proceedings, the Receiver conducted a call with representatives from Xynergy on May 10, 2017. Xynergy made the Receiver aware that Xynergy is obligated to the Clients to continue purchasing healthcare invoices as they depend on the financing to operate their business.
- 123 Xynergy has continued to administer the Medical Factoring Contracts that the Medical Fund has an interest in and remains in regular communication with the Receiver. Xynergy also provides the Receiver with weekly reports outlining the activity (i.e. purchases and collections) of the Medical Factoring Contracts and provides a trust account statement outlining the cash held on behalf of the Medical Fund.

Potential Sale of Geodata Balance

- 124 Included in the Medical Fund is Medical Factoring Contracts with GeodataPR International, Inc. ("**Geodata**") and Servicios de Salud Integrada, CSP ("**SSI**") who both operate out of Puerto Rico. The most recent weekly report received from Xynergy (June 15, 2017) indicated that Geodata and SSI have net outstanding funds employed (i.e. the principal balance) of \$684,313 (the "**Geodata Balance**").
- 125 On June 20, 2017, Xynergy put forth a revised offer to acquire only the Medical Fund's participation in the Geodata Balance in full for \$684,313 (the "**Geodata Offer**"). The Receiver has verbally indicated to Xynergy that it is interested in the Geodata Offer. The Geodata Offer is for 100% of the Geodata Balance and as such represents its fair market value. Furthermore, the Geodata Medical Factoring Contract is a unique and specialized investment, and would likely result in a limited number of potential purchasers willing to pay greater than 100% of the balance outstanding.

US Real Estate LP

- 126 Based on a review of the Provided Documents and additional documents located in the Company's books and records, the Hedge Fund and Factoring Fund cumulatively own 99.99% of 107 LP, an entity that has an indirect ownership interest in a number of rental properties located in the United States together with corporate and individual partners (collectively the structure is referred to as the "**US Real Estate LP**"). The Hedge Fund and Factoring Fund act as limited partners in the US Real Estate LP (the "**Limited Partners**").
- 127 The remaining 0.01% ownership of 107 LP is held by 1076874 B.C. Ltd., an entity listed as the general partner which is owned by the following individuals:
- a) Alberto Storelli (Canadian) ("**Storelli**") – 51.0%;
 - b) Brian Peoples (USA) ("**Peoples**") – 24.5%; and
 - c) Joe Harker (USA) ("**Harker**") – 24.5%.

All or one of Storelli, Peoples, and Harker (collectively the "**General Partners**") are listed as directors or officers in a majority of the entities included in the US Real Estate LP.

- 128 The US Real Estate LP is a cross-border operation through a Nevada based corporation, DaVinci Capital Property, Inc. (“**DVCP**”) which is an indirect wholly owned subsidiary of 107 LP.
- 129 The purpose of the US Real Estate LP is to acquire and develop real estate properties in the United States to subsequently earn rental income and proceeds from the possible and/or eventual sale of such properties. Through its investment in 107 LP, the Receiver understands that the Factoring Fund and Hedge Fund have an indirect minority ownership interest in the following properties in the US Real Estate LP:
- a) 3961 Covington Highway, Decatur, Dekalb County, Georgia;
 - b) 3859 Austin Circle, Decatur, Dekalb County, Georgia;
 - c) 325 - 3rd Avenue SW, Birmingham, Alabama;
 - d) 201 - 3rd Avenue SW, Birmingham, Alabama;
 - e) 922 Lawndale Drive, Tupelo, Mississippi; and
 - f) 619 E. Groveland Parkway, Chicago, Illinois.
- (collectively referred to as the “**US Properties**”).
- 130 The Receiver has prepared a detailed organizational chart demonstrating the structure of the US Real Estate LP which is attached to this First Report as **Appendix “14”**.

Subscription Agreements

- 131 From June 6, 2016 to March 14, 2017, the Limited Partners invested US \$7,500,000 in the US Real Estate LP by way of unit purchases in 107 LP through subscription agreements (the “**Subscription Agreements**”). Based on a preliminary review of the Subscription Agreements, the Receiver understands that the investment structure to be as follows:
- a) the Limited Partners would purchase units in 107 LP (the “**Subscription Amount**”);
 - b) a portion of the Subscription Amounts would be advanced to DVCP by way of a

12% loans (the “**DVCP Loans**”) while the remaining Subscription Amounts would be advanced to DVCP by way of a share purchases in same (the “**DVCP Equity**”);

- c) in almost all cases, the entire Subscription Amounts received by DVCP would then be advanced to the various special purpose entities by way of interest bearing loans (the “**SPE Loans**”); and
- d) the proceeds from the SPE Loans would then be used to purchase and/or develop the US Properties.

132 The Receiver and A&B continue to review the Subscription Agreements and other related documents with respect to the US Real Estate LP to gain a more fulsome understanding of same.

Contact with General Partners

133 On June 4, 2017, the Receiver notified the General Partners of the Appointment Order along with a request to discuss the US Real Estate LP. On June 7, 2017, the Receiver delivered a follow-up email to the General Partners. Despite repeated follow-up communications, the Receiver has yet to have a discussion with the General Partners.

PRELIMINARY CONCLUSION REGARDING MONETIZATION OF THE CRYSTAL WEALTH FUNDS

134 Since the beginning of the Receivership Proceedings, the Receiver has issued and posted on its Case Website notices to all investors dated May 1, 2017, May 10, 2017, May 17, 2017, and June 9, 2017.

135 In its May 17, 2017 notice to investors, the Receiver stated that it was very mindful of the needs of the investors, and, accordingly, was conducting a review of the Company’s books and records on an accelerated basis to devise a plan that would ultimately lead to realization of the assets and distribution of the proceeds. Moreover, the Receiver determined that there were certain Crystal Wealth Funds which could be monetized on an urgent basis as they were largely comprised of marketable securities and cash holdings.

136 As a result of the foregoing review, the Receiver, in consultation with colleagues in Canada and the US with extensive investment and portfolio expertise, is carefully monetizing all

marketable securities, including Equities and Warrants, where possible, which are traded on the various public stock exchanges. The Receiver anticipates that this realization process will be complete by the end of June 2017.

- 137 As a result of its appointment by the Court, the Receiver holds an obligation to the investors. As such, the over-arching investment objective is to minimize the downside risk of uncontrollable domestic and global factors, by monetizing Crystal Wealth Funds in the short term for ultimate distribution to the investors rather than earning longer term higher returns.
- 138 Once this monetization process is complete, the Receiver will be issuing a notice to the investors advising them of the results of same.

PROPOSED SALE PROCESS

- 139 A significant portion of the total AUM of the Crystal Wealth Funds, particularly, the Off-Book Assets, have long maturities and appear to be difficult to value individually as they are not actively traded. Therefore, the Receiver is of the view that monitoring and the eventual realization of these assets individually will present significant effort and costs to the Crystal Wealth Funds and ultimately the investors.
- 140 In addition, the Receiver has also received expressions of interest from a number of parties with respect to purchasing and/or assuming the management of one or more of the Crystal Wealth Funds.
- 141 Given the above, the Receiver proposes that it conduct a sales process (the “**Sales Process**”) for certain Crystal Wealth Funds in a manner in which:
- a) potential bidders may make an offer to purchase the investments from one or more of the Crystal Wealth Funds (the “**Potential Bidders**”); and/or
 - b) potential managers may present an offer to assume the management of one or more of the Crystal Wealth Funds’ investment activities and assume Crystal Wealth’s position and duties to investors (the “**Potential Managers**”).
- 142 The proposed Sales Process comprises the following:
- a) The Receiver has begun and will continue to prepare a list of Potential Bidders and

Potential Managers for certain Crystal Wealth Funds. Potential Bidders will have the opportunity to bid for some or all of certain Crystal Wealth Funds' investments. Potential Managers will have the opportunity to present their proposal for assuming the entirety of the assets and management of certain Crystal Wealth Funds.

- b) The Sales Process will be advertised in publication(s) as determined by the Receiver.
- c) The Receiver will provide Potential Bidders and Potential Managers with a solicitation letter summarizing the acquisition and opportunity (the "**Solicitation Letter**") and a form of confidentiality agreement (the "**CA**") to be executed for further participation in the Sales Process.
- d) Any Potential Bidders and/or Potential Managers who execute a CA (a "**Prospective Bidder**" and a "**Prospective Manager**" respectively), will receive a confidential information memorandum ("**CIM**") describing the purchase and/or management opportunity and will gain access to an electronic data room, containing confidential information to perform due diligence.
- e) Prospective Bidders will be required to submit a binding offer to purchase the investment(s) contained within certain Crystal Wealth Funds (a "**Purchase Offer**") by 5:00 p.m. Eastern Standard Time ("**EST**") on August 10, 2017 (the "**Offer Deadline**"), which must include:
 - i. the identity, contact information, and disclosure of the principal(s) of the Prospective Bidder;
 - ii. a list and description of the Crystal Wealth Fund(s) and investments to be included in a purchase;
 - iii. an indication of the proposed purchase price or financial terms of such sale;
 - iv. an acknowledgement that the sale will be made on an "as is, where is" basis and that the Prospective Bidder will be bound by the terms of the Sales Process;
 - v. a description of any liabilities to be assumed by the Prospective Bidder;

- vi. details related to any regulatory approvals required to close the proposed transaction;
 - vii. a proposed timeline to the date of closing the transaction, along with critical milestones; and
 - viii. such other information requested by the Receiver.
- f) Prospective Managers will be required to submit a binding offer to assume and manage certain Crystal Wealth Funds (a “**Management Offer**”) by the Offer Deadline, which must include:
- i. the identity, contact information, and disclosure of principal(s) of the Prospective Manager;
 - ii. a list and description of the Crystal Wealth Fund(s) and the investments which the Prospective Manager has an interest in assuming;
 - iii. a list of the qualifications and experience in managing mutual funds and investments and a listing of the portfolio manager(s), proposed for the applicable Crystal Wealth Fund(s);
 - iv. a description of the proposed fees to be imposed on the investors of the applicable Crystal Wealth Funds;
 - v. a copy of the most recent audited financial statements of the Prospective Manager;
 - vi. an acknowledgement that the transfer will be made on an “as is, where is” basis and that the Prospective Manager will be bound by the terms of the Sales Process;
 - vii. a description of any liabilities to be assumed by the Prospective Manager;
 - viii. details related to any regulatory approvals required to close the proposed transaction;
 - ix. a proposed timeline to the date of closing the transaction, along with critical

milestones; and

- x. such other information requested by the Receiver.
- g) The Receiver may also request information to demonstrate that the Prospective Bidder / Prospective Manager has the resources to close the transaction.
- h) A Purchase Offer and/or Management Offer will be considered a “Qualified Offer” if it meets the following criteria:
- i. The offer is received by the Offer Deadline;
 - ii. The offer contains a letter stating that the Purchase/Management Offer is irrevocable and open for acceptance until at least five business days after the Offer Deadline;
 - iii. The Purchase/Management Offer includes proof of the Prospective Bidder’s/Manager’s ability to close the transaction and is not conditional upon financing;
 - iv. The Purchase/Management Offer includes proof of the Prospective Bidder’s/Manager’s financial stability;
 - v. The Purchase/Management Offer includes an acknowledgement that the Prospective Bidder/Manager has (a) relied solely upon its own independent review of any documents and assets to be acquired and/or assumed in making its offer; and (b) not relied upon any representations or warranties whatsoever regarding the property of the Crystal Wealth Group, except as expressly stated in the agreement of purchase and sale and/or the transfer of ownership agreement;
 - vi. The Purchase/Management Offer shall not contain any material conditions to closing other than Court approval;
 - vii. The Purchase/Management Offer should include a completed form of agreement of purchase and sale and/or ownership transfer agreement, in a form prepared by the Receiver;

- viii. The Purchase/Management Offer shall not contain a break-fee or any type of compensation to the Prospective Bidder/Manager;
 - ix. The Receiver must believe the transaction will close on or prior to five days after Court approval of the transaction; and
 - x. As appropriate, the Purchase Offer shall include a deposit equal to 10% of the purchase price of the assets(s), and in the case of a Management Offer, a deposit per the Receiver's discretion;
- i) Upon review of the Qualified Offers, the Receiver, may:
- i. accept a Qualified Offer (a **"Successful Offer"**) and complete an agreement for a Successful Offer;
 - ii. accept two or more non-overlapping Qualified Offers and complete agreements for same;
 - iii. continue negotiations with a selected number of Prospective Bidders and/or Prospective Managers; or
 - iv. terminate the Sales Process.
- j) The Receiver shall be under no obligation to accept the highest offer, and shall be under no obligation to accept any offer if the Receiver determines that no suitable offers have been received.
- k) If no acceptable Purchase Offers and/or Management Offers are received, the Receiver may consider other options for dealing with the Crystal Wealth Funds' assets.
- l) A Successful Offer must be approved by the Court.

143 The following chart summarizes the relevant milestones for the proposed Sales Process:

Milestone	Approximate Date
(i) Court Approval of Proposed Sales Process	July 3, 2017
(ii) Solicitation Letter Distribution	July 10, 2017
(iii) Purchase/Management Offer Deadline	August 10, 2017
(iv) Selection of a Successful Offer(s)	August 17, 2017
(v) Issuance of an Approval and Vesting Order	August 31, 2017
(vi) Closing Date	5 days after (v)

144 It is proposed that the Sales Process will be carried out by the Receiver as it is qualified to administer the proposed Sales Process for the following reasons:

- i. the Receiver has considerable experience conducting a sale process for investment assets and investment portfolios and will utilize the expertise of its corporate finance professionals, as necessary, in carrying out its duties;
- ii. the Receiver has extensive contacts in the industry who it will ensure are made aware of the Sales Process;
- iii. if a party other than the Receiver were to be engaged to run the Sales Process, the Receiver would be required to maintain oversight of the third party, thus duplicating certain efforts and costs;
- iv. the proposed Sales Process has been designed to be a thorough and efficient process, which will reduce professional fees associated with administering same, if it is administered by the Receiver; and
- v. the Receiver will not charge a success fee, but instead will charge its standard hourly rates based on actual hours spent in administering and processing the Sales Process. It is anticipated, given the nature of the Crystal Wealth Funds, that the Receiver's fees, based on its standard hourly rates, will be significantly less than a success fee.

PROPOSED CREDITOR CLAIMS PROCEDURE ORDER

145 The Receiver is of the view that a Creditor Claims Procedure (as defined in the proposed Creditor Claims Procedure Order) is warranted for non-investor creditor claims against the Crystal Wealth Group. With respect to investor distributions, the Receiver requests approval to rely on the IFDS Unit Holder Listing, as is outlined in paragraphs 167 to 175 below.

146 The books and records of the Company indicate the following liabilities:

- a. trade payables totaling \$169,964;
- b. income tax and HST payable of \$34,200;
- c. loans from shareholders and employees totaling \$9,952;
- d. loans from Smith of \$202,648; and
- e. loans from CLJ Everest of \$286,879.

(collectively referred to as the “**Recorded Liabilities**”)

147 Since the Appointment Order, the Receiver has been contacted by several parties claiming that there are monies owing to them from either the Company or Crystal Wealth Funds which liabilities were not identified in the Recorded Liabilities.

148 As a result of these claims, it appears that the liabilities recorded on the books and records of the Company and the Crystal Wealth Funds are inaccurate and unreliable for the Receiver to establish a complete creditor listing for the Crystal Wealth Group. As a result, the Receiver is seeking approval of a Creditor Claims Procedure, according to which the Receiver would call for all claims against the Crystal Wealth Group, and bar any claims against the Crystal Wealth Group not submitted by the Claims Bar Date (as defined in the proposed Creditor Claims Procedure Order).

149 The proposed Creditor Claims Procedure provides the Receiver with a mechanism to determine the amounts of claims against the Crystal Wealth Group. The proposed Creditor Claims Procedure Order will permit the Receiver to instruct creditors of the Crystal Wealth Group to file proofs of claim since the Receiver is not confident in the completeness

and accuracy of the Crystal Wealth Group's books and records with regard to non-investor creditor claims.

- 150 The proposed Creditor Claims Procedure Order provides for a package of information (each a "**Claims Package**") to be sent to each known creditor.
- 151 The complete details of the proposed Creditor Claims Procedure are set out in the draft Creditor Claims Procedure Order, which is attached hereto as **Appendix "15"**, and are summarized here as follows.

Summary of Proposed Creditor Claims Procedure

- 152 Under the proposed Creditor Claims Procedure, the Receiver intends to send a Claims Package to known creditors of the Crystal Wealth Group and potential creditors that request such a mailing prior to the Claims Bar Date, which will also include an instruction letter and Proof of Claim, by ordinary mail no later than July 10, 2017.
- 153 As soon as reasonably practicable upon receiving a request from a potential creditor (provided such request is made prior to the Claims Bar Date), the Receiver would send such creditor a Claims Package by ordinary mail, courier, facsimile or electronic mail.
- 154 In addition, the Receiver would cause notice of the proposed Creditor Claims Procedure to be published for one day in the Globe and Mail by no later than July 10, 2017 and would make the Claims Package available on its website at www.GrantThornton.ca/crystalwealth.

Claims Bar Date

- 155 The draft Creditor Claims Procedure Order provides that the **Claims Bar Date for all claims will be 5:00 p.m. (Toronto time) on August 3, 2017** (the "**Claims Bar Date**").
- 156 All creditors are required to file a Proof of Claim such that it is **received** by the Receiver prior to the Claims Bar Date. Failure to submit a Proof of Claim by the Claims Bar Date would result in such creditor's claim being forever barred and extinguished, released and discharged.

Review of Proofs of Claim

- 157 As part of proposed Creditor Claims Procedure Order, the Receiver would review all Proofs of Claim that are received on or before the Claims Bar Date to determine the adequacy of the manner in which Proofs of Claim have been completed and executed.

Notice of Revision or Disallowance

- 158 The Receiver would accept or, by way of Notice of Revision or Disallowance (as defined in the proposed Creditor Claims Procedure Order), revise or disallow, in whole or in part, the amount and/or status of the claim set out in any Proof of Claim.
- 159 At any time, the Receiver would be entitled to request additional information with respect to any claim and would be entitled to request that the creditor file a revised Proof of Claim. The Receiver would send a form of Notice of Dispute (as defined in the proposed Creditor Claims Procedure Order) to any creditor whose claim has been revised or disallowed at the time the Notice of Revision or Disallowance of Claim is sent to that creditor.
- 160 Where a claim has been revised or disallowed, in whole or in part, by a Notice of Revision or Disallowance, the revised or disallowed portion of that claim would be determinative unless the creditor disputes the revision or disallowance and proves the revised or disallowed claim, or portion thereof, in accordance with the proposed Creditor Claims Procedure Order.

Disputed Notices of Revision or Disallowance

- 161 Any creditor that receives a Notice of Revision or Disallowance and intends to dispute such Notice of Revision or Disallowance would be required to deliver a Notice of Dispute to the Receiver by no later than 5:00 p.m. (Toronto time) on the day that is ten business days after the Receiver sends the Notice of Revision or Disallowance. The filing of a Notice of Dispute with the Receiver within the time limit would constitute an application to have the amount or status of such claim resolved as set out below.
- 162 Where a creditor that receives a Notice of Revision or Disallowance fails to file a Notice of Dispute with the Receiver within the time limit, the amount and status of such creditor's claim would be deemed to be as set forth in the Notice of Revision or Disallowance and such amount and status, if any, would constitute such creditor's proven claim.

Resolution of Claim

- 163 Upon receipt by the Receiver of a Notice of Dispute from a creditor, the proposed Creditor Claims Procedure Order provides for the resolution of claims by the creditor and the Receiver by first attempting to resolve and settle the creditor's claim on consent of the parties. If it is not possible to resolve and settle the creditor's claim consensually, the Receiver or the creditor would be entitled to make a motion to the Court for a final determination of the creditor's claim.
- 164 In addition, the Receiver would be entitled to make a motion to the Court for the final determination of any claim at any time, whether or not the Receiver has sent the creditor a Notice of Revision or Disallowance.

Distribution to Creditors

- 165 The proposed Creditor Claims Procedure Order addresses only the identification of claims. It does not address entitlement to a distribution, or the priority of such claims. The matter of distributions to non-investor creditors of the Crystal Wealth Group will be the subject matter of a separate motion.
- 166 After the conclusion of the proposed Claim Procedure, the Receiver will report to the Court in respect of any proposed interim distribution to non-investor creditors of the Crystal Wealth Group, and would seek Court approval of same.

PROPOSED RELIANCE ON IFDS UNIT HOLDER LISTING FOR THE PURPOSE OF MAKING DISTRIBUTIONS TO INVESTORS

- 167 On April 26, 2017, the Receiver requested that Smith provide the most recent investor listing/database showing all of the investors in each of the Crystal Wealth Funds and their respective holdings. In response to this request, Smith advised that neither he nor the Company maintained the listing of investors but rather this function was performed by an external entity, IFDS. Smith advised the Receiver that when T3's were to be prepared or if the information was required for any correspondence with investors, the Company would obtain this list directly from IFDS for a fee.
- 168 On April 27, 2017, the Receiver contacted IFDS to advise them of the Receivership Proceedings and to request relevant information as it related to the Crystal Wealth Funds

and the investors therein. Subsequent to initial contact, the Receiver requested the following items from IFDS:

- a) a current listing of Crystal Wealth Funds, with details of composition in each fund;
- b) a current listing of investors in each of the Crystal Wealth Funds, indicating the holdings of each investor in each fund;
- c) a current listing of the investors with individually managed funds on hand with National Bank; and
- d) all of the available contact information (including mailing addresses, email addresses, and telephone and fax numbers) for each of the investors in each of the Crystal Wealth Funds, as well as for each of Company's portfolio management clients who have their managed accounts at NBCN.

169 On May 4, 2017, IFDS, through its counsel, provided the Receiver with a document addressing items (b) to (d) noted above (the "**Unit Holder Listing**"). It is the Receiver's understanding that the Unit Holder Listing encompasses all of the individuals invested in a particular Crystal Wealth Fund (i.e. the Unit Holder Listing contains a complete picture of the unit holdings in each of the Funds). In regards to item (a), the Receiver obtained same from NBCN.

170 On May 11, 2017, IFDS, through its counsel, provided the Receiver with the executed Securityholder Services Agreement between IFDS and the Company dated February 17, 2004 as well as a similar unsigned Securityholder Services Agreement between IFDS and the Company dated May, 2009 and an Amending Agreement dated November 30, 2016. All three of these documents are attached hereto as **Confidential Appendix "1"**.

171 IFDS is the central repository of all investor data, including names, addresses, personal information, Crystal Wealth Funds holdings, etc. Moreover, discussions with NBCN, recent discussions with BDO Canada LLP ("**BDO**"), the Company's auditors, and discussions with Smith corroborate the fact that IFDS independently maintains its records based on instructions from NBCN or the Company.

172 Accordingly, based on the fact that the Unit Holder Listing is maintained solely by IFDS, with Smith or the Company having limited involvement in same, the Receiver is of the view

that the Unit Holder Listing accurately reflects the units held by each investor and that a separate process for investors to validate such holdings would not present a result materially different than the Unit Holder Listing. As a result, the Receiver will not be conducting a separate investor claims process as it will be relying on the investor information contained in the Unit Holder Listing.

- 173 On June 15, 2017, the Receiver attended a meeting with BDO and its counsel. During the meeting, the Receiver inquired into BDO's understanding of the Unit Holder Listing, the processes for maintaining and updating same, and the work performed on the Unit Holder Listing during the scheduled audits. BDO advised that the Unit Holder Listing was maintained and updated by IFDS with information provided by an additional third-party, Fundserv Inc., who was responsible for processing investor subscriptions and redemptions within the Funds.
- 174 BDO advised that an annual external audit is performed by a third-party on IFDS' processes and controls with respect to its business through the issuance of a Canadian Standard on Assurance Engagements 3416 (CSAE 3416) Report. BDO indicated that during the audit of the Company it would obtain copies of the annual CASE 3416 Report to confirm that the conclusions contained within the Report outlined that the controls and processes used by IFDS were sufficient to ensure the Unit Holder Listing was not materially misstated.
- 175 The Receiver seeks Court approval of its proposed reliance on the IFDS Unit Holder Listing to make distributions to investors in the Crystal Wealth Funds, where possible, without the necessity of seeking further approval from the Court.

RECEIPTS AND DISBURSEMENTS OF THE RECEIVERSHIP

- 176 Attached hereto as **Appendix "6"** is the Receiver's Interim Statement of Receipts and Disbursements for the period April 26, 2017 to May 31, 2017 which outlines the cash balances of the Company and the Crystal Wealth Funds.
- 177 The deposits to the Crystal Wealth Funds primarily relate to Off-Book Assets, such as regular payments from Spectrum or Squire for on-going maintenance of the Residential Mortgages. Disbursement from the Crystal Wealth Funds primarily relate to bank charges.

SPECIFIC ACTIVITIES OF THE RECEIVER SINCE THE APPOINTMENT ORDER

178 Upon its appointment, the Receiver took immediate steps to secure and preserve the Property of the Crystal Wealth Group, communicate with stakeholders, and deal with other operational and administrative tasks. The Receiver has conducted the following key activities in relation to its appointment:

Taking Possession

- a) Attended the Premises immediately upon being appointed and changed the locks to secure the assets and books and records contained therein, notified various service providers and transferred billing arrangements into the Receiver's name for the period post-Appointment Order.
- b) Attended the Mount Nemo Property shortly after the Appointment Order and changed the locks to secure the Mount Nemo Property and its contents. The Receiver transferred utilities for the Mount Nemo Property for the period post Appointment Order into the Receiver's name as well as arranged for on-going maintenance of the Mount Nemo Property.
- c) Corresponded with the landlord of the Premises to notify it of the Appointment Order and make arrangements for payment of rent during the Receiver's occupancy.
- d) Secured the books and records of the Crystal Wealth Group, located at the Premises, disabled external access to the computer system and performed a forensic backup of all data contained on the Company's Dropbox account and GoDaddy email systems. During this process, the Receiver identified that the emails contained in the inbox and sent items of the email accounts of Smith, Housego and Bentley were either deleted in their entirety, or it was apparent that individual emails had been removed.
- e) Contacted the third party cloud server company to restore email data with respect to the deleted emails. This process is still underway.
- f) Corresponded with the Crystal Wealth Group's contract accountant and received copies of certain records of the Crystal Wealth Group.

- g) Secured the Crystal Wealth Group's bank accounts and transferred the funds therein to the Receiver's trust accounts. Specifically, the Receiver has maintained separate trust accounts consistent with the origin of funds transferred from the Crystal Wealth Funds.

Employee Matters

- a) Permitted the Company to continue to actively employ three (3) employees for a brief period post Appointment Order (including Smith and Bentley) to assist the Receiver in understanding the business and operations of the Crystal Wealth Group and to facilitate the initial mailing to all investors.
- b) Terminated these employees on behalf of the Company effective May 10, 2017 and arranged for all Records of Employment ("ROEs") to be issued to same. A fourth employee, who was subsequently discovered by the Receiver to be on maternity leave, was terminated effective May 24, 2017.
- c) Engaged the Company's contracted accountant to prepare
 - i. bi-weekly payroll for Smith and the other employees;
 - ii. ROEs; and
 - iii. T4's.

Investor Matters

- a) Established a Crystal Wealth Funds toll free number and email account.
- b) Responded to numerous calls and emails from Crystal Wealth Group investors and other stakeholders.
- c) Published the Receivership Proceedings in the national editions of the Globe and Mail and the National Post on May 4, 2017.
- d) Distributed four (4) notices from the Receiver to all investors, which were also posted to the Receiver's Case Website, on May 1, 2017, May 10, 2017, May 17, 2017, and June 9, 2017 updating them on the receivership as events unfolded.

- e) Created and maintained a listing of investors with holdings, accounts, and contact information including email addresses.

Administration of the Funds

- a) The Receiver's activities with respect to the administration of the Crystal Wealth Funds include:
 - i. meeting and corresponding with NBCN on a number of investor matters, including the on-going management of the securities, records and monetization of assets within the Crystal Wealth Funds;
 - ii. corresponding with various third-parties involved in administering certain Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors;
 - iii. collecting monthly payments and funds held by third-parties administering certain Crystal Wealth Funds and/or their assets;
 - iv. corresponding with borrowers of the Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors;
 - v. conducting meetings with certain third-parties and borrowers, as appropriate; and
 - vi. negotiating the sale of two Residential Mortgages to a third party as discussed further below.

Other Activities

- a) Corresponded and held numerous discussions with Smith, employees, and contractors of the Crystal Wealth Group.
- b) Corresponded and held numerous discussions with various stakeholders, providers and/or their legal counsels.
- c) Corresponded and held various discussions with the Company's auditor, BDO.
- d) Corresponded and held various discussions and meetings with parties expressing

interest in either purchasing or managing certain Crystal Wealth Funds.

- e) Maintained a public website for the Receivership Proceedings in accordance with the Commercial List E-Service Protocol.
- f) Arranged for the redirection of the Company's and CLJ Everest's mail to the Receiver's office.
- g) Made arrangements with insurance providers to ensure that continued coverage remains in place with respect to both the Premises and Mount Nemo Property.

MOUNT NEMO PROPERTY

- 179 Pursuant to the Vesting Order, the Receiver was authorized by the Court to complete, on behalf of CLJ Everest, the sale transaction contemplated by the Mount Nemo Sale Agreement.
- 180 CLJ Everest is the registered owner of Mount Nemo Property. At the date of the Receivership Proceedings, this property was vacant.
- 181 Prior to the Appointment Order, the Mount Nemo Sale Agreement was entered into by CLJ Everest and the Purchaser with a completion date for the underlying transaction of April 28, 2017.
- 182 On April 27, 2017, Jo-Anne Smith ("**Ms. Smith**"), Smith's sister and the listing agent for the Mount Nemo Property, informed the Receiver that the Purchaser had advised her on April 27, 2017, that the Purchaser would not be completing the purchase transaction.
- 183 At 9:20 a.m. and 9:21 a.m. on April 28, 2017, the Receiver attempted to contact the Purchaser by telephone at the number which Ms. Smith advised was the Purchaser's cell phone number. On both occasions, the message "Call cannot be completed as dialed" was received.
- 184 Accordingly, by letter to the Purchaser dated April 28, 2017, A&B advised the Purchaser that the Receiver was treating his anticipatory breaches as a repudiation of the Mount Nemo Sale Agreement, thereby discharging the Receiver from proceeding with the Mount Nemo Sale Agreement while reserving the Receiver's right to pursue damages from the Purchaser. A&B's letter to the Purchaser is attached to this Report as **Appendix "16"**.

- 185 To date, no response has been provided by the Purchaser, and the transaction did not proceed as contemplated by the Vesting Order.
- 186 The Receiver obtained the listing agreement from Ms. Smith which was in place at the time of the Appointment Order.
- 187 After the transaction contemplated by the Mount Nemo Sale Agreement failed to close, the Receiver corresponded with Ms. Smith, providing information with respect to the Receivership Proceedings and the Receiver's intention to conduct a formal sales process for the listing of the Mount Nemo Property (the "**Mount Nemo Listing Process**"). The Receiver invited Ms. Smith to participate in that process. On May 10, 2017, the Receiver received an executed Listing Cancellation from Ms. Smith to allow the Receiver to conduct the Mount Nemo Listing Process.
- 188 Between April 28, 2017 and May 1, 2017, the Receiver researched and compiled a short-list of seven (7) real estate agents/brokers with extensive experience in marketing and selling rural estate properties in the Burlington and surrounding areas, including Ms. Smith (the "**Prospective Brokers**").
- 189 On May 2, 2017, the Receiver distributed a request for proposals (the "**Request for Proposals**" or "**RFP**") via email to the Prospective Brokers outlining: the appointment of the Receiver, the contents of the Mount Nemo Listing Process, and the request for each Prospective Broker to submit a proposal outlining, among other things, such Brokers' experience in the related market, a strategic marketing plan with timelines, as well as indications of value of the Mount Nemo Property, by 5:00 PM EST on May 9, 2017. The Receiver also included a confidentiality agreement, to be executed by the Prospective Brokers, along with preliminary information with respect to the Mount Nemo Property in the RFP. On May 6, 2017, a copy of the RFP was provided to Ms. Smith, inviting her to participate in the RFP conducted by the Receiver. A copy of the RFP is attached hereto as **Appendix "17"**.
- 190 Between May 2, 2017 and May 9, 2017, the Receiver received expressions of interest from four (4) Prospective Brokers (the "**Interested Brokers**"), one (1) response indicating a proposal would not be submitted, and two (2) Prospective Brokers did not respond. Of the four Interested Brokers, the Receiver obtained three executed confidentiality agreements.

- 191 On May 8, 2017, the Receiver provided on-site access to the Mount Nemo Property to the three Interested Brokers who submitted confidentiality agreements. During the on-site visit, the Receiver gave tours of the Mount Nemo Property and responded to questions with respect to the Receivership Proceedings and the Mount Nemo Sale Process.
- 192 On May 9, 2017, RFP submissions from the Interested Brokers were received. A proposal was not received from Ms. Smith. After review of the proposals received from the Interested Brokers, the Receiver selected and notified the successful broker on May 18, 2017, being RE/MAX Aboutowne Realty Corp., Brokerage (the “**Broker**”). A summary of the proposals received is attached to this First Report as **Confidential Appendix “2”**. The Receiver selected the Broker due to its extensive experience selling similar real estate in the Burlington and surrounding area, its competitive commission structure, and its detailed marketing plan to prepare and execute the sale of the Mount Nemo Property.
- 193 On June 8, 2017, the Receiver entered into an MLS listing agreement with the Broker (the “**Listing Agreement**”) which is attached to this First Report as **Confidential Appendix “3”**. The Mount Nemo Property is currently listed for \$3,399,000.

COMMUNICATIONS WITH INVESTMENT ADVISORS

- 194 On May 1, 2017, the Receiver obtained a listing of eight (8) individuals, including Smith, then registered and/or acting for the Crystal Wealth Funds as investment advisors, consultants, referral sources, and/or portfolio managers (the “**Investment Advisors**”). Of the Investment Advisors, the following seven (7) individuals were determined to be registered representatives of Crystal Wealth:
- a) Smith;
 - b) Bentley;
 - c) Housego;
 - d) Scott Whale (“**Whale**”);
 - e) Tim Johnston (“**Johnston**”);
 - f) Sameer Azam (“**Azam**”); and

g) Geoff Reiner ("**Reiner**").

(collectively referred to as the "**Registered Representatives**").

- 195 The remaining Investment Advisor, Jeffrey Mushaluk, was confirmed to not be a Registered Representative of the Company and was independently contracted by the Company as a referral source.
- 196 On May 2, 2017, the Receiver delivered a letter via email to Housego, Whale, Johnston, and Azam, (the "**May 2nd Letter**") advising them, among other things:
- a) of the Appointment Order;
 - b) of the Receiver's intention not to execute trades or manage client accounts with NBCN over which the Company had been authorized to make and implement investment decisions (the "**Managed Accounts**");
 - c) not to undertake or effect any activity in the Managed Accounts;
 - d) of the Receiver's intention to honour written directions provided by the Managed Accounts clients to transfer the same to another registered dealer and/or advisor; and
 - e) that, at their request and upon releasing the Company from any claims related to their respective business arrangements with the Company, the Receiver would terminate the Registered Representative's relationship with the Company, and would file an online Form 33-109F1 Notice of Termination of Registered Individuals and Permitted Individuals (the "**Notice of Termination**") via the National Registration Database ("**NRD**"), enabling them to register with another firm.
- 197 Subsequent to sending the May 2nd Letter, the Receiver did not receive a response from any of Housego, Whale, Johnston, or Azam instructing the Receiver to terminate their relationship with the Company. On May 17, 2017, the Receiver delivered another letter via email to Housego, Whale, Johnston and Azam (the "**May 17th Letter**") notifying them that the Receiver intended to file the Notice of Termination and that if they wanted for same to reflect a voluntary resignation, they were to notify the Receiver of such a request in writing by the end of the week.

- 198 When no affirmative response was received from Housego, Whale, Johnston or Azam, the Receiver delivered a further letter dated May 26, 2017 to each of them terminating each of their relationships with the Company, and advising each of them that a Notice of Termination would be filed.
- 199 On May 30, 2017, the Receiver sent a letter to Reiner similarly advising him that the Receiver was terminating his relationship with the Company effective as of that date, and advising him that a Notice of Termination would be filed.
- 200 The Receiver completed the relevant NRD forms to effect the filing of the Notices of Termination, and on May 30, 2017, executed Notices of Termination for all Registered Representatives. The Notices of Termination were filed with NRD on June 7, 2017.

THE RECEIVER'S DEALINGS WITH SMITH

Investor and Other Correspondence

- 201 On May 8, 2017, the OSC and Receiver were made aware of an email communication made by Smith on May 1, 2017 to an unknown group of apparent investors in the Crystal Wealth Funds (the "**Smith Email**"). In the Smith Email, Smith made many false and/or erroneous statements ultimately misinforming the investors who had received same. A copy of the Smith Email is attached to this First Report as **Appendix "18"**.
- 202 On May 10, 2017, the Receiver sent an email to Smith (the "**Smith Response**") advising him that the Smith Email contained certain false and misleading statements that interfered with the steps and actions taken by the Receiver and that it was in breach of the Appointment Order. The Receiver demanded that Smith cease all communications with investors in the Crystal Wealth Funds, and the Company's Managed Account clients, unless expressly authorized by the Receiver in writing. In addition, the Receiver demanded that it be provided with copies of any and all communications sent by Smith to any one or more investors in the Crystal Wealth Funds, or to Managed Account clients. As of the date of this First Report no such communications have been provided to the Receiver by Smith. A copy of the Smith Response is attached to this First Report as **Appendix "19"**.
- 203 As of the date of this First Report, the Receiver has corresponded with numerous investors who have received the Smith Email. The Receiver understands the confusion that these

proceedings can cause to investors, which confusion is exacerbated by the Smith Email and the conflicting messages it creates. Through its Notices to Investors, the Receiver has tried to clarify to investors that the Receiver's communications should be the sole source of information relied upon for information and updates concerning the status of the Crystal Wealth Group.

204 On May 18, 2017, the Receiver was made aware that Smith had sent an email to Paco advising him that he should continue his services and that he would be compensated by the Receiver. In so doing, it came to the Receiver's attention that Smith had used the email address "crystalwealthceo@gmail.com". A copy of Smith's email is attached to this First Report as **Appendix "20"**.

205 On May 20, 2017, the Receiver sent an email response to Smith reiterating that he has no authority to represent or speak on behalf of the Receiver, including with respect to whom will be compensated under the Appointment Order. In addition, the Receiver demanded that Smith refrain from using any email address containing the words "crystal wealth", and cease all communications under same. A copy of the Receiver's response to Smith is attached to this First Report as **Appendix "21"**.

Removal of RV & Moving Trailer

206 On April 28, 2017, upon taking possession of the Mount Nemo Property, the Receiver documented a trailer with the license plate L52 87V (the "**Moving Trailer**") and a recreational vehicle with the license plate BVCD 847 (the "**RV**") on the Mount Nemo Property. The Receiver ensured that both the Moving Trailer and RV were both locked and secured prior to leaving.

207 On May 7, 2017, the Receiver returned to the Mount Nemo Property and noted that both the Moving Trailer and RV were not present. On May 11, 2017, the Receiver obtained information through the Government of Ontario database, dated May 8, 2017, indicating that Smith was the owner of both the Moving Trailer and RV.

208 In Smith's termination letter, dated May 16, 2017 (delivered via registered mail and email, a copy of which is attached to this First Report as **Appendix "22"**), the Receiver notified Smith of the removal of the RV and Moving Trailer and requested that Smith preserve the RV and Moving Trailer, at a location of his choice until such time that the Receiver provided

further direction. The Receiver also requested that Smith notify the Receiver of the location where the RV and Moving Trailer would be located; the Receiver has yet to obtain a response from Smith.

Smith's Proposed Motion & Failure to Deliver Statutory Declaration

- 209 As a result of the Appointment Order, all of Smith's known assets, including bank accounts, continue to be frozen, and all of the Property (as defined in the Appointment Order) of the Crystal Wealth Group was vested in the Receiver.
- 210 At the hearing of the Receivership Application on April 26, 2017, and subsequent to granting the Appointment Order which was unopposed by the Crystal Wealth Group, the Honourable Justice Newbould scheduled a motion date of May 24, 2017 (the "**Comeback Date**"), at which time, Smith was to bring a motion, if he wished, to vary certain terms of the Appointment Order, including any request to access funds for the purpose of retaining counsel and for personal living expenses. The Receiver has received correspondence from investors communicating their opposition to Smith gaining access to such funds.
- 211 On May 18, 2017, the Receiver delivered a blank form of statutory declaration (the "**Statutory Declaration**") to Smith requesting that he provide information concerning, among other things, his assets, liabilities, income, and expenses. A copy of the statutory declaration sent to Smith by the Receiver is attached as **Appendix "23"** to this First Report.
- 212 On May 24, 2017 and June 6, 2017, A&B, on behalf of the Receiver, sent follow-up correspondence to Smith reiterating the Receiver's request that Smith complete the Statutory Declaration. As at the date of the First Report, the Receiver has not received the completed Statutory Declaration from Smith.
- 213 No motion materials were served by Smith prior to the May 24th Comeback Date. On the Comeback Date, Smith advised the Court that his previously retained counsel had resigned on May 18, 2017 and that he therefore required additional time to prepare the necessary materials himself in support of a motion to vary certain terms of the Appointment Order, and more specifically, to access funds for retaining counsel and for personal living expenses (despite not having completed the Statutory Declaration). The Honourable Justice Morawetz directed Smith to serve and file his materials in support of any such

motion with the Court by the close of business on June 1, 2017. Justice Morawetz further directed the Receiver and Smith to re-attend Court with counsel for the OSC on June 2, 2017 to review the status and to set a schedule for the hearing of Smith's motion, if necessary. A copy of the endorsement of the Honourable Justice Morawetz issued on May 24, 2017 is attached as **Appendix "24"** to this First Report.

- 214 On June 1, 2017, Smith, representing himself, served a notice of motion, legal brief, and motion record which failed to include any evidence (the **"June 1 Materials"**). The relief sought in the notice of motion was substantially different than that to which Smith advised the Court he would be seeking on the Comeback Date before Justice Morawetz, and included a request that the Appointment Order, Vesting Order, and OSC Freeze Directions be rescinded in their entirety. A copy of the notice of motion included in the June 1 Materials is attached hereto as **Appendix "25"**.
- 215 On June 2, 2017, the Receiver, A&B, Smith, and OSC lawyers attended the scheduled 9:30 a.m. Court appointment. During the appointment, the Honourable Justice Hailey advised Smith that the June 1 Materials were insufficient to allow the Court to consider the relief sought, and accordingly, the Court declined to schedule Smith's motion. Furthermore, the Honourable Justice Hailey advised that the relief sought by Smith in the June 1 Materials was far different and greater in scope than Smith had communicated to Justice Morawetz at the May 24, 2017 Comeback Date. The Honourable Justice Hailey issued an endorsement on June 2, 2017 scheduling a further 9:30 appearance for June 23, 2017, and directed counsel to provide a progress report to the Court at that time. A copy of the endorsement of the Honourable Justice Hailey issued on June 2, 2017 is attached as **Appendix "26"** to this First Report.

ISSUES CONCERNING REPRESENTATIVE COUNSEL

Housego's Support for the Appointment of CMB as Representative Counsel

- 216 On May 17, 2017, the Receiver was made aware of an email sent by Housego on the same date to a group of investors in the Crystal Wealth Funds using the email address crystalwealthupdates@gmail.com (the **"Housego Email"**). The Housego Email, among other things, *"strongly recommended"* that investors endorse the appointment of Alistair Crawley (**"Crawley"**) and Crawley MacKewn Brush LLP (**"CMB"**) as representative counsel for investors. Housego's recommendation supporting Crawley and CMB was

done utilizing false and/or erroneous statements regarding the Receivership Proceedings as well as past and future actions to be taken by the Receiver. Most notably, Housego asserted that the cost of CMB's services to the investors would be covered by the Receiver, rather than from the Property of the Crystal Wealth Group. The Housego Email contained a hyperlink which investors could click on to support CMB's appointment as Representative Counsel. A copy of the Housego Email is attached to this First Report as **Appendix "27"**.

- 217 On May 18, 2017, the Receiver delivered an email to Housego (the "**Housego Response**"), attached as **Appendix "28"**, advising him that although the Receiver is supportive of investors seeking independent legal advice, it was concerned about the numerous inaccurate statements which were communicated in the Housego Email, which had given rise to confusion within the investor body.
- 218 On May 24, 2017, the Receiver distributed an email to the email addresses provided by Housego that attached the Housego Email, the Housego Response, and directed these investors to monitor the Receiver's case website for reliable updates concerning the status of the Receivership Proceedings. A copy of the Receiver's communication in this regard is attached to this First Report as **Appendix "29"**.

CMB's Motion to be Appointed as Representative Counsel

- 219 At the June 2, 2017 Court hearing, Crawley, on behalf of CMB, attended to advise the Court of CMB's intention to bring a motion to be appointed as representative counsel for the investors in the Crystal Wealth Funds. On June 9, 2017, CMB served the Receiver with a motion record in support of a motion to appoint CMB as representative counsel to the investors in the Crystal Wealth Funds. A date for the motion has yet to be scheduled.
- 220 At the time of the Appointment Order, CMB acted as counsel for one of the named Respondents, Chrysalis Yoga, and appeared on Chrysalis Yoga's behalf at the hearing before the Honourable Justice Newbould on April 26, 2017.
- 221 Shortly following the Application hearing on April 26, 2017, A&B was contacted by Crawley. During a conference call between A&B and Crawley on May 8, 2017, Crawley indicated that he had been informally speaking with an investor named Tony Murphy, as well as Johnston, one of the Registered Representatives, but had not been retained. On

May 10, 2017, Crawley advised A&B of his view that this case would benefit from representative counsel to represent the interests of investors, and that CMB would be interested in seeking an appointment for this role.

- 222 On May 11, 2017, A&B and the Receiver participated in a conference call with Crawley and Melissa MacKewn of CMB to discuss CMB's interest in the appointment. Crawley advised that he was introduced to the Crystal Wealth situation by Housego and Johnston. The Receiver inquired as to Crawley's experience acting as representative counsel on similar files to which Crawley responded that neither he nor CMB had acted in such capacity. The Receiver advised Crawley that it has had extensive experience interacting with representative counsel in its capacity as Court-appointed Receiver and acknowledged the importance of the role in certain of these mandates. Notwithstanding the above, the Receiver indicated to Crawley that the appointment of representative counsel at that stage was premature.
- 223 On May 16, 2017, Crawley sent a letter via email to A&B reiterating CMB's interest in being appointed representative counsel (the "**May 16th Crawley Letter**"). A copy of the Crawley Letter is attached hereto as **Appendix "30"**. On May 17, 2017, A&B, on behalf of the Receiver, sent a letter in response to the May 16th Crawley Letter reiterating the Receiver's view, and rationale for it, that it was premature for representative counsel to be appointed at that juncture. A&B's response sent to CMB on May 17th is attached to this First Report as **Appendix "31"**.
- 224 On May 19, 2017, (two days after the Housego Email was sent) Crawley sent additional correspondence via email to A&B (the "**May 19th Crawley Letter**") which is attached hereto as **Appendix "32"**. The May 19th Crawley Letter, among other things, contained a critical and aggressive tone towards the Receiver and its actions taken to date and made many incorrect assumptions regarding same. In the letter, Crawley took issue with the fact that the Receiver had not contacted Housego with respect to the management of certain Crystal Wealth Funds. On behalf of the Receiver, A&B provided a response to the May 19th Crawley Letter via letter sent to CMB on May 19, 2017. In its response, A&B advised Crawley, among other things, that it was "surprised by the aggressive tone of your letter" while reiterating once again that the Receiver believed it to be premature to introduce representative counsel at that stage, and to unnecessarily levy the cost of representative counsel to investors at this time. A&B further advised CMB in its letter that

the Receiver had intentionally not consulted with Housego, given the Receiver's view that it was neither necessary nor desirable to seek Housego's consultation in order for the Receiver to review and make appropriate decisions in connection with the Crystal Wealth Funds. A copy of A&B's May 19th letter to CMB is attached to this Report as **Appendix "33"**.

225 As is set out in A&B's letters to Crawley sent on May 17th and May 19th, the Receiver has not foreclosed the option of recommending representative counsel to investors. However, the Receiver still believes it is premature to engage representative counsel for the following reasons:

- a) The Receiver is acting as independent court officer, with legal representation from A&B, and is taking steps to advance the interests of all investors;
- b) An omnibus representative counsel will likely not have a meaningful role. The Receiver believes that there are divergent interests among the investor group, given the differences between the Crystal Wealth Funds, and accordingly, many investors may opt out, or multiple representative counsel roles may be required;
- c) The Receiver believes that the monetization of certain Crystal Wealth Funds is straight forward and as previously mentioned, is currently underway. Accordingly, it seems counter-productive to burden investors in such Crystal Wealth Funds with the cost of representative counsel at this stage; and
- d) Certain Crystal Wealth Funds may require individual and protracted realization strategies, unique to each Crystal Wealth Fund, during which time the cost of representative counsel could unnecessarily be significant while adding questionable value. As previously discussed in this First Report, the Receiver has expended considerable effort to obtain documentation to fully understand the Off-Book Assets, is continuing the process to do so and will very shortly be in a position to conduct the Sales Process as described in this First Report. In addition, the Receiver will be engaging an expert to assist the Receiver in the management and development of realization strategies of the Media Fund, arguably one of the most complex investments of the Crystal Wealth Funds, and will consider the need for such a specialized advisor in respect of any other fund if the circumstances warrant it.

226 The Receiver is of the view that in the event that this Honourable Court nevertheless believes that representative counsel should be appointed, such role should not be fulfilled by Crawley or CMB for the following reasons:

- a) CMB: (i) acted for one of the Respondents, Chrysalis Yoga, an entity which is subject to the Receiver's investigation; (ii) made representations to the Court in that capacity at the time of the Appointment Order; and (iii) is, in the Receiver's view, conflicted from acting in an impartial role;
- b) Crawley and CMB admitted that they were introduced to the Crystal Wealth situation, in part, by Housego and Johnston. Both of these individuals were actively working with Smith, were Registered Representatives of the Company prior to being terminated by the Receiver, were subject to the OSC's Temporary Order and Extension Order, and are the subject of the Receiver's continued investigation;
- c) Housego circulated false and misleading information to investors vehemently advocating for CMB to be appointed as representative counsel;
- d) CMB's correspondence to the Receiver has been inflammatory, accusatory, and misleading, based, at least in part, on knowledge and information provided to CMB by Housego and Johnston; and,
- e) CMB's alleged proxies from investors, through the hyperlink referenced in the Housego Email, were obtained under false pretenses from Housego.

227 If this Honourable Court believes that representative counsel should be appointed, the Receiver respectfully suggests that such role be fulfilled by Cassels, Brock & Blackwell LLP ("**Cassels**"), a firm with significant experience in acting as representative counsel and a firm well versed in the mutual fund industry and the financial services sector. Cassels is one of the various experienced firms who have contacted the Receiver to communicate an interest in acting in the representative counsel capacity, and has confirmed to the Receiver that it is free of conflicts in acting in such capacity.

RECEIVER'S FEES AND DISBURSEMENTS

228 Pursuant to paragraph 23 of the Appointment Order, the Receiver and its counsel are to

be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Appointment Order. Pursuant to paragraph 24 of the Appointment Order, the Receiver and its counsel shall pass their accounts.

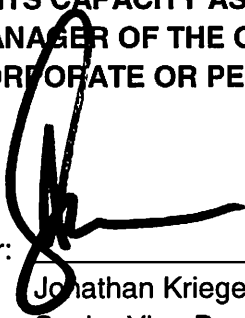
- 229 The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court. The Receiver and its counsel have maintained detailed records of their professional time and costs.
- 230 The total fees for the Receiver for the period April 25, 2017 to May 31, 2017, were \$214,276.91, plus disbursements of \$1,566.00, plus HST of \$28,058.28, for a total of \$243,891.19. The time spent by the Receiver is more particularly described in the Affidavit of Jonathan Krieger sworn June 21, 2017 (the “**Krieger Affidavit**”), which is attached hereto as **Appendix “34”** and contains copies of invoices that set out the services provided during this time period.
- 231 The total fees of A&B, as counsel to the Receiver, for the period of April 24, 2017 to May 31, 2017, were \$160,293.50, plus disbursements of \$5,069.55, plus HST of \$21,237.34, for a total of \$186,600.39. The time spent by A&B is more particularly described in the Affidavit of Steven L. Graff sworn June 22, 2017 (the “**Graff Affidavit**”), which is attached as **Appendix “35”** and contains, among other things, copies of invoices that set out the services provided during this period of time.
- 232 It is the Receiver’s opinion that the fees and disbursements of the Receiver and A&B accurately reflect the work done by the Receiver and on behalf of the Receiver by A&B in connection with the receivership and the administration of the property of the Crystal Wealth Group from April 24, 2017 to May 31, 2017.
- 233 It is the Receiver’s opinion that the fees and disbursements of A&B are fair and reasonable and justified in the circumstances. The Receiver recommends approval of A&B’s accounts by this Honourable Court. While the Receiver is seeking approval of its fees and disbursements at this time, the Receiver intends to make a recommendation and seek approval of an allocation of its fees and disbursements among the Crystal Wealth Funds in a further motion before this Court.

CONCLUSION

234 For the reasons set out in this First Report, the Receiver respectfully requests the relief and approval as set out in the Receiver's Notice of Motion dated June 22, 2017.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 22 day of June, 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**

Per: 

Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 5

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SUPPLEMENT TO THE FIRST REPORT TO THE COURT
SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

JUNE 29, 2017



Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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CONFIDENTIAL APPENDIX

Appendix 1 Memorandum of Understanding dated June 27, 2017

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SUPPLEMENT TO THE FIRST REPORT TO THE COURT
SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

JUNE 29, 2017

INTRODUCTION AND PURPOSE OF THE FIRST REPORT SUPPLEMENT

- 1 This supplement (this “**First Report Supplement**”) is filed by Grant Thornton Limited in its capacity as Court-appointed receiver (the “**Receiver**”) of the Crystal Wealth Group and of the Chrysalis Account. This First Report Supplement is filed by the Receiver as a supplement to its first report dated June 22, 2017 (the “**First Report**”).
- 2 Unless otherwise defined, all capitalized terms in this First Report Supplement are defined as they are in the First Report. Any and all disclaimers provided in the First Report also apply to this First Report Supplement.
- 3 Background information in respect of the Respondents and the Receivers’ appointment is provided in the First Report.
- 4 Copies of materials filed in these proceedings generally are available on the Receiver’s Case Website at www.grantthornton.ca/crystalwealth.
- 5 The purpose of this First Report Supplement is to inform and update the Court on:
 - a) the Receiver’s efforts thus far in monetizing certain On-Book Assets, more specifically, Equities and External Mutual Funds;
 - b) the Receiver’s efforts thus far in monetizing certain Off-Book Assets, more specifically, the Squire mortgages; and
 - c) the engagement of Quiver Capital Inc. (“**Quiver**”) as an advisor to the Receiver in managing the Media Fund.

MONETIZATION OF ON-BOOK ASSETS

- 6 As mentioned in the First Report, the Receiver, in consultation with colleagues in Canada and the US with extensive investment and portfolio expertise, is carefully monetizing all marketable securities, including Equities and External Mutual Funds, where possible, which are traded on the various public stock exchanges. The Receiver estimates that this process is over 90% complete, covering the ACM Growth Fund, ACM Income Fund, Factoring Fund, Medical Fund, Media Fund, Resource Fund and the Sustainable Dividend Fund. The Receiver anticipates that this realization process will be completed shortly.

MONETIZATION OF OFF-BOOK ASSETS

- 7 As mentioned in the First Report, Squire had offered to acquire the remaining two Squire Mortgages, with an effective date of June 23, 2017, for proceeds of \$197,526 (proceeds include the entire principal value of the Squire Mortgages (\$196,000) plus accrued interest of \$1,526 to June 23, 2017). The Receiver accepted the offer and the transaction closed on June 23, 2017.

PRESERVATION OF CRYSTAL WEALTH FUNDS

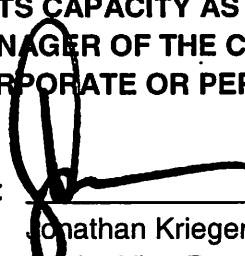
- 8 The Receiver notes that the monetization of individual On-Book Assets and Off-Book Assets will be preserved in each Crystal Wealth Fund to which they pertain and cash proceeds will not be intermingled among other Crystal Wealth Funds.

ENGAGEMENT OF QUIVER AS ADVISOR

- 9 The First Report describes the Receiver's potential engagement of Quiver as an advisor to assist with the management of the Media Fund, due to the uniqueness of the Media Fund and Quiver's expertise in this area.
- 10 On June 27, 2017, the Receiver and Quiver entered into a Memorandum of Understanding ("MOU") which outlines the roles and responsibilities of Quiver and compensation in so acting. A copy of the MOU is attached as **Confidential Appendix "1"** which the Receiver respectfully requests be subject to the sealing order as requested in the First Report.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 29 day of June, 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**

Per: 
Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 6

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

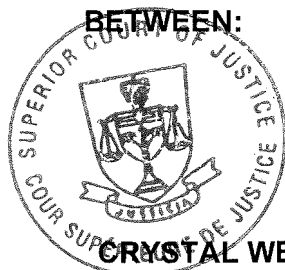
THE HONOURABLE

JUSTICE HAINEY

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FRIDAY, THE 30th DAY

OF JUNE, 2017

BETWEEN:**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**")), without security, of all of the assets, undertakings and properties of 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**"), for an Order, *inter alia*: (i) approving the First Report of the Receiver dated June 22, 2017 (the "**First Report**") and the activities of the Receiver set out in the First Report; (ii) approving the Supplement to the First Report of the Receiver dated June 29, 2017 (the "**Supplement to the First Report**") and the

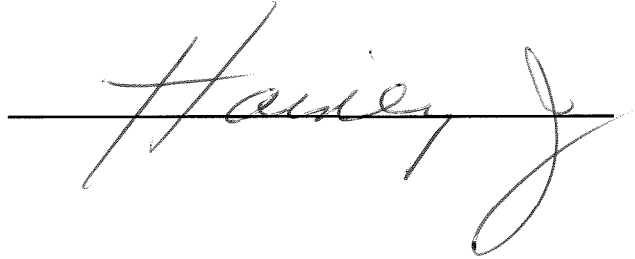
activities of the Receiver set out in the Supplement to the First Report; (iii) sealing certain appendices to the First Report and the Supplement to the First Report (the “**Confidential Appendices**”) until further Order of the Court; (iv) approving the Receiver’s reliance on the Unit Holder Listing (as defined in the First Report) to make interim distributions of the proceeds obtained from the divestiture of certain assets of 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, and Crystal Wealth Retirement One Fund (collectively, the “**Crystal Wealth Funds**”), where possible, to investors in the Crystal Wealth Funds; (v) approving the Sales Process (the “**Sales Process**”) as defined and described in the First Report and authorizing the Receiver to carry out its functions in accordance with the Sales Process; (vi) approving the Receiver’s interim statement of receipts and disbursements for the period from April 26, 2017 to May 31, 2017 (the “**Receiver’s Interim R&D**”); and (vii) approving the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report, including the affidavit of Jonathan Krieger sworn June 21, 2017 (the “**Krieger Affidavit**”), and the affidavit of Steven L. Graff sworn June 22, 2017 (the “**Graff Affidavit**”), the Supplement to the First Report, and on hearing the submissions of counsel for the Receiver, counsel for the Ontario Securities Commission, and of the Respondent, Clayton Smith, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Diana Saturno sworn June 22, 2017, filed,

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the First Report and the Supplement to the First Report, and the activities of the Receiver described therein be and are hereby approved.

3. **THIS COURT ORDERS** that the Confidential Appendices be and are hereby sealed until further Order of the Court.
4. **THIS COURT ORDERS** that the Sales Process, as defined and described in the First Report, be and is hereby approved.
5. **THIS COURT ORDERS** that the Receiver may rely on the Unit Holder Listing (as defined in the First Report) to make distributions, without further approval of the Court, of the proceeds obtained from the divestiture of certain assets of the Crystal Wealth Funds to investors of the Crystal Wealth Funds.
6. **THIS COURT ORDERS** that the Receiver's Interim R&D, as described in the First Report, be and is hereby approved.
7. **THIS COURT ORDERS** that the fees and disbursements of the Receiver, as described in the First Report and as set out in the Krieger Affidavit, be and are hereby approved.
8. **THIS COURT ORDERS** that the fees and disbursements of Aird & Berlis LLP, counsel to the Receiver, as described in the First Report and as set out in the Graff Affidavit, be and are hereby approved.
9. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
11. **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, and that the Receiver is authorized and empowered to act as a representative in respect of the

within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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JUN 30 2017

PER / PAR:

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Applicant
Short Title of Proceedings

Respondents

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings 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, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited

June 23, 2017

Short Title of Proceedings

Applicant

Respondents

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

June 30, 2017

I am satisfied that this motion should be granted on the terms of the attached Order and the creditor claims procedural Order.

That shall be a sealing order with respect to the Confidential Appendices as defined in the attached order.

Hanley J

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at TORONTO

MOTION RECORD

Volume 1 of 2

AIRD & BERLIS LLP

Barristers and Solicitors

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Lawyers for Grant Thornton Limited, in its capacity as Receiver and Manager of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited

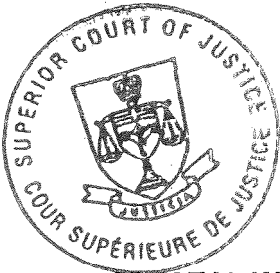
Court File No. CV-17-11779-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
JUSTICE HAINEY

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FRIDAY, THE 30th DAY
OF JUNE, 2017



ONTARIO SECURITIES COMMISSION

- and -

Applicant

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

CREDITOR CLAIMS PROCEDURE ORDER

THIS MOTION, made by Grant Thornton Limited ("**GTL**"), in its capacity as the Court-appointed receiver and manager (in such capacities, the "**Receiver**"), without security, of all of the assets, undertakings and properties of 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**"), for an order approving a procedure for the determination and resolution of claims filed by non-investor creditors against

the Crystal Wealth Group and authorizing the Receiver to administer the claims process in accordance with its terms, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated June 22, 2017 and the appendices thereto (collectively, the "**First Report**"), the Supplement to the First Report dated June 29, 2017, and on hearing the submissions of counsel for the Receiver, and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Diana Saturno sworn June 22, 2017, filed,

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that for the purposes of this Order, the following terms shall have the following meanings:

- (a) "**Appointment Date**" means April 26, 2017;
- (b) "**Appointment Order**" means the Appointment Order made by the Honourable Justice Newbould dated April 26, 2017 in the within proceeding;
- (c) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (d) "**Claim**" means any right of any Person against the Crystal Wealth Group in connection with any indebtedness, liability or obligation of any kind of the Crystal Wealth Group, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise and whether or not such right is executory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future that could be asserted by way of set-off, counterclaim

or otherwise, which indebtedness, liability or obligation is based in whole or in part on facts existing on or prior to the Appointment Date or which would have been claims provable in bankruptcy had the Crystal Wealth Group, or any individual entity included therein, as the case may be, become bankrupt on the Appointment Date (each, a **"Creditor Claim"** and, collectively, the **"Creditor Claims"**), provided, however, that "Claim" shall not include an Excluded Claim. For greater certainty, a claim of a Known Creditor arising from a lease, contract, employment agreement or other agreement which was terminated or disclaimed by the Receiver between the Appointment Date and the date of this Order, is included in the definition of a **"Claim"** and **"Creditor Claim"**;

- (e) **"Claims Bar Date"** means **5:00 p.m. (Toronto time) on August 3, 2017**, or any later date ordered by the Court;
- (f) **"Claims Package"** means a package of information to be provided by the Receiver, which package shall include a copy of this Order without attachments, an Instruction Letter, a Proof of Claim, and such other materials as the Receiver may consider appropriate or desirable;
- (g) **"Claims Procedure"** means the procedures outlined in this Order, including the Schedules;
- (h) **"Claims Procedure Order"** means this Order;
- (i) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
- (j) **"Creditor"** means any Person having a Claim;
- (k) **"Excluded Claim"** means any claims of an investor in any entity comprising the Crystal Wealth Group (each, an **"Investor"**) with respect to such Investor's investment;
- (l) **"Instruction Letter"** means a letter to Creditors regarding the Claims Procedure containing instructions regarding the completion and return of a Proof of Claim, substantially in the form attached as **Schedule "B"** hereto;

- (m) “**Investor**” has the meaning ascribed to that term in paragraph 2(k) of the Claims Procedure Order;
- (n) “**Known Creditors**” means:
 - (i) those Creditors which the books and records of the Crystal Wealth Group disclose were owed monies by the Crystal Wealth Group as of the Appointment Date and which monies remain unpaid in whole or in part, excluding Investors;
 - (ii) any Person which commenced a legal proceeding against the Crystal Wealth Group which legal proceeding was commenced and served upon the Crystal Wealth Group prior to the Appointment Date;
 - (iii) any Person which is party to a lease, contract, employment agreement or other agreement of the Crystal Wealth Group which was terminated or disclaimed by the Receiver between the Appointment Date and the date of this Order; and
 - (iv) any other Creditor actually known to the Receiver as of the date of this Order;
- (o) “**Notice of Dispute**” means a notice delivered to the Receiver by a Creditor disputing a Notice of Revision or Disallowance, which notice shall be substantially in the form attached hereto as **Schedule “E”** and shall set out the reasons for the dispute;
- (p) “**Notice of Revision or Disallowance**” means a notice informing a Creditor that the Receiver has revised or disallowed all or any part of such Creditor’s Claim, which notice shall be substantially in the form attached hereto as **Schedule “D”** and shall set out the reasons for such revision and/or disallowance;
- (q) “**Notice to Creditors**” means the notice publicizing this Claims Procedure to be published in accordance with this Order, substantially in the form of the notice attached as **Schedule “A”**;

- (r) **"Person"** means any individual, general or limited partnership, firm, association, joint venture, trust, entity, corporation, limited or unlimited liability company, unincorporated organization, trade union, pension plan administrator, pension plan regulator, governmental authority or agency, employee or other association, or any other juridical entity howsoever designated or constituted;
- (s) **"Proof of Claim"** means the form of Proof of Claim to be completed and filed by a Creditor setting forth its purported Claim, substantially in the form attached as **Schedule "C"**;
- (t) **"Proven Claim"** means the amount and classification of any Creditor's Claim as finally determined in accordance with this Claims Procedure;
- (u) **"Receivership Proceedings"** means the receivership proceedings commenced in respect of the Crystal Wealth Group by way of the Appointment Order; and
- (v) **"Receiver's Website"** means <http://www.grantthornton.ca/crystalwealth>.

NOTICE TO CREDITORS AND OTHERS

3. THIS COURT ORDERS that:

- (a) the Receiver shall, no later than five Business Days following the making of this Order, post a copy of this Order (together with all Schedules) on the Receiver's Website;
- (b) the Receiver shall send to each of the Known Creditors (in each case, for which it has an address) a copy of the Claims Package by July 10, 2017;
- (c) the Receiver shall, no later than July 10, 2017, cause to be published the Notice to Creditors in The Globe and Mail; and
- (d) the Receiver shall, provided such request is received prior to the Claims Bar Date, deliver as soon as reasonably possible following receipt of a request therefore a copy of the Claims Package to any Person claiming to be a Creditor and requesting such material.

PROOFS OF CLAIM

4. **THIS COURT ORDERS** that all Creditors shall file with the Receiver a Proof of Claim within the time periods herein stipulated.

DEADLINE FOR FILING OR PROOF OF CLAIM

5. **THIS COURT ORDERS** that all Proofs of Claim, together with supporting documentation in respect of such Claim, must be filed with the Receiver by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission, so that such Proof of Claim is received by the Receiver by no later than the Claims Bar Date.

6. **THIS COURT ORDERS** that any Creditor that does not file a Proof of Claim, together with supporting documentation in respect of such Claim,

- (a) shall be and is hereby forever barred from asserting or enforcing any Claim against the Crystal Wealth Group;
- (b) shall not be entitled to receive any distributions from any of the Crystal Wealth Group's estates; and
- (c) shall not be entitled to any further notice in, and shall not be entitled to participate as a creditor in, the Receivership Proceedings.

DETERMINATION OF CLAIMS AGAINST THE CRYSTAL WEALTH GROUP

7. **THIS COURT ORDERS** that the Receiver shall review all Proofs of Claim filed on or before the Claims Bar Date and may accept, revise or disallow (in whole or in part) the amount and/or status of a Claim set out in any Proof of Claim. If the Receiver determines to revise or disallow a Claim, the Receiver shall send a Notice of Revision or Disallowance to the Creditor. At any time, the Receiver may request additional information with respect to any Claim, and may request that the Creditor file a revised Proof of Claim, as the case may be.

8. **THIS COURT ORDERS** that the Receiver may attempt to consensually resolve the classification and amount of any Claim with the Creditor prior to accepting, revising or disallowing such Claim.

9. **THIS COURT ORDERS** that where a Proof of Claim has been revised or disallowed (in whole or in part) by a Notice of Revision or Disallowance, the revised or disallowed portion of

that Claim shall not establish a Proven Claim unless the Creditor has disputed the revision or disallowance and proven the revised or disallowed Claim (or portion thereof) in accordance with paragraphs 12-14 of this Order.

NOTICES OF DISPUTE

10. **THIS COURT ORDERS** that if a Creditor disputes the Notice of Revision or Disallowance and intends to contest the Notice of Revision or Disallowance then such Creditor shall deliver a Notice of Dispute by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission so that such Notice of Dispute is received by the Receiver by no later than 5:00 p.m. (Toronto time) on the day which is ten (10) Business Days after the Receiver delivered the Notice of Revision or Disallowance or such later date as the Receiver may agree in writing or the Court may order. The filing of a Notice of Dispute with the Receiver within the time limited therefore shall constitute an application to have the amount or status of such Claim determined as set out in paragraphs 12-14 hereof.

11. **THIS COURT ORDERS** that where a Creditor that receives a Notice of Revision or Disallowance fails to file a Notice of Dispute with the Receiver within the time frame required by paragraph 10 above, the amount and status of such Creditor's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and such amount and status, if any, shall constitute such Creditor's Proven Claim.

RESOLUTION OF CLAIMS

12. **THIS COURT ORDERS** that as soon as practicable after the delivery of the Notice of Dispute to the Receiver, the Receiver may:

- (a) attempt to consensually resolve the classification and amount of the Claim with the Creditor; and/or
- (b) schedule an appointment with the Court for the purpose of scheduling a motion to have the classification and/or amount of the Claim determined by the Court, and at such motion the Creditor shall be deemed to be the applicant and the Receiver shall be deemed to be the respondent.

13. **THIS COURT ORDERS** that notwithstanding the other provisions of this Order, the Receiver may make a motion to the Court for a final determination of a Claim at any time, whether or not a Notice of Revision or Disallowance has been sent by the Receiver.

14. **THIS COURT ORDERS** that in the event that the dispute between the Creditor and the Receiver is not settled within a time period or in a manner satisfactory to the Receiver or the Creditor, the Receiver or the Creditor may make a motion to the Court for the final determination of the Creditor's Claim.

ADEQUACY OF INFORMATION/CURRENCY

15. **THIS COURT ORDERS** that:

- (a) the Receiver may, where it is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order as to completion and execution of Proofs of Claim; and
- (b) any Creditor Claims denominated in a currency other than Canadian dollars shall, for the purposes of this Order, be converted to, and constitute obligations in, Canadian dollars, such calculation to be effected by the Receiver using the Bank of Canada noon spot rate on the Appointment Date.

NOTICE OF TRANSFEREES

16. **THIS COURT ORDERS** that the Receiver shall not be obligated to give notice to or otherwise deal with a transferee or assignee of a Claim as the Creditor in respect thereof unless:

- (a) actual written notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received by the Receiver; and
- (b) the Receiver shall have acknowledged in writing such transfer or assignment, and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim.

Any such transferee or assignee of a Claim, and such Claim, shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Order prior to the written acknowledgement by the Receiver of such transfer or assignment.

17. **THIS COURT ORDERS** that if the holder of a Claim has transferred or assigned the whole of such Claim to more than one Person or part of such Claim to another Person or

Persons, such transfer or assignment shall not create a separate Claim or Claims and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Receiver shall in each such case not be bound to acknowledge or recognize any such transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Creditor in respect of such Claim. Provided that a transfer or assignment of the Claim has taken place in accordance with paragraph 16 of this Order and the Receiver has acknowledged in writing such transfer or assignment, the person last holding such Claim in whole as the Creditor in respect of such Claim may by notice in writing to the Receiver direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and, in such event, such Creditor, such transferee, or assignee of the Claim and the whole of such Claim shall be bound by any notices given or steps taken in respect of such Claim by or with respect to such Person in accordance with this Order.

18. **THIS COURT ORDERS** that the Receiver is under no obligation to give notice to any Person other than the Creditor holding the Claim and shall, without limitation, have no obligation to give notice to any Person holding a security interest, lien, or charge in, or a pledge or assignment by way of security in, a Claim.

19. **THIS COURT ORDERS** that the transferee or assignee of any Claim:

- (a) shall take the Claim subject to the rights and obligations of the transferor/assignor of the Claim, and subject to the rights of any Crystal Wealth Group entity against any such transferor or assignor, including any rights of set-off which any Crystal Wealth Group entity had against such transferor or assignor; and
- (b) cannot use any transferred or assigned claim to reduce any amount owing by the transferee or assignee to any Crystal Wealth Group entity, whether by way of set-off, application, merger, consolidation or otherwise.

PROTECTIONS FOR RECEIVER

20. **THIS COURT ORDERS** that in carrying out the terms of this Order:

- (a) the Receiver shall have all of the protections given to it by the Appointment Order or as an officer of this Court, including the stay of proceedings in its favour;

- (b) the Receiver shall incur no liability or obligation as a result of the carrying out of the provisions of this Order;
- (c) the Receiver shall be entitled to rely on the Crystal Wealth Group's books and records, and any information provided by the Crystal Wealth Group, all without independent investigation; and
- (d) the Receiver shall not be liable for any claims or damages resulting from any errors or omissions in such books or records.

DIRECTIONS

21. **THIS COURT ORDERS** that the Receiver may, at any time, and with such notice as this Court may require, seek directions from this Court with respect to this Order, the Claims Procedure set out herein and the forms attached as Schedules hereto, including with respect to the appointment of a claims officer if the Receiver deems it necessary or appropriate.

SERVICE AND NOTICE

22. **THIS COURT ORDERS** that the Receiver be at liberty to deliver the Claims Package, and any letters, notices or other documents to Creditors or other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to such Persons at the address as last shown on the records of the Crystal Wealth Group and that any such service or notice by courier, personal delivery or electronic or digital transmission shall be deemed to be received on the next Business Day following the date of forwarding thereof, or if sent by prepaid ordinary mail, on the fourth (4th) Business Day after mailing.

23. **THIS COURT ORDERS** that any notice or other communication (including, without limitation, Proofs of Claim and Notices of Dispute) to be given under this Order by a Creditor to the Receiver shall be in writing substantially in the form, if any, provided for in this Order and will be sufficiently given only if given by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission addressed to:

Grant Thornton Limited
in its capacity as Receiver and Manager of the Crystal Wealth Group

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

Attention: Jason Knight
E-mail: jason.knight@ca.gt.com or crystalwealth@grantthornton.ca

Any such notice or other communication by a Creditor shall be deemed received only upon actual receipt thereof by the Receiver during normal business hours on a Business Day.

MISCELLANEOUS

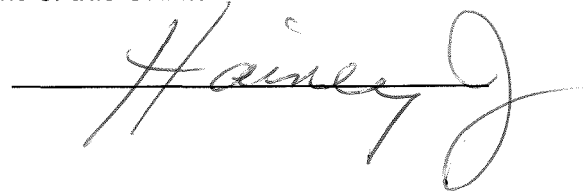
24. **THIS COURT ORDERS** that this Claims Procedure Order does not and is not intended to provide for the calculation or methodology of determining distributions but solely for providing a process for submitting and adjudicating Claims. The Receiver will request additional relief from this Court with respect to determining a final basis for calculating and determining ultimate distributions, if any, to Creditors.

25. **THIS COURT ORDERS** that Claims on behalf of any of the Crystal Wealth Group entities against any other of the Crystal Wealth Group entities shall be deemed filed and accepted by the Receiver in amounts determined by the Receiver on the basis of the books and records of the Crystal Wealth Group, without the need for the Receiver to file Proofs of Claim with respect to such Claims.

26. **THIS COURT ORDERS** that the Receiver may set off (whether by way of legal, equitable or contractual set-off) against the Claims of any Creditor, any claims of any nature whatsoever that any of the Crystal Wealth Group entities may have against such Creditor arising prior to the entry of this Claims Procedure Order, provided that such set-off satisfies the requirements for legal, equitable or contractual set-off to the extent permitted by applicable law as may be determined by the Court. If there is any dispute between the Receiver and the applicable Creditor, however, neither the failure to assert set-off nor the allowance of any Claim hereunder shall constitute a waiver or release by the Receiver of any such claim that the Receiver may have against such Creditor.

27. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court of any judicial, regulatory or administrative body in any province or territory of Canada (including the assistance of any court in Canada) and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the

United States of America, and of any other nation or state, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

A handwritten signature in cursive script, appearing to read "Hainey", written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUN 30 2017

PER / PAR: 

SCHEDULE "A"

NOTICE TO CREDITORS

IN THE MATTER OF THE RECEIVERSHIP OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, 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, CLJ EVEREST LTD., AND 1150752 ONTARIO LIMITED

AND IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 129 OF THE *SECURITIES ACT*, R.S.O. 1990, C. S.5, AS AMENDED

RE: NOTICE OF CLAIMS PROCEDURE

PLEASE TAKE NOTICE that this notice is being published pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) made June 30, 2017 (the "**Claims Procedure Order**"). All the creditors of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited (individually and collectively, the "**Crystal Wealth Group**") should have received a claims package by mail from Grant Thornton Limited, Court-appointed receiver and manager (in such capacity, the "**Receiver**") of the Crystal Wealth Group. Creditors may also obtain the Claims Procedure Order and a claims package from the Receiver's website at www.grantthornton.ca/crystalwealth or by contacting the Receiver by telephone at (866) 448-5867 or by email at crystalwealth@grantthornton.ca.

Completed documents must be received by the Receiver by 5:00 p.m. (Toronto time) on August 3, 2017 (the "Claims Bar Date"). It is your responsibility to complete the appropriate documents and ensure that the Receiver receives your completed documents by the Claims Bar Date.

Among those creditors who do not need to file a Proof of Claim are investors in the Crystal Wealth Group and whose claim derives from such investor's investment in the Crystal Wealth Group. Please consult the Claims Procedure Order made on June 30, 2017 for details with respect to this and other exemptions.

CLAIMS WHICH ARE NOT RECEIVED BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

DATED at Toronto this ____ day of _____, 2017.

SCHEDULE "B"

INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE

IN THE MATTER OF THE RECEIVERSHIP OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, 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, CLJ EVEREST LTD., AND 1150752 ONTARIO LIMITED

AND IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 129 OF THE *SECURITIES ACT*, R.S.O. 1990, C. S.5, AS AMENDED

A. CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) made June 30, 2017 (the "**Claims Procedure Order**"), Grant Thornton Limited, the Court-appointed receiver and manager (in such capacity, the "**Receiver**") of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited (individually and collectively, the "**Crystal Wealth Group**"), has been authorized to conduct a claims procedure (the "**Claims Procedure**") for the determination of certain claims against the Crystal Wealth Group.

This letter provides instructions for understanding and completing a Proof of Claim. Please note that capitalized terms which are not defined in this Instruction Letter shall have the meanings ascribed to them in the Claims Procedure Order.

The Claims Procedure is intended for any Person with any Claim (as defined in the Claims Procedure Order) of any kind or nature whatsoever, other than an Excluded Claim, whether unliquidated, contingent or otherwise against one or more of the entities within the Crystal Wealth Group (collectively, the "**Claims**"). Please review the Claims Procedure Order on the Receiver's Website (www.granthornton.ca/crystalwealth) for the complete definition of Claim and Excluded Claim.

If you have any questions regarding the Claims Procedure, please consult the Receiver's Website or contact the Receiver at the address provided below.

All notice and enquiries with respect to the Claims Procedure should be addressed to

Grant Thornton Limited
in its capacity as Receiver and Manager of the Crystal Wealth Group

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

Attention: Jason Knight
E-mail: jason.knight@ca.gt.com or crystalwealth@grantthornton.ca
Toll-Free Telephone Number: 1-866-448-5867

B. FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Claim against the Crystal Wealth Group, you will have to file a Proof of Claim with the Receiver. **Your Proof(s) of Claim must be received by 5:00 p.m. (Toronto time) on August 3, 2017, the Claims Bar Date. Pursuant to the Claims Procedure Order, failure to submit a Proof of Claim by the Claims Bar Date will result in such Claim being barred and extinguished, released and discharged forever.**

Additional Proof of Claim forms and other information, including the Claims Procedure Order, can be obtained from the Receiver's Website at www.grantthornton.ca/crystalwealth, or by contacting the Receiver at the telephone number indicated above and providing particulars as to your name, address and contact information.

It is your responsibility to ensure that the Receiver receives your Proof of Claim by the Claims Bar Date.

SCHEDULE "C"

PROOF OF CLAIM AGAINST CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, 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, CLJ EVEREST LTD., AND 1150752 ONTARIO LIMITED (INDIVIDUALLY AND COLLECTIVELY, THE "CRYSTAL WEALTH GROUP") PURSUANT TO THE CLAIMS PROCEDURE ORDER DATED JUNE 30, 2017

A. PARTICULARS OF CREDITOR:

1. Full Legal Name of Creditor: _____
2. Full Mailing Address of the Creditor (the original Creditor and not the Assignee):

3. Telephone number: _____
4. E-mail address: _____
5. Facsimile number: _____
6. Attention (Contact Person): _____
7. Has the Claim been sold or assigned by the Creditor to another party [check (✓) one]?
Yes: _____ No: _____

B. PARTICULARS OF ASSIGNEE(S) (IF ANSWER TO QUESTION 7 IS YES):

8. Full Legal Name of Assignee(s): _____
(If Claim has been assigned, insert full legal name of assignee(s) of Claim (if all or a portion of the Claim has been sold). If there is more than one assignee, please attach a separate sheet with the require information)
9. Full Mailing Address of Assignee(s):

- _____

10. Telephone number of Assignee(s): _____
11. E-mail address: _____
12. Facsimile number: _____
13. Attention (Contact Person): _____

C. PROOF OF CLAIM:

I, _____
[name of Creditor or Representative of the Creditor],
of _____ do hereby certify that:
[City or Province]

(a) I [check (✓) one]

☐ am the Creditor of the Crystal Wealth Group; OR

☐ am _____ (state position or title) of
_____ (name of creditor);

(b) I have knowledge of all the circumstances connected with the Claim referred to below;

(c) _____ [Insert the name(s) of the specific Crystal Wealth Group entity(ies) to which the Claim relates] was and still is indebted to the Creditor as follows:

(i) TOTAL CLAIM: \$ _____ CAD

(Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada noon spot rate as at April 26, 2017. The Canadian Dollar/U.S. Dollar rate of exchange on that date was CDN\$1.3592/US\$1.00); and

D. NATURE OF CLAIM:

(check (✓) one and complete appropriate category)

☐ A. UNSECURED CLAIM OF \$ _____

That in respect of this debt, I do not hold any security and

(Check (✓) appropriate description)

- ☐ Regarding the amount of \$_____, I do not claim a right to a priority.
- ☐ Regarding the amount of \$_____, I claim a right to a priority under section 136 of the Bankruptcy and Insolvency Act (Canada) (the "BIA") or would claim such a priority if this Proof of Claim were being filed in accordance with that Act.

(Set out on an attached sheet details to support priority claim.)

☐ B. SECURED CLAIM OF \$_____

That in respect of this debt, I hold security valued at \$_____ particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

E. PARTICULARS OF CLAIM:

Other than as already set out herein the particulars of the undersigned's total Claim are attached.

(Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of Crystal Wealth Group entity/entities involved, name of any guarantor which has guaranteed the Claim, and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the Crystal Wealth Group to the Creditor and estimated value of such security, and particulars of any interim period claim.)

This Proof of Claim must be received by the Receiver by no later than 5:00 p.m. (Toronto time) on August 3, 2017 ("Claims Bar Date"), by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission at the following address:

Grant Thornton Limited
in its capacity as Receiver and Manager of the Crystal Wealth Group

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

Attention: Jason Knight
E-mail: jason.knight@ca.gt.com or crystalwealth@grantthornton.ca

F. FILING OF CLAIM:

Failure to file your Proof of Claim as directed by the Claims Bar Date will result in your Claim being barred and in you being prevented from making or enforcing a Claim against the Crystal Wealth Group. In addition, you shall not be entitled to further notice in, and shall not be entitled to participate as a creditor in these proceedings.

G. EXCLUDED CLAIMS

Claims by creditors who are investors in the Crystal Wealth Group and whose claim derives from such investor's investment in the Crystal Wealth Group are Excluded Claims and no such person or entity needs to file any claim in respect thereof at this time. Please consult the Claims Procedure Order made on June 30, 2017 for details with respect to this and other exemptions.

Dated at _____ this _____ day of _____, 2017.

Signature of Creditor

SCHEDULE "D"**NOTICE OF REVISION OR DISALLOWANCE OF CLAIM
REFERENCE NUMBER _____**TO: **[insert name of creditor]**

Grant Thornton Limited, in its capacity as receiver and manager (in this capacity, the "**Receiver**") of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited (individually and collectively, the "**Crystal Wealth Group**"), hereby gives you notice that the Receiver has reviewed your Proof of Claim, as the case may be, and has revised or rejected your Claim or any part thereof or any information relating thereto, as follows:

The Proof of Claim as Submitted	The Claim as Accepted

Reasons for Revision or Disallowance:

[insert explanation]

If you do not agree with this Notice of Revision or Disallowance, please take notice of the following:

1. If you dispute this Notice of Revision or Disallowance, you must, no later than 5:00 p.m. (Toronto time) on _____, being the day which is ten Business Days after the Notice of Revision or Disallowance is sent by the Receiver (see paragraph 10 of the Claims Procedure Order), notify the Receiver by delivery of a Notice of Dispute in accordance with the Claims Procedure Order made on June 30, 2017 (which Order can be found on the Receiver's Website at www.grantthornton.ca/crystalwealth). The form of Notice of Dispute is enclosed.
2. IF YOU DO NOT DELIVER A NOTICE OF DISPUTE WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU AND YOUR CLAIM SHALL BE DEEMED TO BE AS SET OUT IN THIS NOTICE OF REVISION OR DISALLOWANCE.

DATED at Toronto, this _____, day of _____, 2017.

**GRANT THORNTON LIMITED,
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF THE CRYSTAL WEALTH
GROUP**

SCHEDULE "E"**NOTICE OF DISPUTE**

We hereby give you notice of our intention to dispute the Notice of Revision or Disallowance bearing Reference Number _____ and dated _____ issued in respect of our claim.

Reasons for Dispute (attach additional sheet and copies of all supporting documentation if necessary):

Name of Creditor: _____

(Signature of individual completing this Dispute)

Date

(Please print name)

Telephone Number: _____

Email address: _____

Facsimile Number: _____

Full Mailing Address: _____

THIS FORM IS TO BE RETURNED BY PREPAID ORDINARY MAIL, COURIER, PERSONAL DELIVERY OR ELECTRONIC OR DIGITAL TRANSMISSION AND MUST BE RECEIVED NO LATER THAN 5:00 P.M. (TORONTO TIME) ON _____, BEING THE DAY WHICH IS TEN BUSINESS DAYS AFTER THE NOTICE OF REVISION OR DISALLOWANCE IS SENT BY THE RECEIVER (PURSUANT TO PARAGRAPH 10 OF THE CLAIMS PROCEDURE ORDER WHICH IS POSTED ONLINE AT www.grantthornton.ca/crystalwealth) TO:

Grant Thornton Limited
in its capacity as Receiver and Manager of the Crystal Wealth Group

200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

Attention: Jason Knight
E-mail: jason.knight@ca.gt.com or crystalwealth@grantthornton.ca

ONTARIO SECURITIES COMMISSION

and CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, ET AL.

Short Title of Proceedings

Applicant

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceedings commenced at TORONTO

CLAIMS PROCEDURE ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
Suite 1800, 181 Bay Street
Toronto, ON M5J 2T9

Steven L. Graff (LSUC # 31871V)
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Fax: (416) 863-1515
E-mail: mvanzandvoort@airdberlis.com

Kyle Plunkett (LSUC # 61044N)
Tel: (416) 865-3406
Fax: (416) 863-1515
E-mail: kplunkett@airdberlis.com

Lawyers for Grant Thornton Limited, in its capacity as Receiver and Manager of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited

APPENDIX 7

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SECOND REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

NOVEMBER 24, 2017



**Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4**

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SECOND REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER OF THE RESPONDENTS**

NOVEMBER 24, 2017

INTRODUCTION

THE APPLICATION AND APPOINTMENT ORDER

- 1 The Ontario Securities Commission (the “**OSC**”) issued a temporary order on April 7, 2017 (as extended by the OSC on April 13, 2017 and April 28, 2017 (the “**Temporary Order**”)) providing that the trading of units of all of the Crystal Wealth Funds (defined herein) cease, that trading in securities held by the Crystal Wealth Funds cease, and prohibiting the trading in or acquisition of securities by Clayton Smith (“**Smith**”) and Crystal Wealth Management System Limited (the “**Company**”), with limited exceptions that permitted Smith and the Company to liquidate exchange-traded securities in the Crystal Wealth Funds with such proceeds being deposited into the bank account of the relevant Fund. On October 2, 2017, the OSC further extended the Temporary Order to April 10, 2018 (the “**Extension Order**”), while modifying the Temporary Order issued April 7, 2017 to remove the portions of paragraphs 4 and 5 thereof referring to Smith in his capacity as advising representative, given that Smith’s registration was automatically suspended when he was terminated by the Receiver. The Temporary Order issued April 7, 2017 and the Extension Order are attached hereto as **Appendix “1”** to this Second Report of the Receiver (the “**Second Report**”).

- 2 On April 26, 2017, on application of the OSC to the Ontario Superior Court of Justice (Commercial List), the Honourable Mr. Justice Newbould issued an Order (the “**Appointment Order**”) appointing Grant Thornton Limited: (i) as receiver and manager (in such capacities, the “**Receiver**”), without security, of all of the assets, undertakings and properties (collectively, the “**Property**”) of 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) as Receiver of the account of the Respondent, Chrysalis Yoga, No. 87296 00518 10 at Bank of Nova Scotia (the “**Chrysalis Account**”), and of all contents, including funds, contained in the Chrysalis Account. The proceedings were commenced by way of application made by the OSC (the “**OSC Application**”) under section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”). The said receivership proceedings shall be referred to herein as the “**Receivership Proceedings**”. A copy of the Appointment Order and the endorsement of the Honourable Mr. Justice Newbould are attached thereto as **Appendix “2”**.

- 3 As detailed in the OSC Application, the appointment of the Receiver was based on concerns the OSC had regarding, among other things, the Respondent, Crystal Wealth Media Strategy (the “**Media Fund**”). The OSC stated that it believed that Smith and the Company may have:
 - a) participated in a course of conduct relating to securities that they knew or reasonably ought to have known perpetrated a fraud, contrary to s. 126.1(1)(b) of the Act;
 - b) failed to act fairly, honestly and in good faith with clients, contrary to s. 2.1 of Rule 31-505 - *Conditions of Registration*; and
 - c) failed to comply with the standard of care expected of investment fund managers under s. 116 of the Act.
- 4 A summary of the circumstances leading to the appointment of the Receiver is outlined in the Receiver’s First Report to Court dated June 22, 2017 (the “**First Report**”) which is attached hereto, without appendices, as **Appendix “3”**. The complete OSC Application can be found on the Receiver’s case website at www.GrantThornton.ca/CrystalWealth (the “**Case Website**”).
- 5 Also on April 26, 2017, the Honourable Mr. Justice Newbould issued a Vesting Order (the “**Vesting Order**”) authorizing the Receiver to complete, on behalf of the Respondent, CLJ Everest Ltd. (“**CLJ Everest**”) (a company wholly owned by Smith), the sale transaction of the property located at 5043 Mount Nemo Crescent in Burlington, Ontario (the “**Mount Nemo Property**”) to Martin McCready (the “**Purchaser**”) pursuant to and in accordance with an agreement of purchase and sale dated April 12, 2017 (the “**Mount Nemo Sale Agreement**”). The Purchaser did not respond to the Receiver’s communications following the issuance of the Vesting Order, and the Purchaser failed to complete the sale transaction. The Receiver has reserved its rights to claim damages from the Purchaser as a result of his failure to complete the sale transaction. As will be described herein, the Mount Nemo Property remains listed for sale by the Receiver.
- 6 On April 26, 2017, counsel for the Crystal Wealth Group requested that the Honourable Mr. Justice Newbould set a motion date on which the Crystal Wealth Group would move to vary certain terms of the Appointment Order, specifically to access funds for paying

counsel and for Smith's personal living expenses. Justice Newbould set a hearing date of May 24, 2017 for the Crystal Wealth Group's motion.

- 7 On May 24, 2017, Smith advised that the Crystal Wealth Group's counsel had resigned and that he was not in a position to proceed with a motion (the materials for which had yet to be served) that day. Smith also advised that he would be self-represented. Accordingly, the Honourable Mr. Justice Morawetz issued an endorsement (the "**May 24, 2017 Endorsement**") that directed Smith's motion materials be served and filed with the Court by the close of business on June 1, 2017 and requiring that the parties attend at a 9:30am appointment with the Court on June 2, 2017 to schedule a date for the motion, if necessary. A copy of the May 24, 2017 Endorsement is attached hereto as **Appendix "4"**.

THE JUNE 2017 MOTIONS AND COURT RELIEF

- 8 On June 1, 2017, Smith served counsel to the Receiver with a motion record in support of a motion requesting, among other things, that the Temporary Order, Appointment Order and Vesting Order be rescinded in their entirety.
- 9 A further development arose on June 1, 2017 when Crawley MacKewn Brush LLP ("**CMB**") provided a draft notice of motion to counsel to the Receiver indicating that CMB would be seeking an appointment as representative counsel for investors of the Crystal Wealth Funds.
- 10 On June 2, 2017, the Receiver, its counsel, Smith, and CMB, amongst others, attended a 9:30 a.m. appointment with the Court. During the appointment, the Honourable Mr. Justice Hainey advised Smith that his motion record, which failed to include any affidavit evidence, was insufficient to allow the Court to consider the relief sought, and accordingly, the Court declined to schedule Smith's proposed motion. The Honourable Justice Hainey thereafter issued an endorsement (the "**June 2, 2017 Endorsement**") scheduling a 9:30 a.m. appointment with the Court on June 23, 2017, and directed counsel to provide a progress report to the Court at that time. A copy of the June 2, 2017 Endorsement is attached hereto as **Appendix "5"**.
- 11 On June 9, 2017, CMB served the Receiver with a motion record in support of a motion to appoint CMB as representative counsel to the investors of the Crystal Wealth Funds.

- 12 On June 22, 2017, the Receiver provided the Court with its First Report and served a motion record in support of a motion to, among other things, approve: (i) a creditor claims procedure; and (ii) a proposed Sales Process (as defined and described in the First Report) to be conducted by the Receiver by which prospective purchasers and managers could submit bids to the Receiver to either purchase the assets of certain Crystal Wealth Funds, or to take over the management of certain Funds. On June 29, 2017, the Receiver provided the Court with its Supplement to the First Report dated June 29, 2017, a copy of which is attached hereto as **Appendix “6”**.
- 13 On June 23, 2017, the Honourable Justice Hainey issued an endorsement (the “**June 23, 2017 Endorsement**”) scheduling June 30, 2017 as the hearing date for the Receiver’s and CMB’s motions. A copy of the June 23, 2017 Endorsement is attached hereto as **Appendix “7”**.
- 14 On June 30, 2017, the Honourable Mr. Justice Hainey issued an Order and Endorsement (the “**June 30 2017 Order and Endorsement**”) that, among other things, approved:
- a) the Receiver’s First Report and the activities of the Receiver set out therein;
 - b) the Receiver’s reliance on the Unit Holder Listing (as defined in the First Report) to make interim distributions to investors of the proceeds generated from the divestiture of certain assets of the Crystal Wealth Funds; and
 - c) the Sales Process.
- A copy of the June 30th Order and Endorsement is attached hereto as **Appendix “8”**.
- 15 On June 30, 2017, the Honourable Mr. Justice Hainey also issued a Creditor Claims Procedure Order (the “**Creditor Claims Procedure Order**”) that, among other things, approved the procedure for determining and resolving claims to be filed by creditors against the Crystal Wealth Group. A copy of the Creditor Claims Procedure Order is attached hereto as **Appendix “9”**.
- 16 On June 30, 2017, the Court also heard the motion of CMB to be appointed as representative counsel. On July 5, 2017, the Honourable Mr. Justice Hainey issued an endorsement (the “**July 5, 2017 Endorsement**”) which dismissed CMB’s motion. In dismissing the motion, Justice Hainey found that “the investors’ interests are being

protected and advanced by the Receiver” and that “the appointment of representative counsel will add unnecessary expense to the receivership which will adversely affect investors”. A copy of the July 5, 2017 Endorsement is attached hereto as **Appendix “10”**.

PURPOSE OF THE SECOND REPORT

- 17 The purpose of this Second Report is to inform the Court of the Receiver's activities since the date of the First Report and to support the Receiver's request for an order, among other things:
- a) approving this Second Report, including the actions and activities of the Receiver as described in this Second Report;
 - b) approving the Receiver's methodology and proposal to make an interim distribution to the investors of certain Crystal Wealth Funds, and authorizing the Receiver to make such interim distribution without liability, including, without limitation, liability for any tax implications arising therefrom;
 - c) approving the Quiver MOU Amendments executed by the Receiver and Quiver (as such terms are hereafter defined);
 - d) directing the following entities and/or individuals to provide the Receiver and its counsel with certain requested but still outstanding information required by the Receiver for a proper account reconciliation and assessment of the Crystal Wealth Group:
 - i) Jerry Froese ("**Froese**") – President & CEO of Frontline Factoring Inc. ("**Frontline**");
 - ii) Alberto Storelli ("**Storelli**"), Brian Peoples ("**Peoples**"); and Joe Harker ("**Harker**") as it relates to their involvement in the US Real Estate LP (defined and described herein);
 - iii) Craig Clydesdale ("**Clydesdale**") – Principal of the OOM Energy Group (defined herein);
 - iv) Kari Gillespie ("**Gillespie**") – Operations Manager of Liberty Mortgage Services Ltd.;
 - v) Stephen Miller ("**Miller**") – a representative of MGE (defined herein);
 - vi) Chuck Pinnell – Principal of 611802 B.C. Ltd.; and

- vii) Stan Spletzer – Principal of Solid Holdings Inc.
- e) directing that The Investment Administration Solution Inc. (“**IAS**”), the third-party entity that performed accounting and record keeping for the Crystal Wealth Funds, provide the Receiver and its counsel with certain requested but still outstanding information required for a proper assessment of the Crystal Wealth Funds, namely, monthly reporting for each of the Crystal Wealth Funds, including all underlying transactions, for the period January 1, 2015 to May 1, 2017;
- f) authorizing the Receiver to examine the following individuals under oath at the offices of Victory Verbatim located at 222 Bay Street, Suite 900, in Toronto, Ontario, with each such individual bearing their own cost of the attendance:
- i) Al Housego (“**Housego**”), the former Lead Portfolio Strategist for the Resource Fund, Bullion Fund, Factoring Fund, and Hedge Fund (as such Crystal Wealth Funds are defined below);
 - ii) Smith;
 - iii) Joanne Bentley;
 - iv) Clydesdale;
 - v) Gillespie;
 - vi) Froese;
 - vii) Miller;
 - viii) Steven Bandola, a former employee of Frontline;
 - ix) David DenHollander, the President of 647497 B.C. Ltd.;
 - x) Jeffrey Maljaars, Principal of 1566496 Alberta Ltd.;
 - xi) Darcy Pahl, President of Dome Mountain Resources of Canada Inc.;
 - xii) Robert Maljaars, previous signing authority of Dome Mountain Resources of Canada Inc. and Principal of 1566496 Alberta Ltd.;

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

xiv) Alan Braun – Principal of Onstar Exploration Ltd.

- g) ordering Frontline pay to the Receiver the sum of \$536,775, representing payments received by Frontline from Zomongo TV, Advanced Metal, 156 Alberta, and Restoration Energy (as such entities are herein defined), which payments have yet to be remitted to the Receiver in trust for the Factoring Fund and Hedge Fund contrary to the FPAA (as defined below);
- h) approving the Receiver's Interim Statement of Receipts and Disbursements for the period from April 26, 2017 to October 31, 2017, attached hereto as **Appendix "11"**;
- i) approving the Receiver's recommendation regarding the treatment of an amended proof of claim filed by BDO Canada LLP ("**BDO**"), and the BDO Agreement (as defined below);
- j) approving the fees and disbursements of the Receiver and Aird & Berlis LLP ("**A&B**"), legal counsel to the Receiver, as described herein for the period of June 1, 2017 to September 30, 2017, and an allocation of such fees and disbursements from April 24, 2017 to September 30, 2017; and
- k) sealing the **Confidential Appendices** of this Second Report until further Order of the Court.

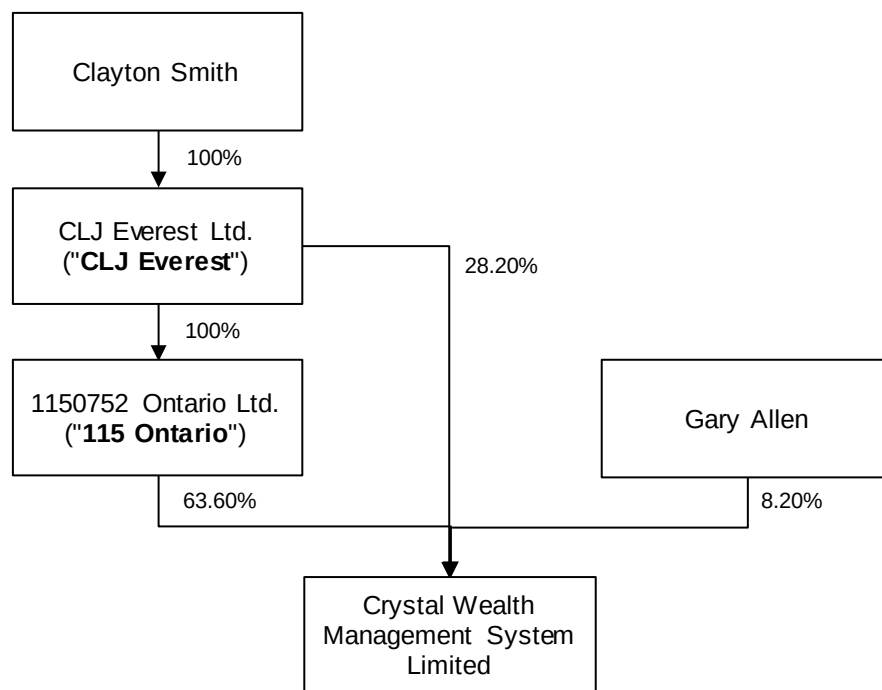
- 18 The Receiver's activities since the date of the First Report are detailed throughout this Second Report.

RESTRICTIONS AND TERMS OF REFERENCE

- 19 In preparing this Second Report, the Receiver has relied upon unaudited and certain audited financial information, the Crystal Wealth Group's books and records, certain financial information obtained by third parties, and discussions with various individuals (collectively, the "**Information**"). Except as described in this Second Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
- 20 This Second Report has been prepared for the use of this Court to provide general information and an update relating to the Receivership Proceedings for the purpose of assisting the Court in making a determination as to whether to approve the relief sought. This Second Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Second Report contrary to the provisions of this paragraph.
- 21 Capitalized terms not defined in this Second Report are as defined in the First Report. All references to dollars are in Canadian currency unless otherwise noted.
- 22 Copies of materials filed in these Receivership Proceedings are available on the Receiver's Case Website.

CORPORATE STRUCTURE

- 23 At the time of the Appointment Order, the Company was a corporation registered with the OSC in the categories of: “Exempt Market Dealer”, “Investment Fund Manager”, “Portfolio Manager”, and “Commodity Trading Manager”.
- 24 At the time of the Appointment Order, Smith was the controlling mind of the Company, was listed as the sole director and officer, and held a controlling interest of 91.76% in the Company. The ownership structure of the Company is as follows:



- 25 At the time of the Appointment Order, Smith was registered in Ontario with the OSC as a dealing representative, an advising representative in the category of “Portfolio Manager”, and an advising representative in the category of “Commodity Trading Manager”. Smith was also registered as the Company’s chief executive officer, chief compliance officer and ultimate designated person.

26 The Company created and managed the following 15 proprietary investment funds (collectively referred to as the “**Crystal Wealth Funds**”):

- a) Crystal Wealth Mortgage Strategy (the “**Mortgage Fund**”);
- b) Crystal Enlightened Resource and Precious Metals Fund (the “**Resource Fund**”);
- c) Crystal Wealth Enlightened Factoring Strategy (the “**Factoring Fund**”);
- d) Crystal Wealth Medical Strategy (the “**Medical Fund**”);
- e) Crystal Enlightened Bullion Fund (the “**Bullion Fund**”);
- f) Crystal Wealth Media Strategy (the Media Fund);
- g) Crystal Wealth High Yield Mortgage Strategy (the “**High Yield Mortgage Fund**”);
- h) Crystal Wealth Infrastructure Strategy (the “**Infrastructure Fund**”);
- i) Crystal Wealth Enlightened Hedge Fund (the “**Hedge Fund**”);
- j) Crystal Wealth Conscious Capital Strategy (the “**Conscious Capital Fund**”);
- k) ACM Income Fund;
- l) ACM Growth Fund;
- m) Absolute Sustainable Dividend Fund (the “**Sustainable Dividend Fund**”);
- n) Absolute Sustainable Property Fund (the “**Sustainable Property Fund**”); and
- o) Crystal Wealth Retirement One Fund (the “**Retirement Fund**”);

(collectively, the “**Crystal Wealth Funds**”, and individually, a “**Fund**”).

A detailed description of the Crystal Wealth Funds is included in paragraphs 28 to 54 of the First Report. A summary of each of the Crystal Wealth Funds and the Recorded Values of each of the different investments is attached hereto as **Appendix “12”**.

- 27 The Crystal Wealth Funds are structured as open-ended mutual fund trusts. Units in each of the Crystal Wealth Funds were distributed to investors on an exempt basis, pursuant to offering memoranda (“**OMs**”). The Company managed the day-to-day business of the Crystal Wealth Funds and was required to make investment decisions consistent with each of the Crystal Wealth Funds’ investment objectives. As will be discussed later in this Second Report, certain Crystal Wealth Funds hold investments which were not in compliance with their respective OMs.

EXECUTIVE SUMMARY

- 28 **The Receiver strongly encourages that readers of this Second Report read it in its entirety as it provides important details of the work performed by the Receiver that led to its conclusions and concerns as set out in this Executive Summary.**
- 29 As the large majority of the investments contained within the Crystal Wealth Funds are unconventional, the Receiver has spent a significant amount of time, together with its advisors, to understand and assess the underlying investments, and the quality and realizable value of same, where possible. Furthermore, the significant deficiencies in the Company's books and records with respect to the documentation (or lack thereof) associated with such investments, and the refusal by certain individuals to provide required information to the Receiver to properly conduct its mandate, have created additional complexities for the Receiver and its counsel in understanding and supporting the investments and their respective values.
- 30 The Receiver is sympathetic to the needs of investors in the Crystal Wealth Funds, many of whom have conflicting interests. Certain investors may have a long term investment strategy. Some investors may have the need for short term stable income or dividends, while others are prepared to accept more risk. In executing its mandate, the Receiver has to balance the needs and interests of investors, and make recommendations in the best interest of all stakeholders.
- 31 The Receiver's investigation of the Company's affairs has identified serious concerns around the conduct of certain parties associated with the Crystal Wealth Funds and the underlying investments therein.
- 32 The Receiver draws the following conclusions:
- a) The lack of segregation of duties in performing the day to day operations and governance thereof (e.g. Smith was the controlling mind, sole director, and Chief Compliance Officer, among others) resulted in the Company not having an effective organizational structure to ensure proper oversight and governance of the Crystal Wealth Funds and possibly, compliance with Ontario securities laws, including, without limitation, the Act;

- b) The decisions of the Company, Smith, and Housego to cause certain of the Crystal Wealth Funds to advance monies to third parties, purportedly on account of investments, which investments had questionable return and recovery prospects, were inconsistent with the Funds' investment objectives as set out in the OMs, and/or lacked the security which was to be provided by third parties to the Crystal Wealth Funds in connection with such investments;
- c) The Receiver is concerned with the relationships between Smith, Housego, administrators of certain investments in Crystal Wealth Funds, and the principals of the companies in which certain Crystal Wealth Funds advanced monies purportedly on account of investments;
- d) Certain Crystal Wealth Funds' exposure was concentrated within a few companies who received substantial monies from the Funds;
- e) The Receiver is concerned as to the ultimate use of and lack of accountability for the investors' monies once such investments were made by the Company, Smith, and/or Housego on behalf of the Funds;
- f) The Company transferred significant money between Crystal Wealth Funds which may have been used to falsely create liquidity to meet investor distributions and/or redemptions;
- g) The Company made payment of distributions to investors in Crystal Wealth Funds, which Funds had no sources of income, or cash flow. Such payments appear to have been only supportable by Inter-fund Investments;
- h) The Company disclosed false or manipulated net asset values ("**NAVs**") of the Funds, causing the NAVs of certain Funds to be materially overstated; and
- i) Accordingly, the quality of and ultimate collectability of investments held by certain of the Crystal Wealth Funds: the Factoring Contracts; the Media Loans; certain Commercial Loans; the Gold Loans; and the US Real Estate LP, may be grossly impaired.

33 Given the Receiver's findings and concerns as detailed in this Second Report, the Receiver will be bringing the contents of the Second Report to the attention of the Ontario

Provincial Police and the Royal Canadian Mounted Police.

- 34 The Receiver has significant concerns over the quality and ultimate collectability of approximately \$88.72 million of Recorded Value, or approximately 46% of the April 20th Package NAV provided by Smith of \$193,198,912. In addition, the Receiver has concerns that there may be further potential impairment of approximately \$27.91 million (Recorded Value).
- 35 The Receiver has monetized approximately 98% of the marketable securities held within the Crystal Wealth Funds, in consultation with its corporate finance team and NBCN. Notwithstanding the challenges regarding specific investments contained in the Crystal Wealth Funds, there is currently cash on hand for certain of the Crystal Wealth Funds from the proceeds of the Receiver's monetization of marketable securities and its on-going management of the Crystal Wealth Funds which are available for interim distributions to investors in certain of the Crystal Wealth Funds in the sum of \$30,817,199. Accordingly, the Receiver is requesting the Court to approve the first interim distribution to investors, the methodology of which is specified in the section below.
- 36 As authorized by the Court on June 30, 2017, the Receiver conducted a Sales Process in respect of the Crystal Wealth Funds, seeking parties interested in buying assets of certain Funds, or assuming management of certain Funds. By the Offer Deadline, the Receiver obtained seven offers from different Prospective Purchasers and Prospective Managers.
- 37 The Receiver worked diligently to investigate and consider Prospective Managers' offers to assume the management of certain Funds, however, the Receiver ultimately rejected the management offers as the Receiver was of the view that it was not in the best interest of Crystal Wealth Fund investors to accept any of the management offers that were submitted. The management offers received via the Sales Process provided no certainty that the Crystal Wealth Funds would be managed back to fiscal health (especially in light of the concerns with many of the recorded investments). In addition, no offer was received that gave the Receiver any comfort that the investors would have a timely avenue through which to redeem their units and turn them into cash (let alone any certainty with respect to the price at which such redemption might happen). The proposed management transactions themselves would have taken several months to be completed, with no guarantees of completion as the offers submitted were highly conditional.

- 38 Given the nature of the Funds and the serious issues with certain of the investments held therein, the Receiver is of the view that any third party manager would face the same issues of “creating” liquidity from these impaired investments and, arguably, would have to outsource management of same as they would not typically possess the necessary skill and experience to deal with these types of investments and their distressed status, as compared with the experience of the Receiver. Furthermore, certain recourse is available to the Receiver under the Appointment Order which would not be available to a third party management firm.
- 39 In addition to its specific communications and correspondence with individual investors, the Receiver has issued 10 formal Notices to investors in respect of the status of the Crystal Wealth Funds, including a description of the Receiver’s actions to date. Such Notices have been posted on the Receiver’s Case Website.

MONETIZED CRYSTAL WEALTH FUNDS

40 As outlined in the First Report, certain of the Crystal Wealth Funds contained equity investments in companies, the securities of which were traded on active market exchanges and were readily saleable ("**Equities**"). In addition, certain Crystal Wealth Funds had unit holdings in mutual funds not managed by the Company and thus external to the Crystal Wealth Group, which were monetizable ("**External Mutual Funds**"). As authorized in subsection 6(k)(i) of the Appointment Order, and as set out in the First Report, the Receiver commenced the monetization of Equities and External Mutual Funds in June 2017.

41 As the result of the monetization of certain Equities and External Mutual Funds (the results of which are described in detail below), the following Crystal Wealth Funds have been fully monetized¹ into cash, with the exception of the below noted Inter-fund Investments:

a) Sustainable Dividend Fund

- i) Cash – \$6,656,066 and US \$3,542; and
- ii) Inter-fund Investment held in the Sustainable Property Fund with a Recorded Value of \$75,693.

b) ACM Growth Fund

- i) Cash – \$5,926,304 and US \$153,275; and
- ii) Inter-fund Investments held with a total Recorded Value of \$4,739,753 in the following four Crystal Wealth Funds with the respective Recorded Values of:
 - 1. Factoring Fund – \$2,511,932;
 - 2. Mortgage Fund – \$1;
 - 3. Hedge Fund – \$1,655,059; and
 - 4. Media Fund – \$572,761.

¹ Cash balances are as at October 31, 2017 as per NBCN.

c) **ACM Income Fund**

- i) Cash – \$930,429 and US \$2,180;
- ii) Inter-fund Investments held with a total Recorded Value of \$9,898,493 in the following four Crystal Wealth Funds, distributed as follows:
 - 1. Media Fund – \$6,594,529;
 - 2. Factoring Fund – \$2,426,339;
 - 3. Medical Fund – \$560,297; and
 - 4. Hedge Fund – \$317,328.

42 As outlined above, Inter-fund Investments are investments made in Crystal Wealth Funds by other Crystal Wealth Funds through the purchase of units. As a result, similar to individual investor unit holdings, Inter-fund Investments cannot be valued until the investments in the underlying Crystal Wealth Funds of such Inter-fund Investments are realized/valued. The monetization of the Inter-fund Investments will occur through distributions made from one Crystal Wealth Fund to another Crystal Wealth Fund which holds units in the former Fund. Once such distributions are received by the latter Fund, if any, those monies will ultimately be made available for further distribution to investors of the latter Fund.

43 Unfortunately, a large majority of the above noted Inter-fund Investments are in the Media Fund, Factoring Fund, and Hedge Fund, all of which hold underlying investments that are illiquid, significantly impaired, and/or have been materially overstated by the Company. As a result, the Recorded Values of the Inter-fund Investments are significantly overstated whereby the Funds which have invested in the Media Fund, Factoring Fund, and Hedge Fund will receive far less from these Funds than was invested.

MONETIZATION OF EXTERNAL MUTUAL FUNDS, EQUITIES, AND WARRANTS

44 In the First Report and Supplement to the First Report, the Receiver outlined its efforts to monetize readily saleable marketable securities held by certain Crystal Wealth Funds. The rationale for this was the over-arching investment objective of minimizing the downside risk of uncontrollable domestic and global market factors in the short term and to permit an interim distribution to the investors. Through a distribution, investors will be free to reinvest the proceeds received on their own accord. The Receiver, in consultation with colleagues in Canada and the US with extensive investment and portfolio expertise, as well as with the assistance of NBCN, carefully monetized all marketable securities, including Equities, Warrants, and External Mutual Funds which are traded on the various public stock exchanges, to the extent that such monetization was possible.

45 The Receiver was also cognizant of the Crystal Wealth Funds' underlying OMs when monetizing the marketable securities to ensure the monetization of certain investments did not create concentration risk in other particular investments. For example, the OM of the Resource Fund states that:

"The [Resource] Fund will limit its exposure to any one issuer to no more than 30% of the Fund's net assets..."

When performing the monetization of the below noted assets, the Receiver ensured the timing of such monetization reduced the risk of concentration of a particular investment whereby a negative movement in the value of same could have a detrimental impact on the underlying Crystal Wealth Fund(s).

46 The tables presented in this section with respect to the monetization of the Equities and External Mutual Funds contain the following information:

- a) the market value of the Equities and External Mutual Funds as at the closing of April 26, 2017, the date in which the Receiver was appointed over the Crystal Wealth Group, (the "**April 26th Market Value**"); and
- b) the gross proceeds received by the Receiver from the monetization of the Equities and/or External Mutual Funds (the "**Monetization Proceeds**").

EXTERNAL MUTUAL FUNDS

- 47 Upon completion of the monetization of the External Mutual Funds, the realized loss was minimal, amounting to approximately \$7,082 on Monetization Proceeds of \$5,045,681. The table below outlines the results of the monetization of the External Mutual Funds for each of the Crystal Wealth Funds that held same; no selling commissions were incurred on the disposition of External Mutual Funds.

Fund	April 26th Market Value	Monetization Proceeds
ACM Growth Fund	\$ 3,417,725	\$ 3,410,855
ACM Income Fund	565,089	564,876
Medical Fund	25,345	25,345
Media Fund	1,044,604	1,044,604
	\$ 5,052,763	\$ 5,045,681

EQUITIES

- 48 As at the date of this Second Report, the Receiver has monetized approximately 98% of the Equities contained within the Crystal Wealth Funds. The Resource Fund and ACM Growth Fund currently have approximately \$50,000 each of low volume trading Equities remaining to which the Receiver is working with NBCN to monetize. Overall, the monetization of Equities generated a realized loss of \$554,382 and a realized gain of approximately US \$128,304, excluding commissions of \$57,263 and US \$11,469.
- 49 The table below outlines the results of the monetization of the Equities for the below noted Crystal Wealth Funds.

Fund	April 26th Market Value		Monetization Proceeds	
	CAD	USD	CAD	USD
Sustainable Dividend Fund	\$ 1,438,364	\$ 3,688,297	\$ 1,478,092	\$ 3,829,828
Resource Fund	1,190,079	-	1,081,758	-
ACM Growth Fund	4,947,908	402,478	4,514,672	389,251
Factoring Fund	191,419	-	138,866	-
	\$ 7,767,770	\$ 4,090,776	\$ 7,213,388	\$ 4,219,079

- 50 The majority of the CAD realized loss is attributable to three holdings in the ACM Growth Fund: (i) UEX Corporation; (ii) Pacific Booker Minerals Inc.; and (iii) Emblem Corporation. Had the Receiver not monetized all three Funds when it did, the loss would have been greater given that the market value as at October 31, 2017 was approximately \$63,000 less than the Receiver realized.

WARRANTS

- 51 The Crystal Wealth Funds contained a number of warrant options for the purchase of shares in equities traded on active markets at a stated price ("**Warrants**"). Based on a preliminary review of supporting documentation, some of the Warrants contain restrictions on their assignability and ultimately, their salability. However, the Receiver is able to exercise such Warrants (i.e. purchase the company shares attached to the Warrants for a stated price) subject to the conditions of exercisability being satisfied. Although the underlying documentation for a majority of the Warrants was not contained in the Crystal Wealth Group's books and records, the Receiver was able to obtain such documentation from NBCN. The Receiver has prepared a listing of the Warrants currently held by the Crystal Wealth Funds, which is attached hereto as **Appendix "13"**.
- 52 The Receiver continues to evaluate each of the Warrants with its advisors by monitoring the market values of the underlying shares of the companies to which the Warrants apply. In cases where the price to purchase shares under a particular Warrant is favourable (i.e. when the exercise price is less than that of the market value price of the shares), the Receiver has exercised the Warrant and acquired the underlying shares.

- 53 As at the date of this Second Report, the Receiver has exercised the following Warrants whereby it has purchased the shares in the underlying companies:
- a) GREATBANKS RES LTD 20JUL17 – 363,637 shares at a strike price of \$0.03/share;
 - b) NOVO RES CORP 24JUL17 – 96,160 shares at a strike price of \$0.80/share;
 - c) KLONDIKE GOLD CORP 5AUG17 – 100,000 shares at \$0.20/share;
 - d) MONTAN MINING CORP 14AUG17 – 363,640 shares at a strike price of \$0.02/share;
and
 - e) GOLDEN RIDGE RES LTD 20OCT17 – 250,000 shares at a strike price of \$0.12/share
- (collectively, the “**Exercised Warrants**”).
- 54 As at the date of this Second Report, of the above Exercised Warrants, the Receiver has monetized the resulting shares obtained from one (1) of the Exercised Warrants: Novo Resources Corp. The Receiver monetized the 96,160 shares acquired in Novo Resources Corp. from exercising the Warrant of same for proceeds of \$726,864. This resulted in net cash proceeds to the Resource Fund of \$649,936, as the shares were acquired for \$76,928. The Receiver continues to work with NBCN to monetize shares acquired through the exercising of Warrants.

THE RECEIVER'S PROPOSED INTERIM DISTRIBUTION

- 55 Through the completion of the monetization of the Equities, External Mutual Funds, certain shares acquired through exercising Warrants, and the maturation and payout of certain Off-Book Assets, the Receiver currently has net proceeds available for distribution to investors of certain Crystal Wealth Funds of \$30,817,199, after the allocation of professional fees and appropriate holdback for claims filed pursuant to the Creditor Claims Procedure Order.
- 56 Cash balances are those being held in the respective Fund accounts at NBCN. Any proceeds (e.g. mortgage payments) or realizations from the monetization of marketable securities of a particular Fund were deposited to that Fund's bank account at NBCN. In other words, each Fund is being managed and accounted for on its own with no co-mingling amongst the Funds.
- 57 The creditor claims filed are currently being analyzed by the Receiver. However, for purposes of the Receiver's request for a timely interim distribution to investors, the Receiver has included a holdback for the full value of the creditor claims filed (as outlined in the table below) while they remain under evaluation. As detailed in the Creditor Claims Procedure section to this Second Report, a claim which named a particular Fund was allocated to that Fund. For those claims which named the Crystal Wealth Funds in general, such claims were allocated among the Crystal Wealth Funds based on the weighted average of the recorded NAV as at April 20, 2017 of each Crystal Wealth Fund.
- 58 The sole exception to the holdbacks provided for on account of the creditor claims filed through the Creditor Claims Procedure concerns the contingent claim filed by BDO Canada LLP ("**BDO**"), which is addressed in paragraphs 410 to 418 below and has been resolved by the Receiver in a manner which permits the Receiver's proposed interim distributions to investors to proceed.
- 59 The following table demonstrates the calculated proposed per unit interim distribution to investors of certain of the Crystal Wealth Funds using the foregoing allocation methodology, and with respect to the allocation of Receiver and legal fees through to September 30, 2017 (including HST). The database of investors are that as contained in the records of IFDS pursuant to the June 30, 2017 Order. Cash balances for each of the

Crystal Wealth Funds are as at November 15, 2017. The total cash balance of \$38,780,756 consists of \$36,227,236 and US \$1,999,154, converted at a rate of 1.2773 (\$2,553,520).

Fund	Cash Balance	Claims/Account Holdbacks	Receiver & Legal Fees	Available Proceeds	Per Unit
Mortgage Fund	\$ 5,208,001	\$ (1,126,299)	\$ (205,000)	\$ 3,876,702	\$ 1.45
Resource Fund	1,910,766	(104,745)	(34,503)	1,771,517	\$ 2.93
Factoring Fund	637,647	(1,050,607)	(147,086)	(560,045)	\$ -
Medical Fund	2,368,693	(354,966)	(61,541)	1,952,186	\$ 2.86
Bullion Fund	271,308	(87,360)	(17,441)	166,507	\$ 2.02
Media Fund	8,954,229	(2,255,355)	(315,145)	6,383,729	\$ 1.18
High Yield Mortgage Fund	1,854,851	(205,975)	(63,658)	1,585,219	\$ 2.92
Infrastructure Fund	2,088,371	(372,335)	(32,803)	1,683,234	\$ 2.19
Hedge Fund	630,890	(387,839)	(86,693)	156,358	\$ 0.12
Conscious Capital Fund	27,912	(120,971)	(2,039)	(95,098)	\$ -
ACM Income Fund	933,137	(243,122)	(32,480)	657,534	\$ 0.62
ACM Growth Fund	6,121,572	(255,922)	(31,366)	5,834,284	\$ 4.88
Sustainable Dividend Fund	6,660,591	(122,762)	(37,021)	6,500,807	\$ 10.76
Sustainable Property Fund	1,112,788	(168,153)	(40,370)	904,265	\$ 1.99
	\$38,780,756	\$ (6,856,412)	\$ (1,107,146)	\$ 30,817,199	

60 As the foregoing table suggests, the Receiver is recommending a per unit distribution for all Crystal Wealth Funds except for the Factoring Fund and the Conscious Capital Fund, where no funds are available for distribution. With respect to the Factoring Fund, the lack of funds available for distribution to investors arises directly from the significant impairment of the purported investments made by the Factoring Fund prior to the Receiver's appointment, as is detailed throughout this Second Report and immediately below.

- 61 Holdbacks for actual and future estimated Receiver and legal fees are similarly tracked in the table above either by specific Crystal Wealth Fund, or if they represent time allocable to all Crystal Wealth Funds, then such fees were allocated on the basis of effort and number of investors in each Fund. Cumulative Receiver and legal fees of approximately \$127,671 (including HST) were allocated outside of the Crystal Wealth Funds to Crystal Wealth Group entities and individuals including, CLJ Everest, Smith, and 115 Ontario.

DISCUSSION OF INVESTMENTS AND RECEIVER'S FINDINGS

FACTORING CONTRACTS

BACKGROUND

62 As outlined in the First Report, all of the Factoring Contracts (agreements to purchase invoices or portions thereof, which after purchase are referred to as “**Purchased Invoices**”, from operating businesses referred to as “Merchants”, for a discount and a service fee) are sourced and administered by Frontline Factoring Inc. Frontline was tasked by the Company with finding these opportunities and then collecting the invoice value from the underlying debtor(s) of the invoice(s) (the “**Debtors**”). The procurement and administration of Factoring Contracts is governed by a Factoring Procurement and Administration Agreement (“**FPAA**”) entered into with Frontline by the Factoring Fund and the Hedge Fund.² A copy of the FPAA entered into with Frontline by the Factoring Fund is attached hereto as **Appendix “14”**.

63 As at the date of this Second Report, the Factoring Fund and the Hedge Fund have outstanding Purchased Invoices acquired through Factoring Contracts entered into with the following Merchants:

- a) Dome Mountain Resources of Canada Inc. (“**Dome Mountain**”);
- b) Zomongo TV Corp (“**Zomongo TV**”);
- c) Advanced Metal Concept and Fabrication Ltd. (“**Advanced Metal**”);
- d) 1566496 Alberta Ltd. (“**156 Alberta**”);
- e) 647497 B.C. Ltd. (“**647 BC**”);
- f) Restoration Energy Inc. (“**Restoration Energy**”); and
- g) Single Source Services Ltd. (“**Single Source**”)

² Frontline has advised the Receiver that it does “not ever remember” a FPAA executed by the Hedge Fund, and that Frontline cannot locate such an agreement. Frontline was accordingly to conduct the administration of the Hedge Fund Factoring Contracts as per the FPAA entered into by the Factoring Fund with Frontline.

(collectively, the “**Merchants**”).

64 As at October 26, 2017, the Factoring Fund and Hedge Fund had total principal owing from the Merchants of \$23,013,773 and \$3,011,397, respectively, totaling \$26,025,170 (the “**Factoring Principal Balance**”). The Factoring Fund and Hedge Fund also had interest owing under the Factoring Contracts of \$3,744,678 and \$909,586, respectively, totaling \$4,654,265 (the “**Factoring Interest Balance**”). The sum of the Factoring Principal Balance and the Factoring Interest Balance, totaling \$30,679,435, is referred to herein as the “**Factoring Balance**”.

65 The following table outlines the principal and interest owing from each of the Merchants as at October 26, 2017.

Merchant	Principal			Interest		
	Factoring Fund	Hedge Fund	Total	Factoring Fund	Hedge Fund	Total
Dome Mountain	\$12,793,175	\$1,015,660	\$13,808,835	\$ 2,280,593	\$ 181,058	\$2,461,651
Zomongo TV	6,204,373	1,494,737	7,699,110	845,396	660,307	1,505,702
Advanced Metal	1,256,311	-	1,256,311	248,029	-	248,029
156 Alberta	824,039	-	824,039	140,318	-	140,318
Restoration Energy	1,402,193	501,000	1,903,193	100,876	68,222	169,098
647 BC	439,698	-	439,698	109,260	-	109,260
Single Source	93,985	-	93,985	20,206	-	20,206
	\$23,013,773	\$3,011,397	\$26,025,170	\$ 3,744,678	\$ 909,586	\$4,654,265

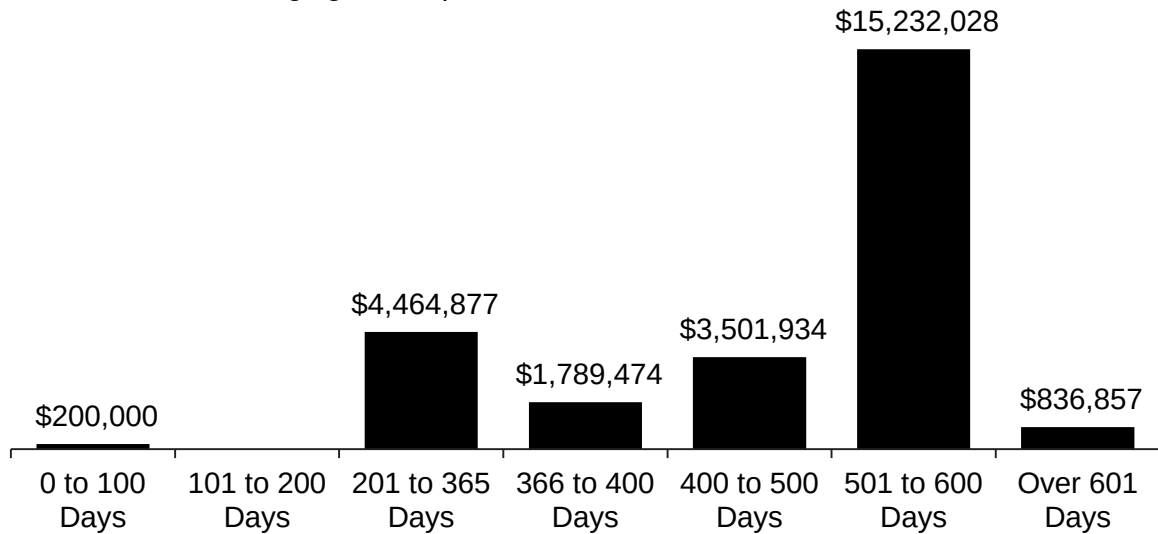
A more detailed account of each of the balances owing from the Merchants, the underlying Purchased Invoices of such balances, and the Debtors of same, is included in a summary prepared by the Receiver attached hereto as **Appendix “15”** (the “**Outstanding Invoice Schedule**”). A detailed discussion of the status of the individual Merchants and the Receiver’s activities with respect to same is outlined below.

RECEIVER'S KEY FINDINGS

Non-Performance of the Factoring Contracts

- 66 Since its appointment, the Receiver has monitored the Factoring Contracts mainly through its review of the weekly reporting provided to the Factoring Fund and Hedge Fund by Frontline which outlines the outstanding Purchased Invoices and the activity of same (the **"Weekly Frontline Reporting"**).
- 67 As demonstrated in the Outstanding Invoice Schedule, the Factoring Fund and Hedge Fund have only collected \$2,310,507 and \$10,963, from four (4) Merchants, on the outstanding Purchased Invoices. A total of \$2,786,052 (which includes the above noted amounts) was collected by the Hedge Fund and Factoring Fund during the 12 months prior to the Appointment Order. The Receiver has concerns as to how redemptions and distributions to investors in the Factoring Fund and Hedge Fund were made prior to the Receiver's appointment given the minimal collections during the 12 months preceding the Receiver's appointment on the Factoring Contracts, and with respect to the US Real Estate LP and Gold Contracts. The Receiver has concerns that the Inter-fund Investments made by other Crystal Wealth Funds and/or investors who purchased units in the Factoring/Hedge Fund did so at an overstated NAV and funded the redemptions and distributions to other investors.
- 68 As at the Receiver's appointment on April 26, 2017, the average number of days outstanding for the Purchased Invoices (i.e. the difference between the invoice date and April 26, 2017) (the **"Invoice Days Outstanding"**) was approximately 405 days. The oldest invoice outstanding is dated August 4, 2015 while the most recent invoice outstanding is February 12, 2017. The following table demonstrates the aging of the principal balances owing under the Purchased Invoices.

Purchased Invoice Aging as at April 26, 2017



As shown above, as at April 26, 2017, approximately 82% (\$21,360,293) of the Factoring Principal Balance was over one (1) year past the invoice date.

- 69 In the Receiver's initial discussions with Frontline, Frontline advised that it was in constant communication with the Merchants noted above and that it was being advised by the Merchants that payments would be made on the Purchased Invoices in the near future. Notwithstanding these representations, as at the end of July 2017, the Receiver notes that no payments had been received from any of the Merchants or the Debtors since the Appointment Order.

Frontline and the Receiver's Efforts in Pursuing Non-Paying Debtors

- 70 In the absence of payments being received from the Debtors and/or the Merchants, despite Frontline's initial assurances, the Receiver engaged in the following with respect to all Debtors and Merchants.
- 71 On June 28, 2017, A&B, on behalf of the Receiver, sent Frontline a letter (the "**June 28 2017 Receiver Letter**") that, among other things:
- a) advised that at times, Frontline had failed to provide the Weekly Frontline Reporting and that such reporting should be provided to the Receiver forthwith;

- b) requested that Frontline provide reports to the Receiver with respect to any Non-Performing Factoring Arrangements as required by s. 5.1 of the FPAA (the “**Non-Performing Reports**”); and
- c) requested that Frontline, under s. 4.1(e) of the FPAA, send correspondence to all Debtors advising that the Receiver’s appointment is of no consequence to the amount owing under the Purchased Invoices and that the amount of same must be remitted in full.

A copy of the June 28 2017 Receiver Letter is attached hereto as **Appendix “16”**.

- 72 On June 30, 2017, Frontline delivered to the Receiver a Non-Performing Report dated June 30, 2017 (the “**June 30 2017 Non-Performing Report**”) which provided a status update on all of the Merchants. Based on the Receiver’s review of the Company’s books and records, the Receiver was unable to locate any Non-Performing Reports prepared by Frontline and sent to the Factoring Fund and/or Hedge Fund prior to receiving the June 30 2017 Non-Performing Report.
- 73 On July 12, 2017, letters were sent by Frontline to all of the underlying Debtors advising them of the Purchased Invoices outstanding and their obligation to remit payment (the “**Frontline July 12 2017 Letters**”). An example of the Frontline July 12 2017 Letters, excluding Debtor information, is attached hereto as **Appendix “17”**.
- 74 On August 15, 2017, after no correspondence and only one payment of \$25,000 being received, the Receiver sent letters to each of the Debtors (the “**August 15 2017 Debtor Letters**”). The August 15 2017 Debtor Letters, which referenced the Frontline July 12 2017 Letters and the Purchased Invoices outstanding, demanded that the Debtors remit all outstanding amounts owing under the Purchased Invoice — including accrued interest — directly to Frontline, in trust for the Receiver, by no later than 5:00 p.m. EST on August 23, 2017. Despite the August 15 2017 Debtor Letters, only one further payment has been remitted on account of a Purchased Invoice in the sum of \$113,044.51.³

³ The Debtor pursuant to this Purchased Invoice is Lotus Environmental Ltd, pursuant to the Factoring Fund’s Factoring Agreement with the Merchant, Advanced Metal. Frontline has yet to remit any of this payment to the Receiver, contrary to the Receiver’s directions to Frontline pursuant to the FPAA.

Compliance with Factoring Fund and Hedge Fund OMs

75 As outlined in the First Report, the Factoring Fund's investment objective is to:

"...to provide consistently positive total returns...by investing primarily in commercial factoring contracts. The Fund is also authorized to invest in other securities including equities, fixed income securities, investment funds and exchange-traded derivatives."

(the "**Factoring Fund Investment Objective**").

76 The Receiver is of the opinion that the issuance of the Bridge Facility to Dome Mountain (as defined and described in detail below) resulted in the Factoring Fund breaching the Factoring Fund Investment Objective. The non-disclosure of such an investment is a gross misrepresentation to investors investing into a fund with the expectation to be invested in Factoring Contracts whereby traditional receivables are being purchased.

77 It is unclear if the Factoring Contracts would be considered appropriate investments in the Hedge Fund given the broad wording contained in the Hedge Fund's OM.

Receiver's Conclusion on the Non-Performance of the Factoring Contracts

78 Based on the foregoing, it is unlikely that the outstanding Purchased Invoices will be paid by the Debtors – several of whom are resident outside of Ontario, Canada, or North America – as it appears that no payments have been received by the Debtors directly for any of the outstanding Purchased Invoices. Neither the Factoring/Hedge Fund nor the Merchants have any security against the Debtors for the Purchased Invoices; both are unsecured creditors of the Debtors. The pursuit of the Debtors for the payment of the Purchased Invoices would be an expensive process which would likely result in unfavorable results, if any. Frontline has indicated that collections from the underlying Debtors is unlikely, and that the Merchants are likely the sole recourse for recovery.

79 Under the Factoring Contracts, there are certain provisions available to the Factoring Fund and Hedge Fund (i.e. the Receiver) against the Merchants to pursue the outstanding balances under the Purchased Invoices, including in some cases, security over the assets of the Merchants. As a result, pursuing the Merchants for the balances owing to the Factoring Fund and Hedge Fund is the most economical and best source of any recovery.

- 80 The following section describes: (i) what the Receiver has learned about each of the Merchants and the facts that led to the acquisition of the impaired Purchased Invoices by the Factoring Fund and Hedge Fund; and (iii) the Receiver's activities thus far in pursuing the Merchants for the repayment of same.

RECEIVER'S DETAILED REVIEW OF FACTORING CONTRACTS

Dome Mountain

- 81 As noted above, as at October 26, 2017, Dome Mountain has an outstanding balance owing to the Factoring Fund and Hedge Fund of \$15,073,768 and \$1,196,718, respectively, totaling \$16,270,486 (the "**Dome Mountain Balance**"). The Dome Mountain Balance includes principal owing to the Factoring Fund and Hedge Fund of \$12,793,175 and \$1,015,660, respectively, in addition to interest owing to the Factoring Fund and Hedge Fund of \$2,280,593 and \$181,058, respectively.
- 82 Based on numerous discussions with Frontline and a detailed review of the documentation located with respect to the Dome Mountain Balance, the Dome Mountain Balance is in fact a bridge loan (defined below as the "**Bridge Facility**") to Dome Mountain; it is not a Purchased Invoice. A questionable "invoice" was issued by Dome Mountain to MGE Corporation Limited, apparently to falsely portray the Bridge Facility to Dome Mountain as a Purchased Invoice pursuant to a Factoring Contract. The Receiver's review of these arrangements is detailed below.

Dome Financing – 2015

- 83 The Company (in trust) and Dome Mountain entered into a "factoring agreement" (i.e. a bridge loan agreement) dated November 4, 2015 for a term of 12 months (the "**Dome 2015 Loan Agreement**"). Under the Dome 2015 Loan Agreement, the Company purchased one (1) invoice issued to MGE Corporation Limited ("**MGE**") dated November 11, 2015 totaling \$80,000,000 (the "**MGE 2015 Invoice**"). A copy of the MGE 2015 Invoice is attached hereto as **Appendix "18"**.
- 84 Under the Dome 2015 Loan Agreement total advances of \$12,507,676 were made by certain Funds at various times during November 2015 to December 2015 as follows:
- a) Factoring Fund – \$10,127,676; and

b) ACM Growth Fund – \$2,380,000.⁴

Frontline provided the Receiver with a Mandate Letter and Term Sheet between Overseas European Holdings limited (“**OEHL**”), an affiliate of MGE, and Dome Mountain dated November 7, 2015 (the “**MGE 2015 Term Sheet**”) that expired on November 6, 2016. A copy of the MGE 2015 Term Sheet is attached hereto as **Appendix “19”**. The MGE 2015 Term Sheet referenced a proposed acquisition of shares (the “**Acquisition**”) in Gavin Mines Inc. (“**Gavin Mines**”) by Dome Mountain, and noted that OEHL and MGE agreed to, among other things:

- a) assist in securing a bridge financing facility to finance drilling operations of Gavin Mines (the “**Bridge Facility**”);
- b) issue a performance guarantee bond to assist in securing the Bridge Facility (as described below); and
- c) issue a 10 year, US \$80 million loan to Dome Mountain to fund the Acquisition, capital expenditures, and to refinance the Bridge Facility (the “**Acquisition Loan Facility**”).

85 Frontline also provided the Receiver with a copy of a performance guarantee bond in the amount of \$12 million issued by Active Capital Reinsurance Ltd. for the period of November 6, 2015 to November 5, 2016 (the “**2015 Performance Bond**”). The 2015 Performance Bond, which is attached hereto as **Appendix “20”**, had named MGE as the insured and the Company (Crystal Wealth Management System Limited (in Trust)) as the beneficiary.

86 Based on the above, it is apparent that the Dome 2015 Loan Agreement and the purchase of the MGE 2015 Invoice were entered into together to disguise the transaction as a “factoring arrangement” although in substance, the advances to Dome Mountain were essentially a bridge loan, i.e. the Bridge Facility as outlined in the MGE 2015 Term Sheet. MGE, through the Acquisition Loan Facility, was to refinance the Bridge Facility provided by the Factoring Fund and ACM Growth Fund. Frontline has confirmed the Receiver’s

⁴ The amount advanced by the ACM Growth Fund was later assigned to the Factoring Fund through the execution of an Assignment Agreement dated November 11, 2016, between the ACM Growth Fund and the Factoring Fund (each by their manager and trustee, the Company).

understanding that the monies advanced by the Funds were in fact a Bridge Facility as described above.

- 87 The Receiver inquired with Frontline as to the underlying rationale with respect to this arrangement, to which Frontline advised that it had not procured this arrangement but rather Housego had sourced and negotiated the deal with Dome Mountain and MGE. Frontline advised that this arrangement was funded by the Factoring Fund and that Housego instructed Frontline to include it in the portfolio and administer same. The Receiver has obtained evidence that Frontline was actively involved in the origination of the Dome 2015 Loan Agreement.

Dome Financing – 2016

- 88 Upon expiry of the Dome 2015 Loan Agreement, the MGE 2015 Term Sheet, and the 2015 Performance Bond, the following occurred:
- a) the Company (in trust) entered into another 12 month “factoring agreement” with Dome Mountain dated November 4, 2016 (the “**Dome 2016 Loan Agreement**”);
 - b) the Company (in trust) and Dome Mountain entered into a security agreement (“**GSA**”) dated November 4, 2016 (the “**Dome Mountain GSA**”);
 - c) another Dome Mountain invoice (invoice no. 0206) dated November 5, 2016 to MGE (the “**MGE 2016 Invoice**”) was purchased by the Factoring Fund to replace the MGE 2015 Invoice;
 - d) an updated Mandate Letter and Term Sheet dated November 3, 2016 between MGE and Dome Mountain was executed (the “**MGE 2016 Term Sheet**”) with terms substantively the same as the MGE 2015 Term Sheet, aside from the Acquisition Loan Facility being reduced to US \$36 million; and
 - e) a performance guarantee in the amount of \$18 million (the “**Guarantee Limit**”) was issued by Best Meridian International Company SPC (“**BMIC**”), as reinsurer, for the period of November 4, 2016 to November 6, 2017 (MGE – 112017-000016) (the “**2016 Performance Bond**”) whereby MGE is named as the insured and the Company (Crystal Wealth Management System Limited (in trust)) as the beneficiary. The 2016

Performance Guarantee also carried a premium of \$630,000 (the “**Performance Premium**”) payable by the insured, MGE.

A copy of the MGE 2016 Invoice, the MGE 2016 Term Sheet, and the 2016 Performance Bond are attached hereto as **Appendix “21”**, **Appendix “22”**, and **Appendix “23”** respectively.

- 89 The Invoice Summary (as defined below) provided by Frontline dated November 22, 2016, which is attached to this Second Report as **Appendix “24”**, notes that the Dome 2016 Loan Agreement, the 2016 Performance Bond, and the MGE 2016 Invoice were entered into because:

“...MGE was unable to close on the funding of Gavin Mines as the numbers did not substantiate the purchase price, although we had an insurance policy covering the performance of MGE. As the deal has been restructured at a lower price, MGE will now be able to fund the share purchase and the insurance company is willing to reissue a new policy at an increased amount.”

- 90 MGE and Dome Mountain also executed a Deed of Guarantee dated November 4, 2016 (the “**Deed of Guarantee**”), wherein MGE expressly acknowledged that Dome Mountain was borrowing funds from the Company (in trust for the Factoring Fund and the Hedge Fund), in the form of an interest-bearing loan (the Bridge Facility) in the amount of CAD \$18,000,000. The Deed of Guarantee expressly provides that MGE had procured the 2016 Performance Guarantee “to ensure repayment of the [Bridge Facility]” to the Factoring and Hedge Funds, together with all interest due to the Company (in trust for the Factoring Fund and Hedge Fund).

- 91 Consistent with the Deed of Guarantee, on November 4, 2016, MGE effected a registration under the PPSA (Alberta), registering MGE as a secured party of Dome Mountain with the following collateral description:

100% of the share capital of [Dome Mountain], secured party has charge over the total share capital of the Debtor, Dome Mountain Resources of Canada Inc., as collateral for a loan of C\$18,000,000 starting on 4 November 2016, as per Deed of Guarantee of the same Date.

- 92 On November 11, 2016, days following the execution of the Deed of Guarantee and the issuance of the Performance Guarantee, the Hedge Fund advanced an additional \$996,625 to Dome Mountain, in addition to the \$12,600,607 advanced in 2015 by the Factoring Fund, in apparent reliance on the representation by MGE that the \$18 million 2016 Performance Bond was in place to ensure that these advances, and all accrued interest, would be repaid to the Factoring Fund and Hedge Fund.

Status of Dome Mountain

- 93 Frontline has advised the Receiver that Dome Mountain is not performing as MGE has not yet been able to secure funding as contemplated in the MGE 2016 Term Sheet. The Non-Performing Reports indicate that MGE continues to push back the timeline with respect to the Acquisition Loan Facility.
- 94 Upon review of the 2016 Performance Bond, the Guarantee Limit is payable by BMIC on or after November 6, 2017 should the Loan (as defined in the 2016 Performance Bond) not be repaid to the Factoring and Hedge Funds by November 6, 2017. As the Loan had not been repaid to the Factoring Fund the Hedge Fund, the Receiver took steps to ensure that a claim would be submitted by MGE pursuant to the Performance Guarantee, to ensure that the principal amount of the Bridge Facility, and all accrued interest, is repaid to the Factoring Fund and Hedge Fund as the beneficiaries of the 2016 Performance Bond.
- 95 However, Frontline advised the Receiver that after the 2016 Performance Bond was executed in November 2016, MGE, nor any other party, remitted the Performance Premium to the underwriter of the 2016 Performance Bond, Global BRG, LLC ("**BRG**").
- 96 On October 17, 2017, after being contacted by the Receiver, BRG advised that the Performance Premium was never remitted and as a result, the 2016 Performance Guarantee was cancelled on November 28, 2016. A copy of the cancellation letter provided by BRG is attached hereto as **Appendix "25"**.
- 97 On October 19, 2017, the Receiver sent a letter to MGE (the "**October 19 2017 Letter**") demanding that MGE provide, by no later than 5 p.m. EST on Friday, October 20, 2017, a written explanation to the Receiver advising of:
- a) the circumstances which gave rise to MGE's failure to pay the Performance Premium;

- b) whether notice was given by MGE to the Crystal Wealth Group, Dome Mountain, and/or to Frontline that the Performance Premium had not been paid, and that the 2016 Performance Bond had been cancelled;
 - c) the reason MGE registered its security interest against Dome Mountain as per the Deed of Guarantee, despite its failure to secure the 2016 Performance Bond as required and contrary to MGE's representations in the Deed of Guarantee; and
 - d) whether a replacement policy of insurance, or performance guarantee, had been obtained by MGE or any other party to secure repayment of the Bridge Facility indebtedness owing to the Factoring and Hedge Funds.
- 98 After not receiving a response from MGE, A&B, on behalf of the Receiver, sent a follow-up email to MGE on October 23, 2017. A copy of the October 19 2017 Letter and the follow-up email sent by A&B are attached hereto as **Appendix "26"** and **Appendix "27"** respectively.
- 99 On October 24, 2017, A&B, the Receiver, and Stephen Miller, who had executed the 2016 Performance Guarantee and Deed of Guarantee on behalf of MGE, attended a call to discuss the contents contained in the October 19 2017 Letter. Miller advised that he was working with MGE's counsel to draft a response and to provide supporting documentation to support his response to the October 19 2017 Letter. Miller acknowledged such a response would be delivered by the end of the week (October 27, 2017). Miller also advised the Receiver of the following:
- a) it was the responsibility of Frontline, the Factoring Fund, and the Hedge Fund to pay the Performance Premium required by the 2016 Performance Bond;
 - b) Froese (the President of Frontline) and Housego were aware that it was the responsibility of Frontline, the Factoring Fund, and the Hedge Fund to pay the Performance Premium, but they failed to cause the Performance Premium to be paid, thereby causing the 2016 Performance Bond to be cancelled; and
 - c) MGE had at no time provided financing to Dome Mountain, given that Dome Mountain failed to obtain a valuation of Gavin Mines which was a precondition to MGE providing Dome Mountain with financing, or issuing a bond.

- 100 On October 30, 2017, after no response was received to the October 19, 2017 Letter, A&B sent a follow-up email to Miller requesting a response and that the previously-requested supporting documentation be delivered to the Receiver by the end of the day.
- 101 On October 31, 2017, MGE provided a response to the Receiver (the “**MGE October 31st Email**”) which confirmed the assertions made by Miller in his discussion with the Receiver and A&B on October 24, 2017. More specifically, Miller asserted that Froese and Housego were “very well aware” that it was the Hedge Fund, Factoring Fund, and Frontline’s responsibility to pay the Performance Premium of \$630,000. Miller further asserted that at no time had MGE provided financing to Dome Mountain. Notwithstanding the assertions made by Miller, A&B, on behalf of the Receiver, responded to Miller indicating that he had failed to provide any support for his assertion that it was the responsibility of Frontline, the Hedge Fund, and/or the Factoring Fund to pay the Performance Premium. As at the date of this Second Report, Miller has not provided any supporting documentation to support his assertions in the MGE October 31st Email, despite A&B having sent a further follow-up email to him on November 9, 2017 demanding a response. Copies of the MGE October 31st Email and A&B’s responses to Miller sent on October 31, 2017 and November 9, 2017 are attached hereto as **Appendix “28”**.
- 102 As the MGE October 31st Email contradicted Froese’s (Frontline’s) account of the events, the Receiver sent correspondence to Froese on October 31, 2017 (the “**Receiver’s October 31 2017 Email**”) that, among other things:
- a) made Froese aware of the Receiver’s correspondence with MGE and BRG;
 - b) made Froese aware of the assertions made by Miller in the MGE October 31st Email;
 - c) requested that Froese provide an update on the nature of the ongoing dealings between MGE and Dome Mountain;
 - d) requested that Froese explain and elaborate upon the meaning of his October 27, 2017 email to the Receiver, wherein Froese indicated that “*MGE has had some good progress [on obtaining financing] although nothing [was] definitive*”;
 - e) requested that Froese provide an explanation as to why the \$630,000 Performance Premium was never paid, which left the Hedge Fund and Factoring Fund without recourse to an insurance policy;

- f) requested the reporting which was given to the Hedge Fund and Factoring Fund by Frontline leading up to the advances made by the Funds to Dome Mountain; and
- g) requested that Froese provide a copy of Frontline's due diligence summary report provided to the Factoring Fund and Hedge Fund and all correspondence and discussion notes which preceded the advances made to Dome Mountain.

A copy of the Receiver's October 31 2017 Email is attached hereto as **Appendix "29"**.

103 After repeatedly following up with Froese, on November 21, 2017, the Receiver received a response from Froese to the Receiver's October 31 2017 Email, which response is attached hereto as **Appendix "30"**. Froese's response failed to reasonably explain why the Performance Premium for the 2016 Performance Bond had not been paid, or why a claim had not been submitted pursuant to the 2015 Performance Bond. In his November 21st email to the Receiver, Froese indicates, among other things, that:

- a) On November 14, 2016, Froese *"Received instructions from Al Housego regarding wording of [Frontline] Invoice Summary and what needs to happen with internal structure"*.

As indicated above, the Invoice Summary subsequently provided by Frontline was dated November 22, 2016, which is attached to this Second Report as **Appendix "24"** (as noted above), and notes that the Dome 2016 Loan Agreement, the 2016 Performance Bond, and the MGE 2016 Invoice were entered into because:

"...MGE was unable to close on the funding of Gavin Mines as the numbers did not substantiate the purchase price, although we had an insurance policy covering the performance of MGE. As the deal has been restructured at a lower price, MGE will now be able to fund the share purchase and the insurance company is willing to reissue a new policy at an increased amount."

- b) On November 15, 2016, Froese *"Received email instructions from Clayton Smith requesting we structure this as a factoring agreement and the object being factored is the sale proceeds from MGE with insurance as backup"*. This email from Smith to Frontline was subsequently provided by Froese to the Receiver on November 21, 2017, and is included within **Appendix "30"** noted above; and

- c) During the first week of December 2016, Froese “received word that Crystal Wealth did not have any funds to pay for the insurance policy although based on their conversations with Steve Miller from MGE, they were confident he would perform”.

Dome Mountain Assets and Receiver’s Recourse

- 104 The Receiver has requested that Frontline and Dome Mountain provide information to the Receiver concerning Dome Mountain and Gavin Mines. As at the date of this Second Report, neither Frontline nor Dome Mountain have provided such information, and by an email sent on November 8, 2017, Dome Mountain advised it “has not had any financial documents prepared”. There is accordingly no information or evidence as to how Dome Mountain utilized the \$13,808,835 which was advanced to it by the Factoring and Hedge Funds.
- 105 By letter dated November 22, 2017, the Receiver demanded immediate payment of the Dome Mountain Balance from Dome Mountain pursuant to the Dome 2016 Loan Agreement, as well as immediate payment of all amounts owing by Dome Mountain to the Factoring Fund pursuant to the Fund’s factoring arrangements with 156 Alberta and 647 BC, as detailed immediately below. A copy of the November 22, 2017 letter sent by the Receiver to Dome Mountain is attached to this Second Report as **Appendix “31”**.

156 Alberta and 647 BC

156 Alberta

- 106 The Factoring Fund entered into a Factoring Agreement with 156 Alberta dated January 8, 2015 (the “**156 Alberta Factoring Agreement**”). The Factoring Fund also entered into a security agreement with 156 Alberta dated January 8, 2015 granting the Factoring Fund a general continuing security interest over all present and future property and assets of 156 Alberta. Frontline has advised that, similar to 647 BC (described below), 156 Alberta performs project management and consulting for mining projects. The principals of 156 Alberta are Jeff Maljaars and Robert Maljaars (“**R. Maljaars**”). In addition to Darcy Pahl, who is the director of Dome Mountain, R. Maljaars executed Dome Mountain’s Factoring Contracts with the Company (in trust for the Factoring Fund and Hedge Fund) on behalf of Dome Mountain, with the stated title of “Director” of Dome Mountain. In MGE’s October 31 Email (**Appendix “28”**), Miller had indicated that the “majority” of MGE’s communications were with Darcy Pahl and R. Maljaars, and with Froese and Housego.

647 BC

- 107 On November 28, 2014, the Factoring Fund entered into a Factoring Agreement with 647 BC (the “**647 BC Factoring Agreement**”). The Factoring Fund also entered into a security agreement with 647 BC dated November 27, 2014 which granted the Factoring Fund a general continuing security interest over all present and future property and assets of 647 BC. Frontline has advised the Receiver that 647 BC performs project management services for large projects and had been a client of Frontline in the past. Froese advised that he is personally familiar with the owners of 647 BC, Marion DenHollander and David DenHollander (together, the “**DenHollanders**”). The Receiver has been advised by an investor that David DenHollander is also related to Dome Mountain. As will be detailed in the Zomongo TV section below, the DenHollanders are also involved with Zomongo Inc. and/or Zomongo TV, both of whom are Merchants pursuant to Factoring Contracts entered into with the Factoring Fund and/or the Hedge Fund.

Relationship of 647 BC and 156 Alberta to Dome Mountain

- 108 As outlined in the table below, all but one of the Purchased Invoices from 647 BC and 156 Alberta are owing from Dome Mountain as the Debtor. A copy of the outstanding Purchased Invoices for 647 BC and 156 Alberta are attached to this Second Report as **Appendix “32”**.

					Balances as at October 26th		
	Debtor	No.	Amount of Invoices	Days Outstanding as at April 26th	Principal	Interest	Total
156 Alberta	Dome Mountain	2	\$1,010,000	312 Days	\$ 624,039	\$117,118	\$ 741,157
647 BC	Dome Mountain	2	578,550	340 Days	439,698	109,260	548,958
156 Alberta	IC Commerce	1	238,095	73 Days	200,000	23,200	223,200
		5	\$1,826,645	275 Days	\$1,263,737	\$249,579	\$1,513,316

- 109 The fact that an additional \$1,290,116 is owing to the Factoring Fund from Dome Mountain (as the Debtor), results in Dome Mountain, directly and indirectly, owing the Factoring/Hedge Fund a total of \$17,560,601 (principal of \$14,872,572 and interest of \$2,688,029). It is unclear as to the types of services provided by 156 Alberta and 647 BC as the invoice description contains only the words “*Consulting*” (for 156 Alberta) or “*Project Management*” (for 647 BC), with no other pertinent details.

- 110 In addition, to the 156 Alberta Dome Invoices and the 647 BC Dome Invoices, the following table outlines previous invoices issued to Dome Mountain from 156 Alberta and 647 BC that the Factoring Fund purchased resulting in the Fund advancing funds to 156 Alberta and 647 BC. These invoices were subsequently repaid.

Merchant / Debtor	Invoice Summary Date	Invoice No.	Invoice Amount	Funds Advanced to Merchant
647497 BC Ltd.				
Dome Mountain	28-Nov-14	257	\$ 357,000	\$ 279,888
Dome Mountain	22-Dec-14	261	367,500	288,120
Dome Mountain	27-Jan-15	264	328,125	257,250
Dome Mountain	11-May-15	302	507,675	398,017
Dome Mountain	30-Sep-15	304	237,891	186,506
			1,798,191	1,409,781
1566496 Alberta Ltd.				
Dome Mountain	27-Feb-15	145	152,250	119,364
Dome Mountain	17-Mar-15	146	131,250	102,900
Dome Mountain	30-Mar-15	149	183,750	144,060
Dome Mountain	13-Apr-15	150	131,250	102,900
Dome Mountain	29-Apr-15	151	262,500	205,800
Dome Mountain	11-May-15	152	510,300	400,075
Dome Mountain	31-Aug-15	153	105,000	82,320
Dome Mountain	10-Sep-15	155	220,500	172,872
Dome Mountain	29-Oct-15	157	340,000	266,560
Dome Mountain	06-Nov-15	158	260,000	203,840
Dome Mountain	05-Jan-16	159	390,000	305,760
Dome Mountain	15-Apr-16	215	65,100	51,038
			2,751,900	2,157,490
Grant Total			\$ 4,550,091	\$ 3,567,271

- 111 Based on the table above, it appears that Dome Mountain paid:
- a) \$1,798,181 to 647 BC for “*Project Management*” invoices issued to Dome Mountain; and
 - b) \$2,751,900 to 156 Alberta for “*Consulting*” invoices issued to Dome Mountain in circumstances where 156 Alberta appears to be a related party.
- 112 The Receiver is in the process of obtaining more information to determine the timing of these transactions as well as the original funding to Dome Mountain by the Factoring Fund

and Hedge Fund totaling approximately \$13,808,835. The Receiver has concerns that a portion of the \$13,808,835 was used to pay the above noted invoices issued to Dome Mountain totaling \$4,550,091.

- 113 On November 7, 2017, DenHollander sent Frontline an email, advising as follows:

"I am out of the country and don't know when we will return. Perhaps sometime next year but at present not sure".

DenHollander further advised that 647 BC is three years behind on its financial statements. DenHollander indicated that

"[i]n regards to a repayment schedule [647 BC is] working on a plan which I hope will be finalized in the next 30-60 days which would allow us to start repaying funds".

A copy of DenHollander's email to Frontline is attached to this Second Report as **Appendix "33"**.

- 114 By letters dated November 22, 2017, the Receiver demanded immediate payment from 647 BC and 156 Alberta pursuant to the 647 BC Factoring Agreement and the 156 Alberta BC Factoring Agreement, respectively. Copies of the November 22, 2017 letters sent by the Receiver to 647 BC and 156 Alberta are attached to this Second Report as **Appendix "34"**.

Zomongo TV

- 115 The Factoring Fund and the Hedge Fund each entered into Factoring Agreements with Zomongo TV, an Alberta entity, dated August 7, 2015 (the **"Zomongo TV Factoring Agreement"**).
- 116 The Factoring Fund also entered into a security agreement with Zomongo TV dated August 7, 2015 (the **"Zomongo TV Security Agreement"**). The Zomongo TV Security Agreement granted the Factoring Fund a general continuing security interest over all present and after acquired undertaking, property and assets of Zomongo TV, including all present and future right, title, and interest and benefit of Zomongo TV in all property, on a first-position secured basis.

- 117 In addition, pursuant to a Guarantee and Postponement of Claim dated January 25, 2017, Zomongo.TV Holdings Corp ("**Zomongo TV Holdings**") entered into a Guarantee and Postponement of Claim with the Hedge Fund dated January 25, 2017, pursuant to which Zomongo TV Holdings provided a continuing guarantee of all the obligations owing by Zomongo TV to the Hedge Fund. Zomongo TV Holdings also entered into a General Security Agreement dated January 25, 2017 with the Hedge Fund, granting the Hedge Fund a general continuing security interest over all present and future property and assets of Zomongo TV Holdings.
- 118 According to Frontline, in the latter half of 2016, as a result of Zomongo TV incurring net losses and generating negative cash flow in its operations, Zomongo TV required additional funding to continue as a going concern. Frontline advised the Receiver that the Factoring Fund did not have funds available to advance to Zomongo TV to assist it in continuing as a going concern.
- 119 As a result, on December 29, 2016, Zomongo TV and its associated entities entered into a credit agreement with TCA Global Credit Master Fund, LP ("**TCA**") effective December 30, 2016 (the "**TCA Loan Agreement**") for a revolving credit facility of up to US \$10,000,000 (the "**TCA Credit Facility**"). Funding available under the TCA Credit Facility is based on underlying working capital (e.g. accounts receivable, inventory, etc.) of Zomongo TV.
- 120 As a condition of the TCA Loan Agreement, the Factoring Fund entered into a Subordination of Loans Agreement with Zomongo TV (and its associated entities) and TCA dated December 28, 2016 (the "**Zomongo TV Subordination Agreement**"). The Zomongo TV Subordination Agreement resulted in the Factoring Fund being in a subordinated position to that of TCA (i.e. giving up its first position security to TCA). As at December 28, 2016, the Factoring Fund was owed a principal balance of \$11,960,213 from Purchased Invoices of Zomongo TV. For greater clarity, the Receiver is advised that the Factoring Fund subordinated its position as TCA would not provide additional funding unless it was given the position of first secured creditor.

Current Status

121 As at October 26, 2017, Zomongo TV has outstanding principal balances owing to the Factoring Fund and Hedge Fund of \$6,204,373 and \$1,494,737, respectively, totaling \$7,669,110 (the “**Zomongo TV Principal Balance**”) from the following Debtors:

- a) Accent Marketing – \$1,193,158 owing for three (3) invoices;
- b) Golden Shores Enterprises Inc. – \$947,368 owing for two (2) invoices;
- c) Eyeconic.tv – \$4,244,701 owing for seven (7) invoices;
- d) Vanus Consulting Inc. – \$842,105 owing for two (2) invoices; and
- e) Mobility Media & TV – \$723,000 owing for two (2) invoices

(collectively the “**Zomongo TV Debtors**”).

122 In addition to the Zomongo TV Principal Balance, the Factoring Fund and Hedge Fund are owed \$845,396 and \$660,307 in interest and fees, respectively, totaling \$1,505,702 (together with the Zomongo TV Principal Balance, the “**Zomongo TV Balance**”).

123 The table below outlines, for each Zomongo TV Debtor: the number of Purchased Invoices; the total amount of the Purchased Invoices; the average number of days outstanding as the date of the Receiver’s appointment (April 26, 2017); and the balance owing to the Factoring Fund and Hedge Fund as at October 26, 2017.

Debtor	No.	Amount of Invoices	Days Outstanding as at April 26th	Principal and Interest as at Oct. 26th		
				Factoring Fund	Hedge Fund	Total
Accent Marketing	3	\$ 1,500,000	553 Days	\$ 905,719	\$ 211,115	\$1,116,834
Golden Shores Enterprises Inc.	2	1,500,000	387 Days	-	1,380,003	1,380,003
Eyeconic.tv	7	7,650,000	390 Days	4,696,198	156,468	4,852,666
Vanus Consulting Inc.	2	1,500,000	387 Days	955,365	-	955,365
Mobility Media & TV	2	3,000,000	252 Days	492,487	407,457	899,944
	16	\$15,150,000	403 Days	\$7,049,769	\$2,155,044	\$9,204,812

- 124 As demonstrated in the table above, prior to the Appointment Order, the Purchased Invoices were, on average, outstanding for 403 days. This puts into question the collectability, and thus the underlying Recorded Value of the Zomongo TV Balance. In initial discussions with the Receiver, Frontline had failed to highlight or acknowledge an issue with the Zomongo TV Balance and the Zomongo TV Debtors' repayment of the Purchased Invoices when asked by the Receiver as to the status of same.
- 125 Not until the June 29 2017 Non-Performing Report did Frontline acknowledge that the Zomongo TV Balance and the underlying Purchased Invoices were "non-performing". In each subsequent Non-Performing Report, Frontline advised that communication with Zomongo TV had been limited and it became apparent that the collectability of the Zomongo TV Balance from the Zomongo TV Debtors is at risk.
- 126 Based on the above, and especially in light of the fact that neither the Factoring Fund nor the Hedge Fund have any security over the Zomongo TV Debtors, the Receiver has concluded that the Zomongo TV Balance will be challenging to recover.

Receiver's Strategy: Potential Zomongo TV Settlement Agreement

- 127 In the June 29 2017 Non-Performing Report, Frontline indicated that Zomongo TV had advised that it was in the process of obtaining additional financing to payout the balance owing to the Factoring Fund and the Hedge Fund. In each subsequent Non-Performing Report, Frontline had advised that Zomongo TV was continuing to work on obtaining new financing and had lenders involved in performing due diligence to issue same.
- 128 On October 3, 2017, the Receiver received an email from Frontline (the "**Initial Zomongo Email**") indicating that Zomongo TV was in financial difficulties as TCA had not advanced the total amount of the funds that were potentially available under the TCA Loan Agreement (i.e. US \$10 million). As a result, Frontline claimed that Zomongo TV did not have the cash to continue completing the current projects entered into with a chain of hotels (the "**Hotel Rollout**"); Frontline represented that the Hotel Rollout would create a significant amount of cash flow. Frontline indicated that without additional funding, Zomongo TV could not continue operating.
- 129 On October 4, 2017, the Receiver, A&B, Frontline, and a representative acting on behalf of Zomongo, BFF Ventures, through its representative, Tim Barnes, attended a conference call to discuss the Initial Zomongo Email. BFF Ventures indicated that TCA

would not advance additional funding to Zomongo TV unless the Factoring/Hedge Fund converted the Zomongo TV Balance into equity in Zomongo TV and requested the Receiver to consent to same. The Receiver advised BFF Ventures that it could not reasonably consider a conversion of the Zomongo TV Balance to equity until it was provided with additional information, including but not limited to: (i) historical financial statements; (ii) details of the Hotel Rollout; (iii) a term sheet from Zomongo TV; (iv) financial projections; and (v) a call with TCA to discuss its request for the Zomongo TV Balance to be converted. A link to a data room containing some of the requested information was sent to the Receiver.

- 130 On October 6, 2017, BFF Ventures delivered to the Receiver a non-binding letter of intent (the “**Initial LOI**”) which included, but was limited to: (i) a conversion of the Zomongo TV Balance to shares in Zomongo TV; and (ii) a subsequent exclusive right for Zomongo TV to repurchase the shares over a 12 month period. The Initial LOI was not executed by the Receiver.
- 131 On October 11, 2017, the Receiver, A&B, Frontline, BFF Ventures, and Zomongo TV attended a conference call to discuss, among other things, the Initial LOI and to permit the Receiver and A&B to ask questions to Zomongo TV directly, including as to why the Initial LOI proposal was being made when it could not be agreed upon without TCA approval. On this call, the Receiver stated that a conversion of the Zomongo TV Balance to equity in Zomongo TV would be unacceptable. The Receiver also reiterated its request for a call with TCA.
- 132 On October 12, 2017, BFF Ventures delivered to the Receiver a revised non-binding letter of intent (the “**October 12 2017 LOI**”) which replaced the Initial LOI. The October 12 2017 LOI removed the proposed equity conversion into Zomongo TV Shares, and instead proposed payment terms to restructure the indebtedness owing by Zomongo TV to the Factoring and Hedge Funds, along with a proposed payment schedule. The Receiver neither accepted nor rejected the terms contained in the October 12 2017 LOI, as any such arrangement would be subject of TCA approval. The Receiver and A&B reiterated their request that a call with TCA representatives, be convened. Attached to this Second Report as **Confidential Appendix “1”** is a copy of the October 12 2017 LOI.

- 133 On October 26, 2017, on a without prejudice basis, the Receiver and A&B attended a call with representatives from TCA, Frontline, and BFF Ventures to discuss, among other things, the October 12 2017 LOI and the potential to come to an agreement to allow for TCA to advance the additional funding under the TCA Loan Agreement to Zomongo TV for the Hotel Rollout, while allowing Zomongo TV to make repayments to the Factoring and Hedge Funds under a restructured arrangement. In summary, the following items were discussed:
- a) TCA was in the middle of its internal due diligence process to determine the additional funding, if any, to be provided to Zomongo TV;
 - b) TCA would only commit to funding if the Zomongo TV Balance was resolved through an agreement between Zomongo TV and the Receiver;
 - c) Due to poor record keeping on behalf of Zomongo TV, Frontline, and the Company, the participants on the call were unable to agree as to the quantum of interest and factoring fees owing to the Factoring and Hedge Funds beyond the Zomongo TV Principal Balance;
 - d) TCA, Frontline, Zomongo TV, and BFF were comfortable with the accuracy of the Zomongo TV Principal Balance; and
 - e) TCA was in the process of reviewing the October 12 2017 LOI and was not committing to the terms contained therein. However, on a without prejudice basis, it was supportive of eventually coming to some form of an agreement.
- 134 On November 17, 2017, BFF Ventures advised the Receiver that TCA has now agreed to provide \$5 million in additional funding to Zomongo TV and its affiliates under the TCA Loan Agreement. On November 19, 2017, the Receiver requested that BFF Ventures, on behalf of Zomongo TV, deliver to the Receiver Zomongo TV's proposed form of agreement(s), in order for the Receiver to continue to evaluate the possibility of an arrangement to be agreed upon by TCA, Zomongo TV, and the Receiver, which would result in: (i) TCA providing additional funding to Zomongo TV; and (ii) the repayment of a portion of the Zomongo TV Balance being made to the Factoring and Hedge Funds by Zomongo TV under a restructured arrangement, likely on a monthly installment basis.

- 135 As at the date of this Second Report, the Receiver has not yet received Zomongo TV's proposed form of agreement(s) to effect a restructuring of the indebtedness owing to the Factoring and Hedge Funds by Zomongo TV.

Zomongo Inc./Zomongo TV's Involvement with 647 BC Representatives

- 136 As noted above, Zomongo Inc. is a former Merchant of the Factoring Fund pursuant to a Factoring Agreement entered into by the Factoring Fund and Zomongo Inc. dated November 20, 2014. Jocelyne Hughes-Ostrowski is the sole director of Zomongo Inc. The sole directors of Zomongo TV are Jocelyne Hughes-Ostrowski and Jeremy Ostrowski. Zomongo Inc. holds 83.63% of the shares in Zomongo TV, according to records provided to the Receiver by Zomongo TV.
- 137 Frontline's records indicate that no indebtedness is owing by Zomongo Inc. to the Factoring Fund. Nevertheless, on July 7 and 14, 2017, Frontline advised the Receiver that, as security for Zomongo Inc.'s indebtedness to the Factoring Fund, personal guarantees (the "**DenHollander Personal Guarantees**") had been provided by each of the DenHollanders to the Factoring Fund, which obligations were to be secured by a collateral mortgage (the "**DenHollander Mortgage**") over the DenHollanders' personal residence located in British Columbia (the "**DenHollander Property**"). Attached hereto as **Appendix "35"** are copies of the DenHollander Personal Guarantees and the mortgage documentation executed by the DenHollanders provided by Frontline to the Receiver, and a title search obtained by the Receiver for the DenHollander Property.
- 138 As mentioned, the DenHollanders are the owners of the Merchant, 647 BC, and are also related to another Merchant, Dome Mountain. It is unclear to the Receiver how the DenHollanders are also involved with Zomongo Inc. and Zomongo TV, or why they provided the DenHollander Personal Guarantees and the DenHollander Mortgage to secure the obligations owing by Zomongo Inc. to the Factoring Fund.
- 139 The Receiver has instructed Frontline that the DenHollander Mortgage – which was improperly registered by Frontline in Frontline's name as mortgagee - must remain registered on title to the DenHollander Property and must not be discharged.

Advanced Metal

- 140 The Factoring Fund entered into a Factoring Agreement with Advanced Metal dated September 21, 2015 for the purchase of a list of approved receivables from Advanced Metal up to a maximum of \$600,000 (the “**Advanced Metal Factoring Agreement**”).
- 141 The Factoring Fund also entered into a security agreement with Advance Metal dated September 15, 2015 which granted the Factoring Fund a general continuing security interest over all present and after acquired undertaking, property and assets of Advanced Metal, including all present and future right, title, and interest and benefit of Advanced Metal in all property; on a first secured basis.
- 142 On December 16, 2016, the Factoring Fund entered into a postponement and subordination of security interest agreement (the “**Advanced Metal Subordination Agreement**”). The Advanced Metal Subordination Agreement resulted in the Factoring Fund becoming a subordinated creditor to that of the Bank of Montreal (i.e. giving up its first position security to the Bank of Montreal). Similar to Zomongo TV, the Factoring Fund and Hedge Fund subordinated their position as the Bank of Montreal would not provide additional funding unless it was the first secured creditor.
- 143 In addition to Bank of Montreal, other registrations are made under the PPSA by creditors of Advanced Metal, including Roynat Inc. and National Leasing Group Inc. A writ of seizure and sale (Federal Writ) was filed on February 15, 2017 in favour of Her Majesty the Queen in Right of Canada in the amount of \$641,351.40.

Current Status

- 144 As at October 26, 2017, Advanced Metal had outstanding principal balances owing to the Factoring Fund of \$1,256,311 (the “**Advanced Metal Principal Balance**”) and interest owing of \$248,029 (together with the Advanced Metal Principal Balance, the “**Advanced Metal Balance**”) from the Debtors outlined in the following table (collectively the “**Advanced Metal Debtors**”), all of which have only one (1) invoice outstanding (the “**Advanced Metal Invoices**”).

Debtor	Invoice Amount	Days Outstanding as at April 26th	Balances as at October 26th		
			Principal	Interest	Total
Lotus Environmental Ltd.	\$ 879,824	631 Days	\$ 458,080	\$ 17,450	\$ 475,530
PROFAB Industrial Construction	89,378	474 Days	71,502	22,165	93,667
AIC International Group	252,000	498 Days	201,600	62,496	264,096
Lotus Energy Services Inc.	1,466,365	477 Days	200,441	62,136	262,578
Mi2 Energy Ltd.	213,868	426 Days	171,095	50,988	222,082
Downton's Transport Ltd.	191,991	267 Days	153,593	32,794	186,386
	\$ 3,093,426	462 Days	\$1,256,311	\$248,029	\$1,504,340

- 145 The Advanced Metal Balance includes the payments of \$25,000 and \$113,045 that Frontline received from Advanced Metal on August 11, 2017 and September 11, 2017, respectively, towards the Purchased Invoice issued to Lotus Environmental Ltd (i.e. the balance reflects the payments being made)
- 146 As demonstrated in the table above, prior to the Appointment Order, the Advanced Metal Invoice Invoices were, on average, outstanding for 462 days; putting into question the collectability of the Advanced Metal Balance, and thus the underlying Recorded Value of the Advanced Metal Balance.
- 147 Not until the June 29 2017 Non-Performing Report did Frontline acknowledge that the advances made to Advanced Metal on the Advanced Metal Invoices were “*old non-performing invoices*”. In the June 29 2017 Non-Performing Report, Frontline acknowledged that it was requesting new performing invoices to replace the Advanced Metal Invoices and that it had requested financial statements from Advanced Metal. In each subsequent Non-Performing Report, Frontline advised that it was able to establish a line of communication with Advanced Metal.
- 148 On July 28, 2017, Frontline advised that it had a meeting scheduled with the CEO of Advanced Metal to discuss payment alternatives and remedies.

- 149 On August 30, 2017, Frontline advised that after meetings and discussions, it was working with Advanced Metal to develop an alternative payment plan to retire the Advanced Metal Balance, including:
- a) replacing Advanced Metal Invoices with performing new invoices as they become available;
 - b) engaging a leasing company to enter into sale-leaseback transactions to obtain funding; and
 - c) selling the company.
- 150 On October 27, 2017, Frontline advised the Receiver that Advanced Metal is expecting to receive an offer for the company. However, such an offer has not yet been received. Advanced Metal communicated that another payment will be made on the Advanced Metal Balance in mid-November.

Receiver's Recourse and Strategy

- 151 As the Factoring Fund is in a subordinated second secured position, the Receiver is continuing to investigate options by which the Advanced Metal Balance, or a portion thereof, may be economically recovered.

Restoration Energy

Restoration Energy Factoring Arrangements

- 152 The Factoring Fund entered into a Factoring Agreement with Restoration Energy dated March 18, 2015 for the purchase of a list of approved receivables from Restoration Energy up to a maximum of \$2,000,000 (the "**Restoration Energy Factoring Fund Factoring Agreement**").
- 153 The Factoring Fund also entered into a security agreement with Restoration Energy dated March 18, 2015 which granted the Factoring Fund a general continuing security interest over all present and after acquired undertaking, property and assets of Restoration Energy, including all present and future right, title, and interest and benefit of Restoration Energy in all property; on a first secured basis.

- 154 On March 16, 2016, the Hedge Fund entered into a Factoring Agreement with Restoration Energy for the purchase of a list of approved receivables from Restoration Energy (together with the Restoration Energy Factoring Fund Factoring Agreement, the **"Restoration Energy Factoring Agreements"**).

The 1312163 Alberta Ltd. Guarantee and Collateral Mortgage

- 155 On March 20, 2015, the Factoring Fund and the Company entered into a Corporate Guarantee and Indemnity Agreement with 1312163 Alberta Ltd. (**"131 Alberta"**), an apparent arm's length third party that is not evidently related to Restoration Energy or its principals, whereby 131 Alberta guaranteed any and all amounts advanced to Restoration Energy via the purchase of Restoration Energy's accounts receivable, limited to a maximum principal amount of \$2,000,000 (the **"131 Alberta Guarantee"**). The 131 Alberta Guarantee provided for a collateral mortgage in favour of the Company (the **"Collateral Mortgage"**) against the legal title to approximately 90.88 acres of land owned by 131 Alberta located in Pine Lake, Alberta, comprising three parcels (the northernmost parcel, the **"North Parcel"**; the two southernmost parcels, the **"South Parcels"**; collectively, the **"131 Alberta Property"**). The Company subsequently registered the Collateral Mortgage against the 131 Alberta Property in the original principal amount of \$850,000, which was later amended by an amending agreement dated September 24, 2015 (registered on title on August 10, 2015), increasing the principal amount of the Collateral Mortgage to \$2,000,000.
- 156 The Collateral Mortgage is registered on title to the North Parcel behind two mortgages with an aggregate original principal amount totaling \$1,094,000. The Collateral Mortgage is registered on title to the South Parcels behind three mortgages (one of which is also registered against title to the North Parcel) with an aggregate original principal amount of \$1,210,000. Taken together, the Collateral Mortgage appears to be behind at least \$1,804,000 in principal of prior mortgages, plus an amount of accrued interest that is unknown but is likely to be considerable, for reasons detailed below.
- 157 Based on an appraisal dated September 25, 2011 (the **"Appraisal"**), the 131 Alberta Property was valued at an estimated \$3,180,800 (approximately \$35,000 per acre). In addition to its age, the Appraisal has weaknesses, including that it relies on certain assumptions which may not continue to be valid (i.e. given that the 131 Alberta Property

is zoned agricultural, and has not been approved for development despite a decade of efforts in this regard, and given the receipt of indications from the relevant municipality that only the North Parcel may potentially receive such an approval, and only then at a lower density than initially proposed). The Appraisal was also conducted in a very different market climate for Alberta real estate than that which exists at present.

- 158 Even if the Appraisal can be assumed to be accurate, which is likely not a safe assumption, the amount of equity available to satisfy the Collateral Mortgage appears to be extremely limited.
- 159 A&B and Darren Smits ("**Smits**") attended a call on November 2nd, 2017 which provided background into the origins of this guarantee and the current valuation issues. Smits played several roles in the Restoration Energy and 131 Alberta arrangements. He is an investor into developments on the 131 Alberta Property (having, amongst other things, provided personal guarantees to support the obligations of 131 Alberta under its senior mortgages in respect of the Pine Lake Lands). Together with Frontline, he participated in the origination of the 131 Alberta guarantee arrangements with Restoration Energy. Finally, Smits, a lawyer at the firm of Miller Thomson LLP, is also counsel to Frontline and, at the relevant time, served as counsel to Crystal Wealth in respect of the Restoration Energy Factoring Agreements.
- 160 On the November 2nd call, Smits expressed skepticism about the assumptions in the Appraisal, particularly in light of the difficulties in obtaining zoning approval for the property. Smits that he had "no idea what the land is worth." Smits suggested that the aggregate amount of accrued interest on two of the senior mortgages exceeded \$500,000, with further accrued interest on another, the quantum of which is unknown. Furthermore, Smits suggested that of the three parcels comprising the 131 Alberta Property, only the North Parcel would be of material value on a go-forward basis, as it is the only parcel which has experienced some traction in applying for municipal development approval (an area structure plan has been approved), and such value would only become apparent once such development begins. Materials subsequently provided by Smits show that, although preliminary engineering and cost studies have taken place, development of these lands has not begun.

The Debt Exchange Agreement

161 On June 28, 2017, Frontline provided the Receiver with an unsigned debt security exchange agreement between 131 Alberta, the Company (including the Factoring Fund, and Hedge Fund), Restoration Energy, and Aspen Shore Estates Ltd. ("**Aspen Shore**") that was dated March 2017 (the "**Debt Exchange Agreement**"). Frontline advised that Housego and Smith had verbally agreed to the terms of the Debt Exchange Agreement one week prior to the Appointment Order.

162 The Debt Exchange Agreement appears to confirm that the Restoration Energy Invoices are uncollectible. Per the Debt Exchange Agreement:

"Restoration Energy executed a number of factoring agreements with Crystal Wealth, the total accumulated amount outstanding as of September 22, 2016 is \$2,283,663.52 (the "Factoring Debt"), the funds of which were used by Restoration Energy to complete orders for customers, but due to technical issues with the technology the orders were not able to be completed.

Restoration Energy has retained the University of Calgary and has also brought a number of additional solid oxide fuel experts into the company in order to redesign the solid oxide fuel cell technology and products that are to be sold to third party consumers. Restoration Energy will be raising additional funds to complete these objectives."

163 The Debt Exchange Agreement proposed that the Company (including the Factoring Fund and the Hedge Fund) would exchange its Factoring Debt (\$2,283,664) for convertible debt in Restoration Energy on the terms summarized below:

- a) Principal – \$2,200,000;
- b) Interest Rate – 8% per annum;
- c) Term – 5 years;
- d) Conversion Option - At the option of the Company, convertible into common voting shares of Restoration Energy. Every \$1,000 of debenture shall be convertible to 650 common shares.

(the “**Convertible Restoration Debenture**”).

- 164 The Receiver advised Frontline that it could not accept and/or enter into the Debt Exchange Agreement until sufficient due diligence was performed on same. Frontline was unable to provide any relevant documentation to the Receiver to assist in such due diligence.
- 165 Accordingly, on August 8, 2017, A&B contacted Smits via e-mail to request a call to obtain certain due diligence materials required by the Receiver to evaluate the Debt Exchange Agreement, including with respect to the statements made in the Debt Exchange Agreement that the lenders that had first place mortgages against the 131 Alberta Property had commenced foreclosure actions in the Court of Queen’s Bench of Alberta in to order to realize on their mortgages. Smits advised A&B during a conference call on August 8, 2017 that the foreclosure actions were not advancing at that time due to the refinancing of the senior mortgages.
- 166 When A&B did not receive any of the requested documentation from Smits subsequent to the August 8, 2017 conference call, A&B engaged in a further conference call with Smits on November 2, 2017, as detailed above. During that discussion, Smits advised A&B that the foreclosure actions remained dormant as 131 Alberta had agreed to sell the 131 Alberta Property to a newly-formed company, Aspen Shore, a company controlled by Perali Properties Inc. (“**Perali**”), for an assumption of the first mortgages and non-voting shares of Aspen Shore. Smits confirmed that the proposed sale of the 131 Alberta Property is also on hold, pending efforts to take out the Company’s Collateral Mortgage from title.
- 167 Subsequent to the November 2, 2017 conference call with Smits, A&B reiterated its request via email to Smits for the provision of certain documentation that would help evaluate: (i) the 131 Alberta Property and the status of the two foreclosure actions commenced against 131 Alberta, and guarantors, including Smits; and (ii) the proposed Debt Exchange Agreement and the Convertible Restoration Debenture.
- 168 Smits provided certain of this requested material to A&B by electronic file transfer on November 17, 2017. From the Receiver’s preliminary review of this material, it appears to confirm that each of the foreclosure actions has been assigned to Perali in connection with its refinancing and assumption of senior mortgage debt in respect of the Pine Lake Lands.

The Receiver continues to investigate potential recovery on the 131 Alberta Guarantee, and the extent to which the Convertible Restoration Debenture would be a viable alternative to enforcement proceedings on the Collateral Mortgage, to the extent that the latter is economically practical given the Company's subordinated position and the uncertain valuation of the 131 Alberta Property.

The Receiver's Discovery of Additional Guarantees

- 169 By electronic transmission on November 13, 2017, Smits provided additional transactional documents with respect to the Restoration Energy Factoring Fund Factoring Agreement. This package of documentation included materials which were not previously contained in the Company's books and records. Most notably, it revealed three additional guarantees of Restoration's obligations under the Restoration Energy Factoring Fund Factoring Agreement: i) a corporate guarantee granted by DDI Distribution Corp on March 18, 2015; ii) a corporate guarantee granted by Dionne Design Inc. on March 18, 2015; and iii) a personal guarantee granted by the principal of Restoration, Yvonne Martin-Morrison, on March 18, 2015 (collectively, the "**Additional Restoration Guarantees**"). Each of the Additional Restoration Guarantees is limited to the principal amount of \$2,000,000.
- 170 A&B conducted further diligence regarding these corporate guarantors. Dionne Design Inc. and DDI Distribution Corp. are each Alberta corporations, each of which is inactive and has been struck from the Alberta corporate records (for failure to file corporate returns). Further, a PPSA search against Dionne Design Inc. disclosed two reports of property seizures and a writ of execution, each of which would have been visible at the time the Company and/or Frontline, as applicable, would have considered whether this company was an appropriate candidate to issue a corporate guarantee of the Restoration Energy obligations to the Factoring Fund.
- 171 The above-noted concerns with these corporate guarantors calls into question whether appropriate due diligence was conducted in respect of these lending arrangements at the time they were entered into; additionally, the fact that the Additional Restoration Guarantees were not maintained on file with the Company, and needed to be procured from Smits, is representative of the general lack of oversight on these investments. This exemplifies the general failings that the Receiver has noted in respect of the management of these investments by Frontline and/or Housego, as applicable, as described in further

detail in the section that follows entitled “Receiver’s Concerns with the Administration of the Factoring Contracts”.

Current Status

- 172 As at October 26, 2017, Restoration Energy had outstanding principal balances owing to the Factoring Fund and Hedge Fund of \$1,402,193 and \$501,000, respectively, totaling \$1,903,193 (the “**Restoration Energy Principal Balance**”), and interest owing of \$169,098 (the “**Restoration Energy Interest Owing**”, collectively with the Restoration Energy Principal Balance, the “**Restoration Energy Balance**”) from Purchased Invoices issued to and owing from the Debtors outlined in the following table (collectively the “**Restoration Energy Debtors**”) (the “**Restoration Energy Invoices**”):

Debtor	No.	Amount of Invoices	Days Outstanding as at April 26th	Principal & Interest as at Oct. 26th		
				Factoring Fund	Hedge Fund	Total
CPPS Mission Projects	2	\$1,300,000	463 Days	\$ 559,269	\$569,222	\$1,128,491
University of Calgary	1	500,000	586 Days	429,000	-	429,000
TLP Outreach Association Inc.	1	600,000	512 Days	514,800	-	514,800
	4	\$2,400,000	520 Days	\$1,503,069	\$569,222	\$2,072,291

- 173 As demonstrated in the table above, prior to the Appointment Order, the Restoration Energy Invoice Invoices were, on average, outstanding for 520 days. This fact, combined with the concerns raised in the Debt Exchange Agreement concerning the collectability of these invoices, puts potential recovery into question, and, as a result, raises concerns with respect to the Company’s represented Recorded Value of the Restoration Energy Balance.
- 174 To the extent that the Restoration Energy Balance is not collectible from Restoration Energy, the collectability of such balance pursuant to the 131 Alberta Guarantee is also questionable, given: (i) the extent to which the Company’s position is subordinated to multiple senior lenders (an estimated \$2.3 million in known principal and accrued interest, plus an unknown amount of additional accrued interest, as compared to the estimated \$3,180,000.00 value of the Appraisal, which, as stated, may be unrealistic given the present undeveloped state of the 131 Alberta Property, the lack of zoning approval, and

the lack of any progress on zoning approval on two of the three parcels); and (ii) the weak market for Alberta real estate.

Demand Letters to Restoration Energy and the Guarantors

- 175 Based on the information obtained from Frontline, no formal demands for payment were ever made against the Debtors or Merchants of the Factoring and Hedge Funds prior to the Receiver's appointment.
- 176 On behalf of the Receiver, A&B issued a demand letter to Restoration Energy on November 7, 2017, and a subsequent demand letter to 131 Alberta on November 13, 2017, each of which enclosed a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (a "**BIA Notice**"). A&B also issued demand letters (the "**Additional Restoration Guarantor Demands**") to each of the guarantors pursuant to the Additional Restoration Guarantees on November 14, 2017. Copies of the foregoing demand letters, and their enclosures, are attached as **Appendix "36"** to this Second Report.
- 177 Notably, the Additional Restoration Guarantor Demands sent to DDI Distribution Corp. and Dionne Design Inc. were sent by e-mail and registered mail in accordance with the underlying guarantees, but were electronically returned as undeliverable. As at the date of this Second Report, the registered mail copy has not been signed for by the respective recipients.
- 178 The Additional Restoration Guarantor Demand sent to Yvonne Martin-Morrison appears to have been successfully delivered via e-mail, but has not been responded to by Ms. Martin-Morrison as at the date of this Second Report.
- 179 As at the date of this Second Report, the Receiver has not received a response to any of the above-noted demands.

Single Source

- 180 The Factoring Fund entered into a Factoring Agreement with Single Source dated August 9, 2016 (the "**Single Source Factoring Agreement**"). The Factoring Fund also entered into a security agreement with Single Source dated August 9, 2016 granting the Factoring Fund a general continuing security interest over all present and future property and assets

of Single Source. In addition, Tanya McCrary-Singh (“**McCrary-Singh**”), the Chief Financial Officer of Single Source, provided a personal guarantee (the “**McCrary-Singh Guarantee**”) in favour of the Factoring Fund dated August 9, 2016, guaranteeing the obligations of Single Source to the Factoring Fund.

- 181 As at October 26, 2017, principal is outstanding under a single invoice factored by the Factoring Fund from Single Source in the sum of \$93,985, with accrued interest owing to the Factoring Fund of \$20,206.
- 182 By letter dated November 22, 2017, the Receiver demanded immediate payment from Single Source pursuant to the Single Source Factoring Agreement. A copy of the November 22, 2017 letter sent by the Receiver to Single Source is attached to this Second Report as **Appendix “37”**.
- 183 If payment is not remitted by Single Source to the Receiver shortly, the Receiver anticipates that it will take steps to enforce pursuant to the Single Source Factoring Agreement and McCrary-Singh Guarantee, with the goal of collecting on this receivable in a cost-effective manner given the amount owing.

RECEIVER’S CONCERNS REGARDING THE ADMINISTRATION OF THE FACTORING CONTRACTS

- 184 During its review, the Receiver has noted that the procurement and administration of the Factoring Contracts by Frontline and Housego, the latter of whom was the Lead Portfolio Strategist of the Hedge Fund and Factoring Fund until being terminated by the Receiver, was highly unsophisticated and lacked the necessary controls to ensure that advances made to Merchants would ultimately be repaid. The deficiencies noted by the Receiver, as discussed in this section, have ultimately led to the impaired status of the investments held by the Factoring and Hedge Funds as detailed above.

High Level of Concentration Risk

- 185 As outlined above, the Factoring Contracts have an exceptionally high level of concentration risk given that as at October 26, 2017, two (2) Merchants, Dome Mountain⁵ and Zomongo TV, directly and indirectly account for 87.97% (57.97% and 30.00%,

⁵ Including the 156 Alberta Balance and the 647 BC Balance.

respectively) of the Factoring Balance; while three (3) Merchants account for the remaining 12.30%.

- 186 This concentration risk is further compounded in that the Dome Mountain Balance is a bridge loan (i.e. not a factoring arrangement) and the Zomongo TV Balance is purportedly owing from five (5) Debtors with only 16 outstanding invoices.

Due Diligence on Merchants and Debtors

- 187 Under the FPAA, Frontline was required to perform a certain level of due diligence prior to putting forth a proposed Factoring Contract to the Factoring Fund and/or Hedge Fund. The FPAA's stated that:

- a) *"Each such proposed factoring arrangement must comply with all of the requirements of this Agreement and the Approved Investment Criteria."*
- b) *"Prior to its presentation to the [Factoring/Hedge Fund], Frontline shall have evaluated each potential factoring arrangement in accordance with the Due Diligence Guidelines and shall include, but will not be limited to, a review of the operations and credit worthiness of any Merchant, the Debtors involved, the accounts receivable aging and any other applicable Contract Documents..."*
- c) *"With respect to each specific proposed arrangement, Frontline shall also provide a written report as to whether the specific proposed arrangement complies with the Due Diligence Guidelines."*

(collectively referred to as the "**Required Due Diligence**").

- 188 The FPAA make reference to Exhibit "A" and Exhibit "C" which outline the Due Diligence Guidelines and the Approved Investment Criteria, respectively.

- 189 On September 11, 2017, the Receiver requested that Frontline provide documentation to confirm that the Required Due Diligence was performed. In response to the Receiver's request, on September 28, 2017, Frontline provided the Receiver with documents which were titled "invoice summaries" ("**Invoice Summaries**") in connection with each of the Merchant's outstanding invoices to Debtors, pursuant to which indebtedness is owing to the Factoring and Hedge Funds. The Invoice Summaries provided by Frontline are attached hereto as **Appendix "38"**.

190 On September 21, 2017, the Receiver requested that Frontline provide a copy of Exhibit “A” and Exhibit “C” referenced in the FPAA. Frontline indicated that a formal Exhibit “A” or Exhibit “C” were never executed. In an emailed response dated September 29, 2017, with respect to Exhibit “C”, Froese indicated that:

“Exhibit “C” was never completed in the Factoring Procurement and Administration Agreement. There were many discussions with Clayton Smith although I don’t believe we ever came to an agreement. We started with conversations on each deal as well as [the Invoice Summaries] and if Crystal Wealth requested any addition information we would give it to them. Because of that, there were no written reports as there was nothing to reference.”

A copy of Froese’s email referencing the above is attached hereto as **Appendix “39”**.

191 On October 31, 2017, after locating a document titled “Exhibit A – Due Diligence Guidelines” in the Company’s books and records (a copy of which is attached hereto as **Appendix “40”**), the Receiver sent an email to Froese that requested certain documentation and written reports to support performance of the Due Diligence Guidelines by Frontline. In response, Froese indicated that:

“...there was no formal Schedule “A” and the schedule you have may have been a draft copy for discussion purposes, although was never part of the agreement. As per information, I believe we have sent you everything that we have.”

A copy of the Receiver’s email and Froese’s response is attached hereto as **Appendix “41”**.

192 The Invoice Summaries do not satisfy the Required Due Diligence as they fail to include, among other things:

- a) any relevant information on the underlying Debtor of the invoice;
- b) any detailed analysis of the business and risks of the Merchant’s business;
- c) a statement that the specific proposed arrangement complies with the Due Diligence Guidelines; and

d) an evaluation as to whether the proposed factoring arrangements comply with the Approved Investment Criteria.

193 Based on the Company's books and records, there appears to be little to no evidence of any additional information provided to the Company that would confirm that Frontline performed the Required Due Diligence.

194 Notwithstanding the absence of Frontline performing the Required Due Diligence, Housego and/or Smith nevertheless caused the Factoring and Hedge Funds to enter into each of the Factoring Contracts based on little to no due diligence. The Company's books and records contain no evidence that Housego and/or Smith performed any additional due diligence themselves to supplement or compensate for the minimal due diligence performed by Frontline.

Allocation of Payments Received by Frontline Contrary to the FPAA

195 As noted above, payments of \$25,000.00 and \$113,044.41 were received by Frontline from Advanced Metal on August 11, 2017 and September 11, 2017, respectively (collectively the "**Advanced Metal Payments**"), towards the Purchased Receivable (invoice 35507) issued to Lotus Environmental Ltd. (the "**Lotus Invoice**"). When none of these funds were remitted by Frontline to the Receiver, the Receiver requested a conference call with Frontline to inquire as to why the entirety of the Advanced Metal Payments had not been remitted to the Receiver in accordance with the FPAA.

196 On October 3, 2017, the Receiver, A&B, and Frontline convened the conference call, as requested by the Receiver. Froese advised that Frontline had a verbal arrangement with Smith, whereby Frontline was permitted to retain certain sums of the payments received from Merchants or Debtors on account of interest in priority to repayment being first made to the Factoring Fund and/or Hedge Fund. Based upon this purported verbal arrangement, Froese indicated that the Factoring Fund would only receive \$53,094.02 of the Advanced Metal Payments (totaling \$138,044.41), and that Frontline would be permitted to retain the remaining \$84,950.39. According to Frontline, the allocation of the Advanced Metal Payments received was accordingly to be as follows based upon the verbal arrangement between Frontline and Smith:

a) \$25,000 payment on August 11, 2017 – \$9,615.38 to the Factoring Fund and \$15,384.62 to Frontline; and

- b) \$113,044.51 payment on September 11, 2017 – \$43,478.64 to the Factoring Fund and \$69,565.87 to Frontline.

A copy of the “Payment Summaries” provided to the Receiver by Frontline in this regard are attached hereto as **Appendix “42”**.

- 197 The arrangement described by Froese is contrary to s. 4.6 of FPAA, which provides that the Factoring and Hedge Funds are to be repaid in priority to Frontline receiving any compensation:

“...all monies received from a Merchant or its Debtors, either in the normal course of business or in the event of a collection action or resolution shall be paid, firstly to the Fund until the amount advanced by the Fund has been repaid in full and, secondly, on a pro rata basis to Frontline and the Fund for the amounts of the fees due to each of them...” [emphasis added]

- 198 Frontline has been unable to provide any documentation to the Receiver to support its alleged verbal arrangement with Smith, which would supersede the priority payment scheme set out in s. 4.6 of the FPAA.
- 199 Frontline’s allocation of the Advanced Metal Payments is in contravention of s. 4.6 of the FPAA as the Factoring Fund and Hedge Fund are entitled to all monies received until the amount advanced by the Funds is recovered; the amount advanced on the Lotus Invoice that remains outstanding totals \$458,080. The Factoring Fund is therefore entitled to the entire amount of the Advanced Metal Payments and any future amounts received by Frontline in trust for the Factoring Fund until the \$458,080 advance on the Lotus Invoice is paid off in full.
- 200 On October 10, 2017, pursuant to section 4.6 of the FPAA, the Receiver directed Frontline to remit the entire amount of the Advance Metal Payments to the Receiver. In response, Froese advised that:

“Frontline has been caught off guard with the request to send all the funds from the invoices to the receiver. As precedent had been set and agreed to by Crystal Wealth with the way we were handling all payments and per instructions from receiver to continue operations as we always have, would it be possible to start

with the new calculations (per original agreement) going forward. We will send the original amount from the invoice summaries right away.”

- 201 The Receiver has not – and does not – approve of an alternative priority arrangement for payment which is different than as prescribed by the FPAA. Accordingly, on October 13, 2017, the Receiver reiterated to Frontline that the Factoring Fund was entitled to the entire amount of the Advanced Metal Payments and demanded that payment of same be remitted by Frontline to the Factoring Fund immediately.
- 202 On October 16, 2017, Froese advised the Receiver that Frontline did not have sufficient funds to send the Advanced Metal Payments to the Receiver.
- 203 In response, the Receiver sent an email to Frontline again reiterating that the entirety of the Advanced Metal Payments, and all future payments received by Frontline, must be immediately remitted to the Receiver in trust for the Factoring and Hedge Funds, as applicable.
- 204 The email correspondence with respect to the Advanced Metal Payments between the Receiver and Froese, as summarized above, is attached hereto as **Appendix “43”**.
- 205 Notwithstanding numerous follow-up correspondence sent by the Receiver to Frontline, as at the date of this Second Report, the Receiver has not received any of the Advanced Metal Payments owing to the Factoring Fund.
- 206 As mentioned above, Frontline stated that it had a verbal arrangement with Smith to receive a portion of payments from Merchants/Debtors prior to the initial advance made by the Factoring/Hedge Fund being paid in full. As a result, on previous payments, Frontline has applied an allocation where it has been receiving a portion of the payments previously made by Merchants and/or Debtors before the initial advance made by the Factoring/Hedge Fund is repaid. The following table outlines: (i) the payments made by the Merchants and/or Debtors on the outstanding Purchased Invoices (Payments); (ii) the portion of the payment allocated to the Factoring/Hedge Fund’s initial advance (Initial Advance); (iii) the portion of the payment allocated to the Factoring/Hedge Fund for interest outstanding, and (iv) the portion kept by Frontline for its fees and interest. A copy of Frontline’s most recent Weekly Report to the Receiver concerning the status of the Factoring Contracts as at November 17, 2017 is attached hereto as **Appendix “44”**.

Merchant	Allocation of Payment			
	Payments	Initial Advance	Fund Interest	Frontline Interest & Fees
Zomongo TV	\$ 1,282,392	\$ 251,222	\$ 928,315	\$ 102,854
Advanced Metal ¹	544,390	68,236	165,463	310,691
156 Alberta	289,828	224,361	56,658	8,809
Restoration Energy	204,860	-	90,439	114,421
	\$ 2,321,470	\$ 543,820	\$ 1,240,876	\$ 536,775

Note 1 - Advanced Metal figures include the allocation of the Advanced Metal Payments between Frontline and the Factoring Fund.

- 207 As shown in the table above, based on its alleged agreement with Smith and in contravention to the FPAA, Frontline has withheld \$536,775 of the payments received from Merchants and/or Debtors for the outstanding Purchased Invoices that should have been allocated to the initial advances made by the Factoring/Hedge Fund. The Receiver disagrees with Frontlines position and requests an Order that Frontline pay the \$536,775 outstanding to the Receiver in trust for the Factoring and Hedge Funds, as applicable.
- 208 Froese indicated to the Receiver during the October 3, 2017 conference call that the Frontline employee who developed the system for the Frontline Weekly Report summaries to the Factoring and Hedge Funds, Steven Bandola, left Frontline in April 2017, at the approximate time of the Receiver's appointment.

Other Notable Items

- 209 During the Receiver's due diligence, the Receiver noted that Froese currently holds 300,000 share purchase warrants in Zomongo TV. Froese had never made this disclosure to the Receiver. Such an investment presents a conflict of interest for Frontline as the Factoring and Hedge Fund are creditors and Froese is personally an equity holder of this Merchant of the Factoring/Hedge Funds.

MEDIA LOANS

BACKGROUND

- 210 The Media Fund's primary investment was that of term loans purchased from Media

House Capital (Canada) Corp. (“**MHC**”) reflecting loans (“**Media Loans**”) made to various production companies for the production of films. The Media Loans consist of two general types: (i) Gap Loans; and (ii) Tax Credit Loans, both of which are described and defined below.

Gap Loans

- 211 The Media Fund loaned funds to single purpose production companies (i.e. entities incorporated for the sole purposes of producing a particular film). Each film would have its own separate legal entity in order for films to be financed and produced whereby the security of the loan is the unsold rights to the production (the “**Gap Loans**”).
- 212 In most scenarios, a producer would build a financing plan for the production budget, putting together the components of financing, including, but not limited to, one or more of tax credits, government subsidies, pre-sales, and private equity. If additional funding was required to produce the film over and above the available sources, a Gap Loan would be obtained. The Gap Loan is the riskiest type of financing for a lender as the Gap Loan is issued based solely on estimated sales which, often times, is far less than can be generated by the production.

Tax Credit Loans

- 213 Many jurisdictions offer tax credits as an incentive to producers to make their films in that jurisdiction. The tax credits are usually 25% - 30% of the overall production budget depending on where the film is shot and the nationalities of those involved. The Media Fund advanced loans to certain production companies secured by the rights to tax credits (the “**Tax Credit Loans**”), which security was occasionally subordinated to a senior secured lender.

Recorded Value of the Media Loans by the Company

- 214 According to the April 20th Package, the Company had attributed a Recorded Value in excess of \$53 million, inclusive of principal and interest. Based on the Receiver’s early conversations and correspondence with MHC, it was apparent that a significant number of the films underlying the Media Loans appear to be experiencing significant issues and/or delays.
- 215 As discussed in the First Report, and the Supplement to the First Report, the Receiver

engaged Quiver as an expert advisor to assist the Receiver in its investigation and management of the Media Fund.

216 On June 27, 2017, the Receiver and Quiver entered into a Memorandum of Understanding (“**MOU**”) which outlined the roles and responsibilities of Quiver and its compensation in so acting. In summary, Quiver’s mandate under the MOU was to, among other things:

- a) engage with all third party sales agents and domestic distributors to review the status of each film, including but not limited to interest and results from international distributors, timing of such interest, exposure and interest at film markets and festivals, and identification of unpaid, current and long-term accounts receivable;
- b) identify the unsold rights by film, by media (e.g. video on demand, television, etc.), and determine the best course of action to extract value from said rights and provide recommendations on the best course of action moving forward; and
- c) utilize relationships with the distributors and customers (e.g. Netflix, Amazon, Walmart, etc.) to generate collections.

217 Since the First Report, the Receiver and Quiver have executed two amendments to the MOU (the “**MOU Amendments**”), in order to extend Quiver’s engagement first through to October 31, 2017, and subsequently, through to November 30, 2017. Copies of the MOU Amendments are attached hereto as **Confidential Appendix “2”**.

ESTIMATED VALUE OF THE MEDIA LOANS

218 On November 22, 2017, Quiver provided to the Receiver a report (the “**Quiver Report**”) that, among other things: (i) outlined the nature of the Media Loans issued to the various production companies; (ii) set out collections obtained by the Receiver for Media Loans as at the date of the Quiver Report; and (iii) provided an estimated value of the Gap Loans and Tax Credit Loans. A copy of the Quiver Report which, among other things, details the underlying methodology in determining the projected amounts which are reasonably likely to be recovered by the Media Fund with respect to the Media Loans (the “**Projected Media Loan Values**”), is attached hereto as **Confidential Appendix “3”**. The Quiver Report, including its appendices, is in excess of 1,200 pages (it contains periodic financial accounting for the Media Loans). Due to this length, only the Quiver Report and its

Appendix D – Library Analysis have been included in this Confidential Appendix to the Second Report in hard-copy form; the full Quiver Report containing all appendices has been provided on a USB key within the Confidential Appendix.

- 219 Since its, appointment, the Receiver, has collected a total of \$6,859,188 and US \$153,591 with respect to the Media Loans.

INTER-FUND INVESTMENT IMPACT

- 220 As discussed in the First Report, the Media Fund was the largest recipient of Inter-fund Investments from a number of Crystal Wealth Funds totaling a Recorded Value of \$11,349,768 per the April 20th Package. The following table outlines the unit holdings and Recorded Values (per the April 20th Package) that certain of the Crystal Wealth Funds held in the Media Fund.

	A		B	B / A
Fund	Fund April 20th NAV	Units in Media Fund	Recorded Value of Units	Percentage of NAV
ACM Income Fund	\$ 10,815,417	655,974	\$ 6,641,115	61.40%
Mortgage Fund	27,082,935	204,475	2,072,643	7.65%
Medical Fund	9,270,090	151,855	1,537,291	16.58%
ACM Growth Fund	11,609,064	56,974	576,764	4.97%
High Yield Mortgage Fund	5,442,165	51,409	521,098	9.58%
Factoring Fund	38,124,168	85	857	0.00%
	\$ 102,343,839	1,120,772	\$ 11,349,768	

- 221 Based on the Projected Media Loan Values, the above noted Inter-fund Investments were grossly overstated resulting in the value of each of the above noted Crystal Wealth Funds being overstated. The above noted Crystal Wealth Funds will accordingly receive far less from the Media Fund than their Inter-fund Investments in the Media Fund. In other words, significant monies deployed by the ACM Income Fund, ACM Growth Fund, Mortgage Fund, Medical Fund, and High Yield Mortgage Fund to invest in the Media Fund, will result in significant monetary losses to each of these Funds.

- 222 As the Media Fund was earning little to no income on the Media Loans, the Receiver has concerns as to how redemptions and distributions to Media Fund investors were satisfied prior to the Receiver's appointment (i.e. whether Inter-fund Investments in the Media Fund

by other Funds, or funds from investor purchases of units in the Media Fund, were used to fund Media Fund redemptions and distributions).

GOLD LOANS

BACKGROUND

223 The Factoring Fund and Hedge Fund entered into four (4) Gold Certificate Subscription Agreements with Onstar Exploration Ltd. (“**Onstar**”) as follows:

- a) three (3) Gold Certificate Subscription Agreements between the Factoring Fund and Onstar dated August 12, 2016, November 27, 2016, and September 25, 2016 for a total of 3,800 ounces of Gold; and
- b) one (1) Gold Certificate Subscription Agreement between the Hedge Fund and Onstar dated September 25, 2016 for a total of 200 ounces of Gold.

(collectively, the “**Onstar Subscription Agreements**”).

224 Under the Onstar Subscription Agreements, the Factoring Fund and the Hedge Fund purchased gold certificates for certain multiples of 1,000 ounces of Gold per certificate (the “**Gold Certificates**”) which cumulatively totaled 4,000 ounces of Gold.

225 In addition to the Onstar Subscription Agreements, the Factoring Fund, the Hedge Fund and the Bullion Fund collectively entered into seven (7) Gold Sale / Purchase Agreements (some of which have or will be expiring shortly) with the following entities:

- a) 611802 B.C. Ltd. (“**611 BC**”) – four (4) Gold Sale / Purchase Agreements with a combined Recorded Value of approximately \$1,255,819 (the “**611 BC Loan**”);
- b) Inca One Gold Corp. (“**Inca**”) – two (2) Gold Sale / Purchase Agreements with a combined Recorded Value of approximately \$958,797 (the “**Inca Loans**”); and
- c) Solid Holdings Ltd. (“**Solid Holdings**”) – one (1) Gold Sale / Purchase Agreement with a Recorded Value of \$333,332 (the “**Solid Holdings Loan**”).

The 611 BC Loan, Inca Loans, and Solid Loans (collectively, the “**Settlement Loans**”) are similar in nature in that upon expiry, the agreement is completed either through: (i) the

delivery of the Gold; or (ii) a cash settlement. A description of the commercial arrangement under the Settlement Loans is outlined in paragraph 63 of the First Report.

RECEIVER'S KEY FINDINGS AND ACTIONS

226 The Onstar Subscription Agreements and the Settlement Loans are, in substance, term loans to Onstar, 611 BC, Inca, and Solid Holdings (collectively, the “**Gold Sellers**”) and are therefore referred to as the “**Gold Loans**”. The Gold Loans are to be repaid upon maturity in either Gold or cash. For greater clarity, the Factoring/Hedge/Bullion Funds did not purchase Gold in its physical form under any of the Gold Loans.

227 The table below provides a summary of the Gold Loans held in the Bullion Fund, Hedge Fund, and Factoring Fund:

Fund	Ounces	Outstanding Gold Loans	CAD Amount Advanced	USD Amount Advanced	Market Value (CAD) Oct 31/17
Factoring Fund	4,341	5	\$911,441	US \$3,260,000	\$7,094,001
Bullion Fund	481	2	\$803,100	US \$0	\$760,556
Hedge Fund	761	4	\$845,704	US \$190,000	\$1,219,702
Total	5,583	11	\$2,560,245	US \$3,450,000	\$9,074,259

228 Although the market value of the ounces of Gold to be delivered upon maturity of the Gold Loans is approximately \$9,074,259 as at October 31, 2017,⁶ each of the Gold Sellers are in, or appear to be in poor financial health and as a result, do not have the ability to repay the Gold Loans, whether in cash or in Gold.

229 Under the Gold Loans, the Crystal Wealth Funds are unsecured creditors, with no security over any of the Gold Sellers’ assets. The Receiver has concerns over the ultimate collectability of the Gold Loans. As at the date of this Second Report, the Crystal Wealth Funds have not received any repayment (in Gold or cash) for any of the Gold Loans.

230 The Company’s books and records contain little to no information on the Gold Sellers. In addition, the Receiver has been unable to locate documentation or evidence

⁶ The price of Gold as at October 31, 2017 was \$1,637 per ounce (US \$1,270 per ounce converted at an exchange rate of 1.2894)

demonstrating that any due diligence had been performed on the Gold Sellers by the Company, the Funds, or by Housego - the former Lead Portfolio Strategist of the subject Funds - or that the Gold Loans fit the investment criteria outlined in each of the Factoring, Hedge, and Bullion Fund's OMs.

- 231 The Gold Loans do not appear to fit into the investment strategy of the Factoring Fund or the Bullion Fund based on the wording contained in their respective OMs. It is unclear if the Gold Loans would be considered appropriate investments in the Hedge Fund given the broad wording contained in the Hedge Fund's OM.

RECEIVER'S DETAILED REVIEW OF GOLD CONTRACTS

Onstar Subscription Agreements

- 232 As outlined in the First Report, the Receiver was able to locate unsigned Gold Certificates in the Company's books and records which stated the following:

*Gold deliveries to the Owner [the Hedge/Factoring Fund] shall commence **on April 30, 2017 F.O.B. Juneau, Alaska** and shall occur monthly, until the entire 1,000 ounces of gold due under this Certificate has been delivered to the Owner. It is expected that all gold payments will be completed no later than April 30, 2019.*

The Receiver has obtained executed copies of the Onstar Subscription Agreements which are executed by Alan Braun ("Mr. Braun") on behalf of Onstar. The Receiver has confirmed with Onstar that no Gold has been delivered to either the Factoring Fund or the Hedge Fund as at the date of this Second Report.

Housego's Involvement

- 233 Through the Receiver's review, the Company's books and records contain minimal information with respect to Onstar's operations and contain no evidence of due diligence being performed by Housego or any other Company representative. The Receiver expected that such due diligence would include, but would not be limited to, an evaluation of the potential risks and benefits of the Factoring Fund and Hedge Fund advancing US \$3,000,000 and \$748,900 to Onstar and whether the Onstar Subscription Agreements would be considered applicable investments under the Factoring Fund and Hedge Fund OMs. The absence of any due diligence being performed prior to the advancement of funds is alarming.

- 234 In a letter dated April 24, 2017, signed by Smith, to the British Columbia Securities Commission (the “**BCSC**”) (in response to an assumed inquiry made by the BCSC as referenced in the letter) (the “**April 24 2017 BCSC Letter**”), Smith, among other things, states that:

“Mr. Housego was introduced to Alan Braun through Taz Faryad. Mr. Faryad was trying to connect gold sellers and gold buyers. The [Company] manages a number of mutual fund trusts for which Mr. Housego acts as lead portfolio manager and in which Mr. Housego was looking to invest in gold. Presumably, Alan Braun was involved in a company or companies that produces gold so Mr. Faryad connected us to see if there was a fit. Mr. Housego first met Alan Braun at a meeting in Vancouver in early August 2016. Taz Faryad, Jerry Braun and Rene Gladu were also present.” [Emphasis added]

In an email dated August 11, 2016 from Housego to Mr. Braun, Jerry Braun, Rene Gladu, and Taz Faryad, Housego confirmed that the first meeting mentioned in the April 24 2017 BCSC Letter occurred on August 8, 2016 and that this meeting was the first meeting of the parties. A copy of the April 24 2017 BCSC Letter is attached hereto as **Appendix “45”**.

- 235 Based on the above, Housego first met Mr. Braun on August 8, 2016; and four days later (on August 12, 2016), the Factoring Fund made the first advance to Onstar of US \$2,000,000. The April 24 2017 BCSC Letter provides further evidence that little to no due diligence was performed by Housego or the Company prior to entering into the Onstar Subscription Agreements and advancing the previously mentioned funds.
- 236 As noted in the First Report, Onstar claimed that Housego had verbally agreed to provide a total of US \$10 million of funding to Onstar for the development of a mine in Juneau, Alaska. However, to date, only the funding noted above has been provided. As a result, Onstar has had to seek external financing to complete the development of the Juneau, Alaska mine. The Receiver does not know at this time if Onstar was successful in seeking such funding.

Gold Certificates

- 237 The Onstar Subscription Agreements all reference executed Gold Certificates contained in Schedule A to same. The Onstar Subscription Agreements provided by Smith and

contained in the Company's books and records did not include copies of the executed Gold Certificates nor did the Onstar Subscription Agreements provided by Mr. Braun. Onstar, upon the Receiver's request, advised that it was unable to locate the executed Gold Certificates. However, Onstar did provide unsigned copies of the Gold Certificates to the Receiver which stated the same terms as outlined in paragraph 232 above.

- 238 The Onstar Subscription Agreements, under the "Registration and Delivery Instructions" section, state that the Gold Certificates were to be delivered to NBCN at the following address:

*NBCN
250 Yonge Street, 19th Floor
Toronto, Ontario
M5B 2L7
Attention: Cheryl Rochemont*

The Receiver has made numerous requests of NBCN to locate the Gold Certificates. As at the date of this Second Report, NBCN has been unable to locate the executed Gold Certificates, which suggests that the executed Gold Certificates were never delivered by Onstar to NBCN.

- 239 Upon review of email correspondence between Onstar and Housego, it appears the Gold Certificates were delivered to Housego. On October 30, 2017, the Receiver requested that Housego provide the copies of the Gold Certificates to the Receiver. Housego stated that he did not know where the Gold Certificates were as outlined in his response below:

"I don't recall ever getting the certificates. I have looked but I do not have them. All certificates would have gone to HO and would have been part of the security needed to issue funds. I have no idea where they are or could be."

- 240 On October 31, 2017, the Receiver requested that Smith provide copies of the executed Gold Certificates to the Receiver. Smith advised that he had never received the Gold Certificates and that NBCN would likely be in possession of same. Smith's response to the Receiver's request was as follows:

"I don't have any documents from Crystal Wealth in my possession. Joanne Bentley handled most of the admin stuff, and I think the certificates may have been filed with NBCN."

- 241 As the April 24 2017 BCSC Letter stated that Gold Certificates were attached, the Receiver sent a letter to the BCSC on November 22, 2017 requesting that a copy of the Gold Certificates be provided. As at the date of this Second Report, the Receiver has not received a response.

Receiver's Demand

- 242 As delivery of Gold per the Gold Certificates had not yet occurred, A&B, on behalf of the Receiver, issued a default letter to Onstar dated October 26, 2017 (the “**Onstar Default Letter**”) which, among other things, demanded immediate delivery of Gold in accordance with the terms of the Gold Certificates. A copy of the Onstar Default Letter is attached hereto as **Appendix “46”**.
- 243 On November 2, 2017, in response to the Onstar Default Letter, Onstar advised the Receiver that it would honour the Onstar Subscription Agreements and Gold Certificates. Onstar advised that it was completing separate funding to fulfill the requirements of the Gold Certificates and that such funding would be in place in the month of November to early December 2017. Once funding is received, Onstar advised that a large scale operation would begin. Onstar stated that it currently has a small amount of Gold from the site available.
- 244 On November 7, 2017, the Receiver inquired of Mr. Braun as to whether cash payments could be made by Onstar instead of physical delivery of Gold at the same intervals in which deliveries of Gold would otherwise occur. The payments requested by the Receiver would be made by Onstar at the stated spot price of the expected Gold delivery (i.e. the spot price multiplied by the ounces to be delivered). As at the time of this Second Report, Onstar has not advised the Receiver as to whether such payments, in lieu of Gold deliveries, will be possible.
- 245 If necessary, the Receiver will arrange a location for the delivery of the Gold to be provided by Onstar, which arrangements are currently being put into place by the Receiver.

611 BC Loans

- 246 611 BC entered into the following Settlement Loans with the following Crystal Wealth Funds:

- a) One (1) Settlement Loan with the Bullion Fund – expiring November 28, 2017 whereby \$124,657 was advanced to 611 (the “**611/Bullion Loan**”);
- b) Two (2) Settlement Loans with the Hedge Fund – one (1) expiring November 28, 2017 and one (1) expiring January 16, 2018 with \$409,995 advanced to 611 (collectively the “**611/Hedge Loans**”); and
- c) One (1) Settlement Loan with the Factoring Fund – expiring February 2, 2018 whereby \$500,405 was advanced to 611 (the “**611/Factoring Loan**”).

Each of the 611 BC Loans were entered into by Pinnell on behalf of 611 BC.

- 247 As outlined in the First Report, the Receiver inquired as to 611 BC's ability to execute an early exit from the 611 BC Loans; 611 BC stated that due to current cash constraints it will not be able to do so.
- 248 In subsequent discussions with the Receiver, 611 BC indicated that it did not engage in any mining activity directly nor did it hold any assets other than investments and receivables owing from other companies (as described below). 611 BC provided the Receiver with internally generated statements for the 12 months ending December 31, 2017 which indicated that 611 BC has no mining assets (i.e. land or equipment). The Receiver has requested more recent financial information.
- 249 Pinnell advised that the proceeds obtained from the 611 BC Loans was advanced to third party entities for certain projects as follows:
 - a) proceeds obtained from the 611/Bullion Loan and one of the 611/Hedge Loans totaling approximately \$325,325 were advanced to a third party, Blacksand Gold Inc. (“**Blacksand**”), who entered into agreements with two other parties, Place One Mines Inc. (“**Placer One**”) and New North Construction Ltd (“**New North**”), for the development of a Gold mine in British Columbia (the “**BC Mine**”);
 - b) proceeds obtained from the second 611/Hedge Loan totaling approximately \$209,327 were advanced to a third party, Petra Capital Corporation (“**Petra**”), for the delivery of Gold from a Gold mine in Columbia (the “**Columbia Mine**”); and

- c) proceeds obtained from the 611/Factoring Loan of \$500,405 were also advanced to Petra for a portion of Petra's revenue interest in certain oil wells located in Louisiana, USA (the "**Oil Wells**").

As outlined in paragraph 251 below, the Receiver has requested a number of documents to support the claims made by Pinnell and the projects described above. Such information remains outstanding as at the date of this Second Report.

- 250 On October 24, 2017, one month prior to the expiry of the 611/Bullion Loan and one of the two 611/Hedge Loans, the Receiver requested that 611 BC provide an update as to the status of the BC Mine and the expected payment date of the 611/Bullion Loan and 611/Hedge Loan expiring on November 28, 2017. 611 BC advised the Receiver that production at the BC Mine was halted as it requires additional funding to continue operating and that Placer One, Blacksand, and New North have commenced legal action against each other as a result. 611 BC advised the Receiver that it has not yet received any Gold from Placer One nor Blacksand.
- 251 On November 11, 2014, after numerous follow-up correspondence from the Receiver, Pinnell indicated that the requested information outlined below would be provided within the coming weeks. The Receiver will continue to follow up with Pinnell. As at the date of this Second Report, the following items requested by the Receiver remain outstanding:
 - a) the most recent financial statements for 611 BC;
 - b) details of the legal proceedings between Placer One, Blacksand, and New North;
 - c) any status reporting provided on the mine(s), including, but not limited to, SGS Reports; and
 - d) copies of any due diligence performed by 611 BC prior to the advancement of funds to Blacksand, BC Mine, Placer One or any other entity;
 - e) the full name and address of the BC Mine;
 - f) the full name and address of the Columbia Mine;
 - g) the full name and address of the Oil Wells;

- h) the agreement(s) between Blacksand Gold Inc. and 611 BC;
- i) the agreement(s) between Blacksand Gold Inc. and Placer One;
- j) the agreement(s) between Placer One and New North; and
- k) the agreement(s) between Petra Capital and 611 BC.

611 BC's Apparent Connection to Onstar

- 252 Through its examination of various email correspondence, the Receiver notes that Pinnell was actively involved in sourcing and closing the Onstar Subscription Agreements and the funding secured by Onstar under same. Pinnell is included on almost all correspondence between Onstar and Housego that the Receiver has obtained. In addition, the Receiver obtained email correspondence between Mr. Braun and Housego that makes reference to Blacksand's involvement in Onstar's operations.
- 253 In his numerous discussions with the Receiver, Pinnell has made no reference to Onstar nor any of the parties noted above. The relationship between Mr. Braun and Pinnell supports the Receiver's plan to perform an examination under oath of each of them in Toronto.

Inca Loans

- 254 Inca entered into the following Settlement Loans with the following Crystal Wealth Funds:
- a) one (1) Settlement Loan dated December 28, 2015 with the Bullion Fund consisting of three tranches of funding – expiring January 1, 2017, April 1, 2017, and June 1, 2017 (the “**Inca 1 Loan**”); and
 - b) one (1) Settlement Loan with the Hedge Fund dated December 5, 2016 – expiring on December 1, 2017 (the “**Inca 2 Loan**”, and together, the “**Inca Loans**”).
- 255 Inca is a Canadian-based mineral resource company and mineral processing company with a Gold milling facility in Peru. The Company is publically traded on the TSX Venture Exchange, the Frankfurt Stock Exchange, and the Santiago Stock Exchange Venture.
- 256 On June 7, 2017, Inca provided a proposal to the Receiver which proposed that Inca settle the Inca Loans for a cumulative value of \$1,000,000 over the course of 52 weeks

beginning June 26, 2017. The proposal also included an alternative for Inca to repay the original face value (i.e. the acquisition cost) of the Inca Loans plus a 2.5% annual interest rate, for total proceeds of approximately \$725,000 within 60 days. Due to the commencement of the Sales Process, the Receiver declined this proposal.

Financial Position of Inca

257 Throughout the Receivership Proceedings, the Receiver has continued to monitor the financial results of Inca. Upon review of Inca's most recent audited financial results for the 12 months ending April 30, 2017, Inca incurred a net loss of \$2,997,722 and had **negative** cash flows from operations of \$3,474,200. As a result, the audited financial statements contained the following disclosure stating that Inca's financial performance:

"...indicate[s] a material uncertainty that may cast significant doubt on [Inca's] ability to continue as a going concern. Management intends to finance operating costs over the year with the proceeds from debt financing, equity financing, its current working capital, proceeds from option and warrant exercises, and net profits from processing operations at the Company's gold milling facility in Peru. On August 26, 2016, the Company restructured and settled approximately \$13.5 million of the Company's long and short term debt and related unpaid interest.

The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and... its ability to raise equity capital or borrowings sufficient to meet current and future obligations."

(the "Going Concern Note"):

258 The Receiver notes that after Inca had to restructure \$13.5 million of its debt, Housego, on behalf of the Hedge Fund, entered into the Inca 2 Loan whereby the Hedge Fund advanced approximately \$320,000 to Inca; putting more money into an already distressed company.

259 Inca's most recent interim consolidated financial results, approved by the board of directors on September 28, 2017, demonstrate that for the three months ending July 31, 2017, Inca incurred a net loss of \$575,883 and had **negative** cash flow from operations of \$154,315. As at July 31, 2017, Inca had total liabilities of approximately \$7,081,088 (\$2.74 million of which are secured debentures), and a reported cash balance of \$719,974.

Although the financial results were somewhat improved, the interim financial statements still contained the Going Concern Note; putting into question Inca's ability to continue operations.

- 260 Based on the above, it is clear that Inca's distressed financial position and its ability to continue as a going concern puts into question Inca's ability to repay the Inca Loans and thus the Bullion/Hedge Fund's ultimate value and recoverability of same.

Potential Recovery

- 261 After determining that no management takeover offers would be accepted through the Sales Process, the Receiver inquired as to Inca's financial position and ability to repay the Inca Loans. Inca advised that it did not have the financial resources to repay the Inca Loans in full, however, stated that it would put forth a payment proposal in short order.
- 262 On November 9, 2017, the Receiver sent follow-up email correspondence to Inca advising that a proposal had not been received. The Receiver will continue to follow up until a proposal is received from Inca.
- 263 Under the Inca Loans, the Hedge Fund and Bullion Fund are both unsecured creditors. Accordingly, if Inca does not deliver payment in accordance with the Inca Loans, or if a satisfactory alternative arrangement cannot be agreed upon, the Receiver's enforcement options as against Inca are limited.

Solid Holdings Loan

- 264 Solid Holdings entered into one (1) Settlement Loan with the Factoring Fund dated February 13, 2017 – expiring February 13, 2018. Under the Solid Holdings Loan, the Factoring Fund advanced \$300,306 to Solid Holdings.
- 265 In the Receiver's initial discussions with Solid Holdings, the Receiver was advised that Solid Holdings was undergoing significant financial and operational challenges.
- 266 On October 25, 2017, the Receiver requested that Solid Holdings provide an update as to the status of its operations. Solid Holdings advised the Receiver that production at its operations had experienced issues during the summer months as a result of the wildfires in British Columbia, however, mining had recently commenced. Furthermore, Solid Holdings advised that its senior secured lender had recently called its loans resulting in

Solid Holdings' pursuit of replacement financing. Solid Holdings advised that it was owed monies from a number of third parties who have failed to remit payment and that the payment of these balances were critical to Solid Holdings being able to settle the Solid Holdings Loan.

267 On October 30, 2017, the Receiver requested that Solid Holdings provide the following information to evaluate the claims made by Solid Holdings:

- a) the most recent financial statements for Solid Holdings;
- b) the name(s) and location(s) of the mine(s) which is/are currently being developed by Solid Holdings and the entities and/or parties involved in the development of said mine(s);
- c) status reporting on said mine(s), including but not limited to SGS Reports;
- d) information relating to the proceedings commenced by the secured lender and details regarding sources of potential new funding to replace same; and
- e) the listing of accounts receivable owed to Solid Holdings.

268 After numerous follow up correspondence to Solid Holdings, on November 2, 2017 Solid Holdings stated the following:

"As I am presently in a stressful week working with the [senior secured lender] lawyer in Toronto, and considering all my options, I will respond in some fashion to receiver next week."

269 The Receiver sent follow-up email correspondence on November 14, 2017, however, as at the date of this Second Report, the information requested by the Receiver has not yet been provided.

CONCLUSION

270 Each of the Gold Loans appear to be greatly impaired given that the Factoring Fund, Hedge Fund, and Bullion Fund are unsecured creditors under the respective agreements, and given that the Gold Sellers are, or appear to be experiencing financial challenges, putting into question their ability to repay the Gold Loans, whether in cash or in Gold.

- 271 Given the lack of due diligence performed by Housego and/or the Company prior to entering into the Gold Loan agreements, it is not surprising that the Factoring, Hedge and Bullion Funds are now in high risk position with respect to receiving any realizations from the Gold Loans. Had proper due diligence been conducted by Housego and/or the Company, it would have highlighted the above noted issues with the Gold Sellers, such that funds ought not to have ever been advanced by the Factoring, Hedge, and Bullion Funds on account of the Gold Loans.
- 272 With Housego being the main point of contact to the Gold Sellers, and the individual who entered into all of the Gold Loans, the Receiver is requesting that Housego be examined under oath in Toronto. The significant impairments with the Factoring Contracts held by the Factoring and Hedge Funds, for which Housego was also directly involved as the Lead Portfolio Strategist, further support the Receiver's request to examine Housego under oath in Toronto.
- 273 The Gold Loans do not appear to fit into the Factoring and Bullion Funds' investment objectives and/or strategy based on the wording contained in the Funds' respective OMs. It is unclear if the Gold Loans would be considered appropriate investments in the Hedge Fund given the broad wording contained in the Hedge Fund's OM.

COMMERCIAL LOANS

BACKGROUND

- 274 As outlined in the First Report, the Company entered into Commercial Loans which included:
- a) a loan agreement with Pond dated December 15, 2015 (as amended, the "**Pond Loan Agreement**") with a principal value of \$4,500,000, at an interest rate of 12% payable quarterly in arrears, maturing on February 2, 2018 (the "**Pond Loan**");
 - b) loan agreements with the following entities (all of which are under the control of a common individual, Clydesdale, and are collectively referred to as the "**OOM Energy Group**"):
 - i) Magnitude CS Energy Inc. (formerly, 2445958 Ontario Inc.) ("**Magnitude**");

ii) 2441472 Ontario Inc. ("**1472 Ontario**"), as guaranteed by 2404783 Ontario Corp. ("**4783 Ontario**");

iii) MCSnoxrecovery Inc. ("**MCSnox**"); and

iv) MCSAB10 Inc. ("**MCSAB**"), as guaranteed by 4873 Ontario;

Based on the Company's books and records and the information obtained by the Receiver thus far, it appears that the Commercial Loans between the Company and the OOM Energy Group have a cumulative principal balance of approximately \$12,535,270 plus outstanding interest as at October 31, 2017 of approximately \$1,285,687 totaling \$13,820,956 (the "**OOM Energy Balance**");

c) a promissory note between 1092545 B.C. Ltd. ("**109 BC**"), as borrower, and the Company, as lender, dated November 4, 2016 for a principal balance of US \$125,000, which has matured (the "**109 BC Promissory Note**");

d) a promissory note issued by Cinnos Mission Critical Incorporated ("**Cinnos**") dated September 30, 2016 and purchased by the Infrastructure Fund for a principal balance of \$300,000 that matures on September 28, 2018 (the "**Cinnos Promissory Note**"); and

e) a participation interest in a mortgage issued to Kanwal Investments Inc. ("**Kanwal**") by Liberty Mortgage Services Inc. (the "**Kanwal Mortgage**").

275 For each of the above Commercial Loans, with the exception of the Cinnos Promissory Note and the Kanwal Mortgage, assignment agreements were entered into between the Company and certain of the Crystal Wealth Funds whereby the Commercial Loans were assigned from the Company to the applicable Crystal Wealth Fund.

276 The table below outlines the combined principal and interest owed to the various Crystal Wealth Funds as at October 31, 2017 under the Commercial Loans:

Entity	Outstanding Principal and Interest					Total
	Mortgage Fund	Factoring Fund	High Yield Mortgage Fund	Infra-structure Fund	Sustainable Property Fund	
Pond	\$ 3,588,000	\$ -	\$ 571,511	\$ -	\$ -	\$ 4,159,511
Magnitude	1,251,973	-	-	5,692,102	-	6,944,075
1472 Ontario	1,872,658	-	-	-	-	1,872,658
MCSnox	2,772,004	-	-	-	-	2,772,004
MCSAB	-	-	-	-	2,232,219	2,232,219
109 BC	-	169,685	-	-	-	169,685
Cinnos	-	-	-	342,340	-	342,340
Kanwal	226,667	-	-	-	-	226,667
Total	\$ 9,711,302	\$ 169,685	\$ 571,511	\$ 6,034,442	\$ 2,232,219	\$18,719,159

RECEIVER'S KEY FINDINGS AND ACTIONS

- 277 Although the OMs for the Infrastructure Fund and Sustainable Property Fund appear to contemplate investments like the applicable Commercial Loans, the “Investment Objective” and/or “Investment Strategy” sections of the OMs for the Mortgage Fund, Factoring Fund, and the High Yield Mortgage Fund, do not suggest that this type of investment would ever be made by the applicable Fund. Accordingly, the OMs are highly misleading to investors. The Receiver’s communications with investors support this. Numerous investors have communicated to the Receiver that they were unaware of the large investments in Commercial Loans, and expected their invested capital to be deployed with a different strategy and purpose.
- 278 This section (paragraphs 279 to 286 below) summarizes the actions taken and the significant issues identified by the Receiver with respect to the Pond Loan and the Commercial Loans made to the OOM Energy Group. The remainder of this section of the Second Report (paragraphs 287 to 344) provides a more detailed account of the events that have transpired since the First Report regarding the Commercial Loans.

Pond – Pond Loan Amendment

- 279 Shortly after the Appointment Order, Pond advised the Receiver that it was unable to repay the interest and/or principal owing under the Pond Loan, as it had limited liquidity, and Pond was seeking external financing. Due to Pond's limited assets, immediate enforcement of the Pond Loan by the Receiver would have likely resulted in a shortfall in recovery for the Mortgage and High Yield Mortgage Funds and investors thereof.
- 280 The Receiver and Pond entered into the Pond Amendment which, among other things, extended the maturity of the Pond Loan and restructured the timing of the required principal and interest payments. In addition, the Receiver exercised an option granted under the Pond Loan Agreement to require Pond to enter into the Pond Intellectual Property Security Agreement (the "**Pond IPSA**"). The Company's first position security over the assets of Pond otherwise remains unchanged.

The OOM Energy Group – Default and Demands

- 281 On October 26, 2017, for the Commercial Loans issued to the OOM Energy Group, A&B, on behalf of the Receiver, issued default notices (the "**OOM Default Notices**") to the OOM Energy Group, Clydesdale, and Clydesdale's counsel:
- a) advising certain OOM Energy Group entities that their failure to make the required interest payments when due under the terms of the applicable loan agreement(s) triggered an Event of Default under the applicable loan agreement(s);
 - b) advising all OOM Energy Group entities that their failure to provide the information requested by the Receiver on May 18, 2017 and June 6, 2017 in connection with the various loan agreements is an Event of Default under same;
 - c) requesting the most recent review engagement report for each of Magnitude, 1472 Ontario, MCSnox, and MCSAB, as provided for in their respective loan agreements;
 - d) making formal demand for payment of interest or principal owing under certain of the loans issued to OOM Energy Group, to the extent that such amounts were payable on demand without a default notice.

- 282 The cure period provided under the applicable loan agreements in respect of the payment defaults identified in the OOM Default Notices expired without a response from the OOM Energy Group, Clydesdale, or counsel thereto, Bill McKenzie (“**McKenzie**”).
- 283 On November 11, 2017, McKenzie sent an e-mail to the Receiver and A&B, which email did not respond to the substantive issues mentioned in the OOM Default Notices, and instead asked for copies of the documents referred to therein (the “**McKenzie Email**”). In the McKenzie Email, McKenzie also provided that his client “wants to meet with the Receiver and arrange a final resolution.” A copy of the McKenzie Email is attached hereto as **Appendix “47”**.
- 284 In addition, the Receiver is requesting that this Court issue an Order compelling Clydesdale to produce the documents that have been requested by the Receiver on numerous occasions to better evaluate the Commercial Loans to the OOM Energy Group and the financial health of the underlying OOM Energy Group entities.
- 285 On November 13, 2017, A&B, on behalf of the Receiver, issued demand letters and BIA Notices to the OOM Energy Group (as further described and detailed below), together with Clydesdale (in his personal capacity, as a guarantor of certain arrangements with Magnitude) (the “**OOM Demand Letters**”). On the same date, courtesy copies of the OOM Demand Letters were sent to each of Clydesdale and McKenzie by e-mail, attaching copies of the indicative loan agreements and transactional documents that were referred to in the OOM Demand Letters.

Compliance with OMs

- 286 As outlined above, the Commercial Loans are held primarily by the Mortgage Fund, Infrastructure Fund, and Sustainable Property Fund. The Receiver has the following comments on whether Commercial Loans are consistent with the investment objectives of these Funds:
- a) **Infrastructure Fund** – The Commercial Loans assigned to the Infrastructure Fund appear to be of a nature that in compliance with the investment objectives of the Infrastructure Fund, although there is a high level of concentration risk, as 94.3% of the Commercial Loans assigned to this Fund are made with Magnitude;

- b) **Sustainable Property Fund** – the MCSAB Loan is structured according to Islamic finance concepts, and thus appears to be in compliance with the OM of the Sustainable Property Fund and its investment objective;
- c) **Mortgage Fund** – the investment objective of the Mortgage Fund is to “...generate a consistently high level of interest income...by investing primarily in residential mortgages in Canada”; Accordingly, the Commercial Loans held by the Mortgage Fund are not in compliance with this investment objective.

RECEIVER’S DETAILED REVIEW OF THE COMMERCIAL LOANS

Pond Technologies Inc.

287 Pond was incorporated on May 27, 2008 under the laws of Canada, with the purpose of pursuing microalgal biomass production using raw stack gas emissions from industrial emitters. Pond remains in the development stage of its business, has not yet reached profitability, and has relied on non-conventional sources of financing to fund operations.

288 Subsequent to the execution of the Pond Loan Agreement, the Company executed various participation agreements assigning the rights to a stated portion of the Pond Loan to the Mortgage Fund, High Yield Mortgage Fund, and an individual, Suzanne West, resulting in the following participation amounts of the Pond Loan:

Fund	Principal Balance	Principal Balance Allocation		
		Mortgage Fund	High Yield Mortgage Fund	Suzanne West
Pond Loan	\$ 4,500,000	\$ 2,950,000	\$ 550,000	\$ 1,000,000

289 Pursuant to a subordination and postponement agreement between St. Mary’s Cement Inc., the Company, and Pond dated February 19, 2016, the Company is the first secured creditor of all of the assets of Pond. In addition, pursuant to the Pond IPSA, the Receiver is the first secured creditor of Pond’s patents, copyrights and trademarks.

290 Pursuant to amending letter agreements dated October 5, 2016, October 20, 2016, October 26, 2016, and February 8, 2017, the Company agreed to defer, but not waive, the payment of interest by Pond pursuant to the Pond Loan Agreement. As at the date of the Receiver’s appointment, Pond owed the Company approximately \$270,283 in overdue interest.

The Receiver's Discussions with Pond

- 291 In initial discussions with the Receiver, Pond advised the Receiver that it was unable to repay the interest and/or principal owing under the Pond Loan as it had limited liquidity. Moreover, Pond stated that prior to the appointment of Receiver, Smith had verbally assured Pond that the Company would commit to converting the entire Pond Loan into equity in Pond (half of the Pond Loan converted into shares of Pond at a price of \$2.00 per share while the other half would be converted at a price of \$2.40 per share).
- 292 Pond advised that it had been planning to go public via a reverse take-over ("**RTO**") bid by Ironhorse Oil & Gas Ltd., a public company listed on the TSX Venture Exchange (TSX.V: IOG) ("**Ironhorse**") (i.e. Ironhorse would acquire the common shares of Pond) (the "**RTO Transaction**"). Pond further advised that the aforementioned assurances regarding the debt to equity conversion were provided by Smith, on behalf of the Company, in subsequent discussions with Ironhorse as well as with the brokers engaged by Pond to raise additional equity and complete the RTO Transaction
- 293 .On June 12, 2017, Pond provided the Receiver with a confidential draft-unsigned letter of intent from Ironhorse outlining proposed terms of the RTO Transaction. Pond advised that the RTO Transaction would not be achievable unless some alternative arrangements were made to the current structure of the Pond Loan Agreement.

The Pond Loan Amendment

- 294 A number of subsequent discussions and meetings took place between the Receiver and Pond eventually leading to the Receiver and Pond entering into the Pond Loan Amendment dated August 11, 2017 (the "**Pond Loan Amendment**"), attached hereto as **Appendix "48"**. The Pond Loan Amendment included, among other things, the following changes to the Pond Loan Agreement:
- a) Maturity – extended to June 30, 2019 (a 1.5 year extension);
 - b) Principal Payments – Pond shall repay the loan principal as follows:
 - i) \$1,000,000 by December 31, 2017;

- ii) 20% of the proceeds received by Pond from one or more financing transactions once the aggregate amount of such financing transactions is equal to or greater than \$10,000,000; and
- iii) in full (including all principal, interest and other fees owing and outstanding) upon the Date of Termination (defined in the Pond Loan Amendment as the earlier of: (i) June 30, 2019; or (ii) the date upon which an Event of Default occurs);

c) Interest Payments – Pond shall repay the loan interest as follows:

- i) \$581,399 on November 30, 2017 (representing the accrued interest from October 1, 2016 to November 30, 2017);
- ii) quarterly interest payments commencing on December 31, 2017 and thereafter on the last day of March, June, September, and December of each year at a rate of 8% per annum; and
- iii) a delayed interest payment accruing on a daily basis of 4% (i.e. the differential from the 12% interest rate) due upon the Date of Termination (estimated to be \$293,934 if principal is paid upon maturity).

295 On August 15, 2017, Pond issued a notice to its shareholders that, among other things, advised of:

- a) a successful equity financing raise of \$1.6 million through a brokered private placement;
- b) the Pond Loan Amendment; and
- c) the execution of a letter of intent with Ironhorse to continue pursuing the RTO Transaction.

A copy of the notice to shareholders issued by Pond is attached to this Second Report as **Appendix “49”**.

296 The receiver entered into a further amending agreement in respect of the Pond Loan on November 16, 2017 (the “**Second Pond Loan Amendment**” and, together with the Pond

Loan Amendment, the “**Pond Loan Amendments**”). The Second Pond Loan Amendment changed the date of the first interest payment noted above from November 30, 2017 to December 21, 2017, in consideration of an extension fee of \$10,000 to be paid by Pond to the Receiver. A copy of the Second Pond Loan Amendment attached to this Second Report as **Appendix “50”**.

Conclusion

- 297 The Pond Loan Amendments restructured Pond’s indebtedness to increase the likelihood of recovery for the Mortgage and High Yield Mortgage Funds. Moreover, the two Funds maintained a first secured position in the assets of Pond. A conversion of the Pond Loan to equity, as Smith purportedly agreed to in principle prior to the Appointment Order, would have resulted in the investors having no security over the assets of Pond.

OOM Energy Group

- 298 The table below outlines the portion of the OOM Energy Balance owing to the Mortgage Fund, Infrastructure Fund, and the Sustainable Property Fund:

Entity	Outstanding Principal and Interest				Total
	Mortgage Fund	Infrastructure Fund	Sustainable Property Fund		
Magnitude	\$ 1,251,973	\$ 5,692,102	\$ -		\$ 6,944,075
1472 Ontario	1,872,658	-	-		1,872,658
MCSnox	2,772,004	-	-		2,772,004
MCSAB	-	-	2,232,219		2,232,219
Total	\$ 5,896,635	\$ 5,692,102	\$ 2,232,219		\$ 13,820,956

Magnitude CS Energy Inc.

- 299 The Company entered into a loan agreement dated July 6, 2016 with Magnitude (as borrower) and Clydesdale (in his individual capacity, as guarantor) (the “**Magnitude Working Capital Loan Agreement**”) which, among other things, included the following terms:

- a) Purpose – for general operating expenses and working capital;

- b) Principal – \$3,000,000 due upon maturity;
- c) Interest – 13% due quarterly; and
- d) Maturity – July 6, 2021

(the “**Magnitude Working Capital Loan**”).

- 300 The Magnitude Working Capital Loan is primarily accounted for in the Infrastructure Fund, pursuant to assignment agreements in respect of certain promissory notes representing advances thereunder. Some additional indebtedness that appears to arise pursuant to the Magnitude Working Capital Loan is assigned to the Mortgage Fund.
- 301 The most recent interest payment received by either the Infrastructure Fund or the Mortgage Fund on account of the Magnitude Working Capital Loan was received by the former on January 3, 2017. Interest is required to be paid quarterly (i.e. the next payment was due on March 31, 2017). This March 31 quarterly payment, and subsequent quarterly payments, have not been made. This non-payment is an Event of Default (as defined in the Magnitude Working Capital Loan Agreement).
- 302 In addition to the arrangements under the Magnitude Working Capital Loan Agreement as referred to above, the Company also entered into a series of promissory notes made between the Company and Magnitude (collectively, the “**Magnitude Factoring Promissory Notes**”), the proceeds of which were apparently used to pay accrued interest and partial payment of principal for a factoring agreement made between the Factoring Fund and Magnitude on July 11, 2015 (the “**Magnitude Factoring Agreement**”), and which promissory notes were subsequently assigned to the Infrastructure Fund.
- 303 As at October 31, 2017, the Company’s books and records indicate that a total of approximately \$3,312,484 is owing under the Magnitude Factoring Promissory Notes (principal and interest of \$3,008,071 and \$304,413 respectively). Each of the Magnitude Factoring Promissory Notes provides that interest and principal are due on demand.
- 304 On October 26, 2017, A&B, on behalf of the Receiver, issued a default and demand letter (the “**Magnitude Default & Demand Letter**”) to Magnitude, with a courtesy copy to Clydesdale, that, among other things, advised Magnitude of:

- a) its failure to make the required interest payments when due under the terms of the Magnitude Working Capital Loan Agreement, constituting an Event of Default under the loan agreement;
- b) its failure to provide the information requested by the Receiver on May 18, 2017 and June 6, 2017 in connection with the Magnitude Working Capital Loan Agreement, constituting an Event of Default under the loan agreement;
- c) the Receiver's request for Magnitude's most recent review engagement report pursuant to Article 2 under the "Covenants" heading of the Magnitude Working Capital Loan Agreement;
- d) the Receiver's formal demand for payment of the indebtedness owing under the Magnitude Promissory Notes as at September 30, 2017 (\$3,176,017.85 plus professional fees and accruing interest); and
- e) an enclosed BIA Notice.

A copy of the Magnitude Default & Demand Letter is attached to this Second Report as **Appendix "51"**. As at the date of this Second Report, the specified defaults have not been cured.

- 305 On November 13, 2017, A&B, on behalf of the Receiver, issued a further demand letter to Magnitude (the "**Magnitude Demand Letter**"), making formal demand on the entire indebtedness outstanding under the Magnitude Working Capital Loan Agreement, and reiterating the Receiver's demand on the Magnitude Promissory Notes, and enclosing a BIA Notice. A demand letter was also issued to Craig Clydesdale, in his personal capacity as guarantor of the indebtedness under the Magnitude Working Capital Loan Agreement (the "**Clydesdale Demand Letter**"). Copies of the Magnitude Demand Letter and Clydesdale Demand Letter are attached to this Second Report as **Appendix "52"**.

2441472 Ontario Inc. (Mortgage Fund)

- 306 The Mortgage Fund entered into a loan agreement with 1472 Ontario (as borrower) and 4873 (as guarantor) dated November 7, 2014 (the "**1472 Ontario Loan Agreement**") which includes the following terms:

- a) Purpose – To finance up to 100% of the installed cost of a MCS COGEN MARK 6 CoEnergyPoD, to be deployed at the premises of St. Mary's Cement Inc. (Canada) located at 55 Industrial St., Toronto, Ontario;
- b) Principal – \$1,800,000 due upon maturity (a prepayment option is available to the Company on December 8, 2017);
- c) Interest – 13% due monthly; and
- d) Maturity – November 7, 2029

(the “**1472 Ontario Loan**”).

307 The 1472 Ontario Loan was assigned to the Mortgage Fund, pursuant to a participation agreement dated November 2, 2016.

308 According to the books and records of the Company, the most recent interest payment received by the Mortgage Fund with respect to the 1472 Ontario Loan was received in March 2017. As interest is required to be paid monthly, the non-payment of interest since March 2017 is an Event of Default under the 1472 Ontario Loan Agreement.

309 On October 26, 2017, A&B, on behalf of the Receiver, issued a default notice (the “**1472 Ontario Default Notice**”) to 1472 Ontario and Clydesdale that, among other things, advised of:

- a) 1472 Ontario's failure to make the required interest payments when due under the terms of the 1472 Ontario Loan Agreement – an Event of Default under the 1472 Ontario Loan Agreement;
- b) 1472 Ontario's failure to provide the information requested by the Receiver on May 18, 2017 and June 7, 2017 in connection with the 1472 Ontario Loan Agreement – an Event of Default under the 1472 Ontario Loan Agreement; and
- c) the Receiver's request that 1472 provide its most recent review engagement report to the Receiver, as required under the 1472 Ontario Loan Agreement.

A copy of the 1472 Ontario Default Notice is attached hereto as **Appendix “53”**. As at the date of this Second Report, the specified defaults had not been cured.

310 On November 13, 2017, A&B, on behalf of the Receiver, issued a demand letter (the “**1472 Ontario Demand Letter**”), making formal demand on 1472 Ontario for repayment of the entire indebtedness outstanding under the 1472 Ontario Loan Agreement, and enclosing a BIA Notice. A copy of the 1472 Ontario Demand Letter is attached hereto as **Appendix “54”**.

MCSnoxrecovery Inc.

311 The Company entered into a loan agreement with MCSnox dated March 8, 2015 (the “**MCSnox 2015 Loan Agreement**”) which includes the following terms:

- a) Purpose – to complete the first Pond algae bioreactor installation at St. Mary’s Cement, Leaside, ON and for working capital purposes;
- b) Principal – \$550,000 due upon maturity, or if borrower completes an equity financing greater than the principal amount, or on an event of default;
- c) Interest – \$300,000 due on June 6, 2015 then 11% commencing January 1, 2016 thereafter, due on demand;
- d) Maturity – March 8, 2026;

(the “**MCSnox 2015 Loan**”).

312 According to the books and records of the Company, the most recent interest payment received by the Mortgage Fund with respect to the MCSnox 2015 Loan was received in December 2016.

313 In addition to the MCSnox 2015 Loan Agreement, the Company entered into a separate agreement with MCSnox dated November 2, 2016 (the “**MCSnox 2016 Loan Agreement**”, and together with the MCSnox 2015 Loan Agreement, the “**MCSnox Loan Agreements**”) which includes the following terms:

- a) Purpose – to complete the first Pond algae bioreactor installation at St. Mary’s Cement, Leaside, ON and for working capital purposes;
- b) Principal – \$2,000,000 due upon maturity, or if borrower completes an equity financing greater than the principal amount, or on an event of default;

c) Interest – 11% due on demand;

d) Maturity – November 7, 2029;

(the “**MCSnox 2016 Loan**”, together with the MCSnox 2015 Loan, the “**MCSnox Loans**”).

314 The MCSnox Loans were assigned to the Mortgage Fund, pursuant to an assignment agreement dated November 2, 2016.

315 According to the books and records of the Company, the most recent interest payment received by the Mortgage Fund with respect to the MCSnox 2016 Loan was received in December 2016.

316 On October 26, 2017, A&B, on behalf of the Receiver, issued a default and demand letter (the “**MCSnox Default & Demand Letter**”) to MCSnox which, among other things, advised of:

a) the Receiver’s formal demand for payment of the interest owing under the MCSnox Loans, which as at September 30, 2017 totaled \$198,181;

b) MCSnox’s failure to provide the information requested by the Receiver on May 18, 2017 and June 7, 2017 in connection with the MCSnox Loan Agreements, constituting an Event of Default under each of the MCSnox Loan Agreements; and

c) the Receiver’s request that MCSnox provide its most recent review engagement report, as required under the MCSnox Loan Agreements.

A copy of the MCSnox Default & Demand Letter is attached hereto as **Appendix “55”**.

317 On November 3, 2017, A&B, on behalf of the Receiver, issued a subsequent default notice (the “**MCSnox Second Default Notice**”) to MCSnox and Clydesdale which advised MCSnox that it had failed to remit payment of the accrued interest under the MCSnox Loans as demanded in the MCSnox Default & Demand Letter and that such failure was an Event of Default under each of the MCSnox Loan Agreements. As at the date of this Second Report, the defaults specified in each of the above-noted letters have not been cured. A copy of the MCSnox Second Default Notice is attached hereto as **Appendix “56”**.

318 On November 13, 2017, A&B, on behalf of the Receiver, issued a demand letter (the “**MCSnox Demand Letter**”), making formal demand on MCSnox for repayment of the entire indebtedness outstanding under the MCSnox Loan Agreements, and enclosing a BIA Notice. A copy of the MCSnox Demand Letter is attached hereto as **Appendix “57”**.

MCSAB10 Inc.

319 The Company entered into a loan agreement among MCSAB (as borrower) and 4873 Ontario Corp (as guarantor), dated November 28, 2016 (the “**MCSAB Loan Agreement**”), which includes the following terms:

- a) Purpose – To finance up to 90% of the installed cost of a MCS COGEN MARK 6 CoEnergyPoD, to be deployed at the premises of Imaginea Energy Corp. located in Jenner, Alberta;
- b) Principal – \$2,600,000 due upon maturity (\$2,000,000 had been advanced);
- c) User Fees – 13% due monthly;
- d) Maturity – December 9, 2019;

(the “**MCSAB Loan**”).

320 The MCSAB Loan was assigned to the Sustainable Property Fund, pursuant to an assignment agreement with the Company dated December 9, 2016.

321 According to the books and records of the Company, no payments have been received by the Company or the Sustainable Property Fund with respect to the MCSAB Loan. As payments are required to be made paid monthly, non-payment is an Event of Default under the MCSAB Loan Agreement.

322 On October 26, 2017, A&B, on behalf of the Receiver, issued a default notice (the “**MCSAB Default Notice**”) to MCSAB, with a courtesy copy to 4873 Ontario, which, among other things, advised of:

- a) MCSAB’s failure to make the required payments when due under the terms of the MCSAB Loan Agreement, constituting an Event of Default thereunder;

- b) MCSAB's failure to provide the information requested by the Receiver on May 18, 2017 in connection with the MCSAB Loan Agreement, constituting an Event of Default;
- c) false representations and warranties made by MCSAB and 4873 Ontario with respect to the existence of certain competing security interests, constituting an Event of Default; and
- d) the Receiver's request that MCSAB provide its most recent review engagement report to the Receiver pursuant to Article 2 of the MCSAB Loan Agreement.

A copy of the MCSAB Default Notice is attached to this Second Report as **Appendix "58"**.

- 323 On November 13, 2017, A&B, on behalf of the Receiver, issued a demand letter (the "**MCSAB Demand Letter**"), making formal demand on MCSAB for repayment of the entire indebtedness outstanding under the MCSAB Loan Agreements, and enclosing a BIA Notice. A copy of the MCSAB Demand Letter is attached hereto as **Appendix "59"**.

4873 Ontario

- 324 As noted above, 4873 Ontario is a guarantor of the applicable debtor's obligations under each of the 1472 Loan Agreement and the MCSAB Loan Agreement.
- 325 On November 13, 2017, A&B, on behalf of the Receiver, issued a demand letter (the "**4873 Demand Letter**") making formal demand on 4873 Ontario for repayment of the entire indebtedness outstanding under each of the 1472 Loan Agreement and the MCSAB Loan Agreement. A copy of the 4873 Demand Letter is attached hereto as **Appendix "60"**.

Status of Demands

- 326 As at the date of this Second Report, none of the OOM Energy Group entities have responded to the OOM Demand Letters issued by the Receiver.

Examination of Clydesdale

- 327 As detailed in the First Report, on May 18, 2017, the Receiver conducted a call with Bill McKenzie ("**McKenzie**"), Clydesdale's counsel. During the call, McKenzie had little knowledge of the specifics surrounding the OOM Energy Group and the loans issued to same. Upon request for Clydesdale to provide documents related to the OOM Energy Loans, McKenzie advised that such documents would be provided after a written request

was issued, outlining the specific documents required by the Receiver. The Receiver issued a document request list concerning loans issued to the OOM Energy Group on June 7, 2017. As at the date of this Second Report, neither McKenzie nor Clydesdale have provided the documents requested.

- 328 As particularized above, Clydesdale has yet to respond to any of the Receiver's default notices, demands, or requests for information in respect of any of the OOM Energy Group entities, either personally or via his counsel, with the exception of the November 11, 2017 McKenzie Email which, as noted above, did not provide a substantive response or promise any corrective action. As the Receiver anticipates Clydesdale and his counsel will continue to be uncooperative, and as further background information is necessary to properly evaluate the Company's dealings with the OOM Energy Group and the scope of any possible recovery from same, the Receiver will be issuing a notice for Clydesdale to attend at an examination under oath in Toronto in due course.
- 329 In addition, the Receiver is requesting that this Court issue an Order compelling Clydesdale to produce the documents that have been requested by the Receiver on numerous occasions to better evaluate the Commercial Loans to the OOM Energy Group and the financial health of the underlying OOM Energy Group entities.
- 330 None of the foregoing is intended to waive or limit any remedies which may be exercised by the Receiver in connection with the enforcement of any of the Commercial Loans to the OOM Energy Group, or any rights of examination or production in connection therewith as already authorized by the Appointment Order.

1092545 B.C. Ltd. (Factoring Fund)

- 331 The 109 BC Promissory Note was assigned to the Factoring Fund pursuant to an assignment agreement with the Company dated November 9, 2016.
- 332 The 109 BC Promissory Note matured on the earlier of 90 days following the date it was made or the date that Century Energy Ltd. receives TSX.V approval to advance funds to 109 BC, at which point all principal and accrued interest became payable. The Company's books and records indicated that neither the principal nor interest had been paid.
- 333 The 109 BC Promissory Note provides that it is secured by a trust account deposit held by Morton Law LLC ("**Morton Law**"). The 109 BC Promissory Note states that: "*The*

current balance of the Morton Law trust account held for the Borrower is \$250,000 USD". Under the 109 BC Promissory Note, the Company is also entitled to 20% of US \$125,000 in shares of Century Energy Ltd. if and when that company acquires 109 BC (the "**Share Bonus**").

- 334 On October 26, 2017, A&B, on behalf of the Receiver, issued a demand letter (the "**109 BC Demand Letter**") to 109 BC, with a courtesy copy to Morton Law LLC, making formal demand for payment of US \$125,000 together with accrued interest and the Share Bonus, if applicable. A copy of the 109 BC Demand Letter is attached hereto as **Appendix "61"**.
- 335 Certain aspects of the background of the principal of 109 BC, Marcel Rada ("**Mr. Rada**"), provides some reason to be suspicious about the 109 BC Promissory Note. Particularly, Mr. Rada appears to have a history of engaging in similarly structured transactions in which investors are not repaid in full, as set out in the agreed facts of *Re Rada*, [2011] IIROC No. 27, a decision of the Investment Industry Regulatory Organization of Canada ("**IIROC**") discussed immediately below.
- 336 Mr. Rada was formerly a registered investment dealer. In response to enforcement efforts of IIROC, Mr. Rada entered into a settlement agreement, where he, amongst other things, admitted to engaging in off-book transactions, without the knowledge or consent of his employer, at least some of which (like the transaction between the Company and 109 BC) were structured as bridge financing, evidenced by promissory notes containing a share bonus. The indebtedness created by these transactions was never repaid in full, and Mr. Rada obtained a personal benefit from same. A copy of *Re Rada*, [2011] IIROC No. 27, is attached hereto as **Appendix "62"**.
- 337 On October 30, 2017, in a call with A&B, Mr. Rada acknowledged that the 109 BC Promissory Note was in fact overdue. Mr. Rada also stated that he is in the process of negotiating with the Guyanese government regarding certain mining permits, and that the success of these permits will affect how 109 BC repays the 109 BC Promissory Note.
- 338 A&B, on behalf of the Receiver, sent an email to Mr. Rada confirming that the call occurred and the facts noted in the previous paragraph. A&B requested that Mr. Rada provide documentary confirmation regarding the status of the required mining permits by November 3, 2017 and that a repayment proposal be delivered to the Receiver by November 15, 2017. On November 16, 2017, Mr. Rada telephoned A&B, advising that no

documentary evidence of any sort regarding mining permits was available, and that a repayment proposal would be delivered by November 21, 2017.

339 On November 22, 2017, Mr. Rada sent an email advising that 109 BC was insolvent, that it had a large amount of debt, and that there was no guarantee that the mining permits would be granted in a timely manner. Mr. Rada proposed to settle the 109 BC Promissory Note by way of one of the following payment options:

- a) US \$12,500 on or before January 30, 2018;
- b) US \$25,000 on or before April 30, 2018; or
- c) US \$37,500 on or before July 31, 2018.

In addition, Mr. Rada stated that:

"If one of [the above three options] options is not acceptable 1092545 BC Ltd will be forced into dissolution. It has no cash or assets. Only debt."

A copy of A&B's email correspondence with Mr. Rada is attached hereto as **Appendix "63"**.

340 Given Mr. Rada's confirmation that the balance of the 109 BC Promissory Note is likely not recoverable, A&B investigated the status of the trust deposit purportedly held by Morton Law as security. The response from Morton Law on November 22, 2017 was that *"we are not, and have not previously been, counsel to 1092545 BC. We do not hold any funds in trust for that entity."* A copy of A&B's letter to Morton Law of November 22, 2017, together with the response thereto, is attached as **Appendix "64"**.

Cinnos Mission Critical Corporation (Infrastructure Fund)

341 The Cinnos Promissory Note principal and interest is repayable on maturity, or convertible into preferred shares of Cinnos in the event of a qualified financing. The Receiver will continue to monitor the performance of this investment until its stated maturity date, being September 28, 2018.

Kanwal Developments Inc. (Mortgage Fund)

- 342 The Mortgage Fund entered into a Mortgage Participation & Service Agreement with Liberty Mortgage Services Ltd. ("**Liberty Mortgage**") dated June 17, 2008 (the "**Participation Agreement**"). Under the Participation Agreement, the Mortgage Fund participates in the sum of \$500,000 (the "**Kanwal Participation**") of a \$10,800,000 first mortgage to Kanwal (the "**Kanwal Mortgage**").
- 343 On October 27, 2017, the Receiver contacted Liberty Mortgage to obtain additional documentation to assess the underlying value of the principal and the potential impairment, if any, to the Kanwal Participation. The Receiver sent follow-up correspondence to Liberty Mortgage in this regard on October 31, 2017 and November 3, 2017.
- 344 As at the date of this Second Report, the Receiver has not received any documentation from Liberty Mortgage. The Receiver requests that this Court issue an Order compelling Liberty Mortgage to provide the documents requested by the Receiver on October 27, 2017.

US REAL ESTATE LP

- 345 As outlined in the First Report, the Hedge Fund and Factoring Fund cumulatively own 99.99% of 107 LP, an entity that has an indirect ownership interest in a number of rental properties located in the United States together with corporate and individual partners (collectively the structure is referred to as the "**US Real Estate LP**"). The Hedge Fund and Factoring Fund act as limited partners (the "**Limited Partners**") in the US Real Estate LP.
- 346 The remaining 0.01% ownership of 107 LP is held by 1076874 B.C. Ltd., an entity listed as the general partner which is owned by the following individuals:
- a) Alberto Storelli (Canadian) ("**Storelli**") – 51.0%;
 - b) Brian Peoples (USA) ("**Peoples**") – 24.5%; and
 - c) Joe Harker (USA) ("**Harker**") – 24.5%.

All or one of Storelli, Peoples, and Harker (collectively the “**General Partners**”) are listed as directors or officers in a majority of the entities included in the US Real Estate LP. The Receiver understands that Storelli is the directing mind of the US Real Estate LP and is a personal friend of Housego.

347 From June 6, 2016 to March 14, 2017, the Hedge Fund and Factoring Fund (as Limited Partners) invested US \$7,500,000 in the US Real Estate LP by way of unit purchases in 107 LP through subscription agreements (the “**Subscription Agreements**”).

348 The purpose of the US Real Estate LP is to acquire and develop real estate properties in the United States to subsequently earn rental income and proceeds from the possible and/or eventual sale of such properties. Through their investment in 107 LP, the Receiver understands that the Factoring Fund and Hedge Fund have an indirect minority ownership interest in the following properties held by the US Real Estate LP:

- a) 3961 Covington Highway, Decatur, Dekalb County, Georgia (“**The Parke on Covington**”);
- b) 3859 Austin Circle, Decatur, Dekalb County, Georgia (“**Wynhollow**”);
- c) 325 - 3rd Avenue SW, Birmingham, Alabama (“**Montevallo**”);
- d) 201 - 3rd Avenue SW, Birmingham, Alabama (“**King’s Manor**”);
- e) 922 Lawndale Drive, Tupelo, Mississippi (“**Tupelo**”); and
- f) 619 E. Groveland Parkway, Chicago, Illinois (“**Chicago #1**”).

(collectively referred to as the “**US Properties**”).

349 As outlined in its First Report, the Receiver had not been able to make direct contact with Storelli; however, it has had limited discussions with Storelli’s counsel, as detailed below.

INFORMATION REQUESTS AND UPDATES ON THE US PROPERTIES

350 On June 29, 2017, the Receiver conducted a call with Storelli’s counsel, to discuss, among other things: the status of the US Real Estate LP; the progress and status of the development of the US Properties; and additional documentation required by the

Receiver, including but not limited to the financial statements of the various entities in the US Real Estate LP.

351 On July 30, 2017, the Receiver obtained an update on the US Properties as at March 31, 2017:

- a) Chicago #1 – *“property was purchased on Nov 17, 2016; renovations only just started in Dec 2016.”*
- b) The Parke on Covington – *“property was purchased on Nov 10, 2016; renovations are 42% done (approx. \$433,000).”*
- c) Wynhollow – *“property was purchased on June 7, 2016; renovations are 62% done (approx. \$1,214,000).”*
- d) Montevallo – *“property was purchased on Aug 19, 2016 and subsequently refinanced on February 13, 2017 based on same value as the purchase price; renovations are 45% done (approx. \$1,714,500).”*
- e) Tupelo – *“property was purchased on March 17, 2017; renovation work just beginning.”*
- f) King’s Manor – *“property next door to Montevallo and was purchased on March 21, 2017; currently preparing for renovations.”*

352 In addition, the Receiver obtained the consolidated notice to reader financial statements for 107 LP for the year ended December 31, 2016; the information is outdated and irrelevant given the events that occurred after December 31, 2016.

353 As at the date of this Second Report, the Receiver has not received financial information for DaVinci Capital Property, Inc. (“**DVCP**”), a Nevada corporation which has an indirect ownership interest in each of the US Properties, nor any of the special purpose entities (“**SPEs**”) that purchased the US Properties. Storelli’s counsel has represented that such information will be provided to the Receiver after the SPE’s year end of December 31, 2017.

354 On August 31, 2017, the Receiver obtained additional information on the US Properties, excluding Chicago #1, from an anonymous investor in the Crystal Wealth Funds. A copy of the additional information provided is attached hereto as **Appendix “65”**.

355 On September 18, 2017, after the Receiver's request, Storelli's counsel provided an update on the US Properties⁷:

- a) Chicago #1 – *"1 out of the 6 units are currently occupied. There has not been a press to fill the units due to the pending renovations of the building. We had architects/plans in progress but they were put on hold due to a change of direction by Rothbury from a condo conversion to long term rentals."*
- b) The Parke on Covington – *"Renovations are approximately 90% complete. The property is currently 78% leased."*
- c) Wynhollow – *"Renovations are approximately 65% complete. 47% leased, 94% leased when excluding down units."*
- d) Montevallo – *"We are currently punching out the first two buildings (20 total units) and will have them ready for occupancy in the next two weeks pending final city approvals. Another 36 units will be delivered in blocks of six over the next 30 days for a total of 56 units, which will complete Phase I of III of the rehab. Phase II is currently underway and is approximately 50% complete. Phase III has not yet commenced."*
- e) Tupelo – *"Project on hold. In negotiations with City of Tupelo to purchase. Due to their desire to own the property, they are putting up road blocks on our renovations. We have engaged local counsel to help out here."*
- f) King's Manor – *"The property was 100% leased when we bought it to tenants paying just \$225 per month in rent. We immediately began de-leasing the property in order to commence renovations and bring the rents up to current market levels. We are down to eight tenants and have commenced renovations and expect to be fully complete within the next 90-days. Exterior renovations are underway while we vacate the property."*

ISSUES OBTAINING INFORMATION CONCERNING US REAL ESTATE LP DURING THE SALES PROCESS

356 As discussed in detail below, during the Sales Process, the Receiver coordinated calls with the potential managers and the various third party service providers involved in the

⁷ The update on the Chicago #1 property was provided to the Receiver on November 10, 2017 after numerous follow-up emails and correspondence.

administration of the Crystal Wealth Funds including but not limited to Xynergy, Spectrum, IFDS, and Frontline. The purpose of these calls was for the potential managers to perform the required due diligence on particular investments and to determine if they would continue operating under the various third party contracts entered into by the Crystal Wealth Group.

357 On September 18, 2017, the Receiver requested that Storelli and/or his counsel provide times that would be suitable to arrange a call with the potential managers, the Receiver, and any of the General Partners.

358 On September 22, 2017, Storelli's counsel advised that prior to a call being conducted, the potential managers would have to execute a non-disclosure agreement ("**NDA**") that Storelli's counsel prepared, despite the fact that the potential managers had already executed a confidentiality agreement with the Receiver as part of the Sales Process.

359 On September 26, 2017, A&B, on behalf of the Receiver, advised Storelli's counsel that the potential managers had already executed the confidentiality agreement provided for in the Sale Process, and were therefore already subject to an obligation to keep all information they receive confidential. A&B also advised Storelli's counsel that the Receiver cannot entertain the imposition of further levels of confidentiality on the process, as doing so is both unnecessary and would result in additional unnecessary costs and delay.

360 On September 26, 2017, Storelli's counsel responded stating that the Limited Partners:

"...are merely limited partners in [107 LP] that owns a minority interest stake in [US Real Estate LP] and are entitled to information pursuant to the partnership agreement and it is up to those funds as to what they do with that information. As to any third parties, the partnership is under no obligations to disclose and although my client wishes to cooperate, in the interests of safeguarding information as to the majority interest holders requires an NDA of third parties who wish to obtain information. We await the signed NDA."

361 A conference call between the potential managers and the General Partners accordingly did not proceed.

CONCLUSION

- 362 As noted in Storelli's counsel's email on September 26, 2017, the Limited Partners own a minority interest in the US Real Estate LP. In addition, as preferred shareholders, it appears that the Limited Partners have no security over the assets of 107 LP and/or the various US Real Estate LP entities. As a preferred shareholder, the Receiver, on behalf of the Limited Partners, has no recourse other than to continue to monitor the development of the US Properties and the US Real Estate LP's compliance with the Subscription Agreements and other relevant agreements governing the US Real Estate LP.
- 363 On September 22, 2017, Storelli's counsel indicated that the other owners of the US Properties are potentially interested in acquiring 107 LP's interests in same for cash and/or units of a different limited partnership which intends to become listed on the TSX Venture Exchange by June 30, 2018. The Receiver has not declined nor indicated an interest in pursuing this option as this time. The Receiver plans to update the Court and investors accordingly in subsequent reporting.
- 364 As outlined previously, given the broad nature of the Hedge Fund investment objective it is unclear if the investment in the US Real Estate LP would comply with the Hedge Fund's OM. It is the Receiver's view that the Factoring Fund's investment in the US Real Estate LP is outside of the scope of the Factoring Fund's investment objective as outlined in its OM. The non-disclosure of such an investment is a misrepresentation to investors investing into a fund by which the OM stated that they are to be invested primarily in factoring receivable agreements whereby traditional receivables are being purchased from Merchants.

MEDICAL FACTORING CONTRACTS

- 365 As outlined in the First Report, the Medical Fund invests in Medical Factoring Contracts which are administered by Xynergy Medical Capital LLC ("**Xynergy**"). Similar to the Factoring Contracts, Xynergy enters into contracts to purchase healthcare receivables (after purchase, invoices are referred to as "**Purchased Medical Receivables**") from operating businesses in the United States ("**Clients**") for a discount and service fees. The Purchased Medical Receivables are assigned to Xynergy who ultimately collects the invoice value. Unlike the Factoring Contracts, the Medical Factoring Contracts are not

entered into between the Clients and the Medical Fund but rather a participation in the agreements between Xynergy and the Client is purchased by the Medical Fund.

- 366 Xynergy and the Medical Fund entered into a Master Medical Receivables Purchase and Administration Agreement on March 31, 2016 (the “**MMRPAA**”) which essentially gives the Medical Fund the opportunity to purchase participations in Xynergy’s Medical Factoring Contracts with various Clients (defined therein). Under the MMRPAA, Xynergy administers the Medical Factoring Contracts.

SALE OF THE GEODATA BALANCE

- 367 As noted in the First Report, on June 20, 2017, Xynergy put forth a revised offer to acquire the Medical Fund’s participation in the balance of invoices related to a client, GeodataPR International, Inc. (“**Geodata**”) (the “**Geodata Participation**”), for US \$684,313 (100% of the balance of the Geodata accounts receivable).
- 368 On July 10, 2017, the Receiver and Xynergy executed a bill of sale where Xynergy re-acquired the Geodata Participation for US \$684,313. The Receiver received the funds on July 12, 2017.

CURRENT MEDICAL FACTORING CONTRACTS

- 369 After the sale of the Geodata Participation, the Medical Fund currently has balances owing under the following two (2) executed participation agreements:
- a) a participation agreement dated August 22, 2014 between the Medical Fund and Xynergy for a participation in Unlimited Prosthetics, Inc.’s (“**UPI**”) accounts receivable and 33.94% of the factoring fees (the “**UPI Participation**”); and
 - b) a participation agreement dated March 31, 2016 between the Medical Fund and Xynergy for a participation in Servicios de Salud Integrada, CSP’s (“**SSI**”) accounts receivable and 70% of the factoring fees (the “**SSI Participation**”).

Unlimited Prosthetics, Inc.

- 370 Xynergy has advised that UPI went into default in June 2015 and ceased paying the balance owed under the factoring agreement between Xynergy and UPI dated April 3, 2013. In email correspondence from Xynergy to Smith which has been obtained by the

Receiver, Xynergy had indicated that after June 2015, the account balance was US \$257,194, of which US \$197,271 were funds advanced to UPI by the Medical Fund (i.e. the principal balance) and US \$59,923 were accrued fees. Per the UPI Participation, accrued fees are split 66.06% (US \$39,585) and 33.94% (US \$20,338) to Xynergy and the Medical Fund, respectively.

- 371 On January 12, 2016, after litigation efforts against UPI were pursued, Xynergy entered into a settlement agreement with UPI and Erika Sanchez (as guarantor) for a settlement of the account balance for US \$215,000 (the “**UPI Settlement**”) (the “**UPI Settlement Agreement**”). Under the UPI Settlement Agreement, UPI was to repay the UPI Settlement as follows: (i) US \$500 immediately; (ii) US \$6,500 before January 27, 2016; and (iii) payments of US \$7,000 on the 27th of each month thereafter until the UPI Settlement is paid in full. Of the UPI Settlement, approximately \$181,909 is owing to the Medical Fund and \$33,091 is owing to Xynergy.
- 372 As at the date of this Second Report, there have been a total of 21 payments totaling US \$147,000. As a result, the account balance for UPI is US \$68,000, consisting of nine (9) payments to be received. Xynergy has concerns if the remaining payments will be received.

Servicios de Salud Integrada, CSP

- 373 SSI is located in Puerto Rico and is engaged in the business of supplying radiology technicians to hospitals and clinics in the San Juan Municipality. All invoices are issued to and paid by the San Juan Municipality (i.e. the underlying debtor).
- 374 On March 27, 2013, Xynergy entered into a medical receivables factoring agreement with SSI under which a US \$600,000 medical factoring facility was provided (“**SSI Factoring Agreement**”).
- 375 As noted in the First Report, Xynergy is obligated to purchase eligible Medical Receivables under the SSI Factoring Agreement. The Receiver has continued to allow Xynergy to purchase Medical Receivables from SSI using the designated SSI cash balance held in trust by Xynergy on behalf of the Medical Fund. Since the commencement of the Receivership to October 31, 2017, the average balance owing from SSI has been approximately US \$285,000, including fees owed to the Medical Fund.

- 376 The current state of Puerto Rico, as a result of Hurricane Irma and Hurricane Maria, has caused a significant delay in the payment of outstanding invoices by the San Juan Municipality. Xynergy has advised the Receiver that, after speaking with SSI and the San Juan Municipality, the situation in Puerto Rico will result in lengthy delays in receiving payments of outstanding invoices from San Juan Municipality, however, such payments are ultimately expected.
- 377 As at October 31, 2017 the balance outstanding from SSI is approximately US \$293,324 including factoring fees consisting of \$277,513 and \$15,811 owed to the Medical Fund and Xynergy, respectively. Xynergy continues to correspond with the Receiver and provide updates on the SSI balance as requested.

NFL PARTICIPATION AGREEMENTS

- 378 On August 29, 2013, the National Football League (the “**NFL**”) agreed to pay \$765 million to settle a lawsuit brought by more than 4,500 players and their families to provide medical help to more than 18,000 former players suffering from severe neurological conditions or who could potentially suffer from such conditions in the future. After subsequent hearings and appeals, the Settlement became effective on January 7, 2017 (the “**NFL Settlement Agreement**”).
- 379 KrunchCash LLC (an entity associated with Xynergy) (“**KrunchCash**”) entered into various funding agreements (the “**NFL Funding Agreements**”) with NFL players (the “**NFL Players**”) who had made claims (the “**NFL Player Claims**”) under the NFL Settlement Agreement. Under the NFL Funding Agreements, KrunchCash would advance funds to certain NFL Players for a portion of the value of the NFL Player Claims and would charge a stated factoring fee on such an advance.
- 380 In March 2016, under the MMRPAA, the Medical Fund began entering into participation agreements to purchase a stated percentage in the NFL Funding Agreements between certain NFL Players and KrunchCash (the “**NFL Participation Agreements**”), which participations were effected through the execution of assignment agreements. Under the NFL Participation Agreements, the Medical Fund would advance funds toward the participation and would earn a stated factoring fee. The factoring fee and initial advance under each NFL Participation Agreement is to be repaid to the Medical Fund as each NFL Player Claim is paid by the NFL.

- 381 As at the date of the Receiver's appointment, the Medical Fund entered into a total of 26 NFL Participation Agreements totaling US \$4,318,359 consisting of principal advances of US \$3,824,240 and accrued fees owed to the Medical Fund of US \$247,060.
- 382 In July 2017, four (4) of the NFL Participation Agreements totaling US \$662,500 in principal and US \$104,374 in accrued fees, half of which fees were owing to Xynergy, were paid out through refinancing obtained by the respective NFL Players. The total amount remitted to the Medical Fund was US \$714,687 (i.e. US \$662,500 in principal plus US \$52,187 in accrued fees)
- 383 As at October 31, 2017, there are currently 22 NFL Participation Agreements outstanding with a total value of US \$3,908,286 consisting of principal advances of US \$3,161,740 and accrued fees owed to the Medical Fund of US \$373,273. A summary of the NFL Participation Agreements outstanding as at October 31, 2017 is attached hereto as **Appendix "66"**.
- 384 On November 10, 2017, Xynergy advised that it was served with a subpoena from a New York court regarding complaints made by NFL Players for bad practices of financial institutions with respect to the purchase of all or a portion of NFL Player Claims (i.e. charging egregious fees to NFL Players). Xynergy advised that this is currently being handled by its legal counsel who has advised Xynergy that nothing significant should come of the subpoena as Xynergy's fees are fair. The Receiver has requested additional information regarding the issued subpoena.
- 385 With respect to the timing of payment, Xynergy advised that the timing of payments of the NFL Player Claims is expected to be in the first quarter of 2018, however, due to a recent court action and the backlog of NFL Player Claims required to be reviewed and audited by the claims manager, such payments could be delayed. The Receiver understands that the deadline by which NFL Player Claims were to be submitted to the NFL pursuant to the NFL Settlement Agreement was August 7, 2017.

DISCLOSURE OF THE NFL PARTICIPATION AGREEMENTS BY THE COMPANY

- 386 No reference is made in the Medical Fund OM, the Medical Fund Strategy Overview document contained on the Company's website, or in any other marketing material distributed to investors of the Medical Fund, concerning the Medical Fund's position and/or

investment process for investing in the NFL Funding Agreements through the NFL Participation Agreements. Copies of the Medical Fund OM and Medical Fund Overview document are attached hereto as **Appendix “67”** and **Appendix “68”**, respectively.

387 As outlined in the First Report, the Medical Fund’s investment objective is to

“...generate a high level of interest income with minimal volatility...by investing in U.S. medical receivables factoring facilities contracts (MRFFCs).”

388 Furthermore the Investment Strategy section of the Medical Fund’s OM states that:

“MRFFCs are financing structures designed to assist health care clinics, hospitals, doctors and other health-care practitioners (Medical Providers) in the United States and/or its territories to meet their immediate cash flow needs while awaiting collection of receivables for medical services that they have performed.”

389 The Medical Fund OM goes on to further discuss the process of the underwriting and purchasing of receivables from Medical Providers (defined in paragraph 365 above as Purchased Medical Receivables), but makes no mention of its investment in NFL Funding Agreements, which in the Receiver’s view would not be included in a reasonable investor’s definition of Purchased Medical Receivables.

390 The Receiver is of the view that the failure to disclose the NFL Participation Agreements, an investment that encompasses approximately 74.96% of the Medical Fund’s NAV (as at April 20th, 2017), is a gross misrepresentation to investors.

RESIDENTIAL MORTGAGES

BACKGROUND

391 As at the date of the Appointment Order, the Mortgage Fund, High Yield Mortgage Fund, and Sustainable Property Fund (collectively, the “**Mortgage Related Funds**”) held a total of 191 investments in first, second, or third ranking non-conventional residential mortgages administered by third parties (“**Residential Mortgages**”). 189 of the Residential Mortgages (\$18,813,884) are administered by a third-party, Spectrum Canada Mortgage Services Inc. (“**Spectrum**”) (the “**Spectrum Mortgages**”), while the remaining two (2) Residential Mortgages (\$196,000) were administered by Squire Management Inc.

(“Squire”) (the “Squire Mortgages”).

- 392 On June 23, 2017, the Receiver accepted Squire’s offer to acquire the Squire Mortgages for proceeds of \$197,526. The proceeds included the entire principal value of the Squire Mortgages in the sum of \$196,000, plus accrued interest of \$1,526 to June 23, 2017.

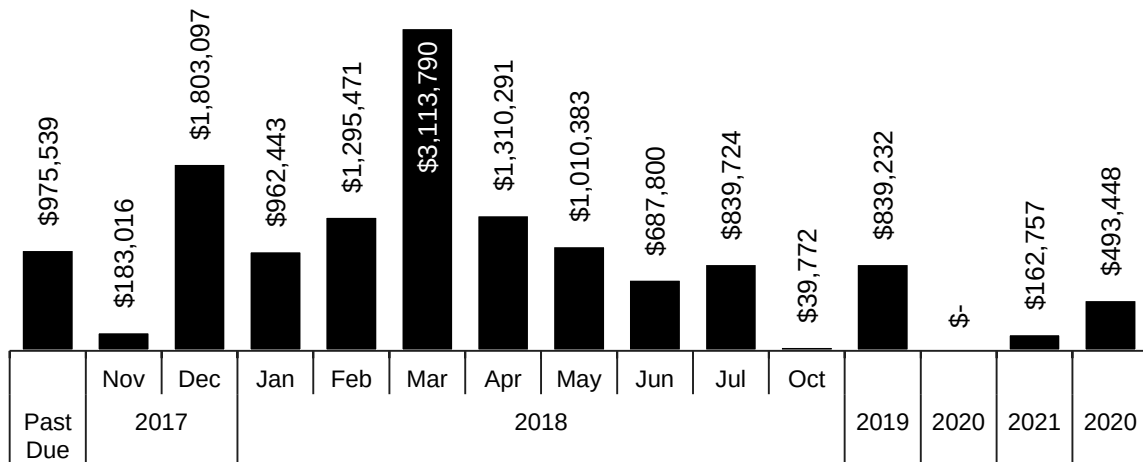
THE RECEIVER’S FINDINGS

- 393 Most of the Residential Mortgages are performing as the underlying mortgagors continue to remit their required payments. As at October 31, 2017, a total of three (3) Residential Mortgages totaling approximately \$654,483 in balances owing were in a default position and are currently undergoing foreclosure proceedings. Based on the information currently available, Spectrum has advised that a portion of these balances is expected to not be collected.
- 394 As at October 31, 2017, the number of Spectrum Mortgages has reduced to 146 with a cumulative balance owing of \$13,577,540 held in the following Mortgage Related Funds:

Fund	Residential Mortgages	Balance Owing	Average Loan to Value
Mortgage Fund	109	\$ 10,692,960	60.59%
High Yield Mortgage Fund	33	1,490,165	77.98%
Sustainable Property Fund	4	1,394,415	69.55%
Total	146	\$ 13,577,540	64.58%

- 395 The Receiver has instructed Spectrum to encourage the pay-out of Spectrum Mortgages upon renewal to avoid the continued renewal of same. If pay-out is not possible, the Residential Mortgages are being renewed on a six month basis at a modestly higher interest rate with the goal of a payout being made at the end of such renewal(s). The following chart demonstrates the balances owing of Residential Mortgages as at October 31, 2017 based on their respective maturity dates:

Residential Mortgages: Maturity Distribution



396 The Receiver anticipates the wind-down of the Mortgage Related Funds will occur in an orderly manner based on the renewal/payout strategy discussed above.

397 As outlined in the chart above, there are Residential Mortgages totaling \$975,539 which are considered “past due”; this balance is made up of five (5) Residential Mortgages (the “**Non-Performing Mortgages**”). For each of the Non-Performing Mortgages, Spectrum has continued to keep the Receiver apprised of the actions taken by Spectrum or its agents in each case. The Non-Performing Mortgages consist of four (4) Residential Mortgages which are at various stages of foreclosure proceedings or litigation.

CONCLUSION AND RECEIVER’S NEXT STEPS CONCERNING THE RESIDENTIAL MORTGAGES

398 As at the date of this Second Report, the Receiver is confident that a continued orderly wind-down of the Residential Mortgage portfolio with the assistance of Spectrum will yield successful recovery for a majority of the Residential Mortgage investments. As the Residential Mortgages continue to expire, the Receiver expects that most mortgagors will be able to obtain refinancing to payout their balances owing to the Mortgage Related Funds; similar to what has been occurring since the Appointment Order. Notwithstanding the above, the Receiver expects that there will be a small number of mortgagors who cannot obtain refinancing and therefore may possibly require a short-term renewal from the Mortgage Related Funds until such refinancing can be obtained.

PRIVATE EQUITIES AND PRIVATE WARRANTS

- 399 As outlined in the First Report, certain of the Crystal Wealth Funds contained: (i) equity investments in companies whereby the securities were obtained through private placements or direct purchases and are not traded on active market exchanges and therefore are not readily saleable (“**Private Equities**”); and (ii) warrant options for the purchase of shares in such companies at a stated price (“**Private Warrants**”).
- 400 Private Equities held in the Crystal Wealth Funds are obtained primarily through private placements or through direct purchases from persons who independently held the Private Equities. These investments are not actively traded in external markets and are not easily valued or realizable. The Receiver continues to review documentation and correspond and/or meet with the issuers with respect to these investments to develop a monetization strategy.
- 401 The Private Equities and Private Warrants are held by the Conscious Capital Fund and consist of:
- a) Private Equity – 336,571 common shares in Pond with a Recorded Cost of \$1.33 per share; and
 - b) Private Warrants – 212,040 “Units” issued by Pond whereby each Unit is convertible into:
 - i) one (1) Common Share in the capital of Pond (i.e. 212,040 shares in Pond); and
 - ii) one (1) warrant to purchase one common share of Pond at a strike price of \$2.50 per share exercisable at any time on or before November 1, 2018.
- 402 As such Private Equities and Private Warrants are the sole investments held by the Conscious Capital Fund, no monies are accordingly available for an interim distribution to investors of this Fund.

CREDITOR CLAIMS PROCEDURE

- 403 The Creditor Claims Procedure Order issued June 30, 2017 approved, among other things, the procedure (the “**Creditor Claims Procedure**”) for determining and resolving claims filed by creditors against the Crystal Wealth Group, with the exception of investor claims arising from or relating to their investments in the Crystal Wealth Group (including the Crystal Wealth Funds). Complete details of the Creditor Claims Procedure are set out in the Creditor Claims Procedure Order.
- 404 On June 30, 2017, a copy of the Creditor Claims Procedure Order (together with all schedules) was posted on the Case Website.
- 405 On July 5, 2017, the Receiver sent a Claims Package and an instruction letter to each of the 34 Known Creditors via regular mail (as such terms are defined in the Creditor Claims Procedure Order). In addition, the Receiver provided a Claims Package to parties that requested same prior to the Claims Bar Date of August 3, 2017.
- 406 On July 10, 2017, a notice of the Creditor Claims Procedure was published in the national edition of *The Globe and Mail*.

RESULTS OF THE CREDITOR CLAIMS PROCEDURE

- 407 As at the Claims Bar Date, 26 persons or entities filed claims totaling \$16,227,134 against the following Crystal Wealth Group entities:
- a) the Company and/or the Crystal Wealth Funds – \$2,251,071;
 - b) Media Fund – one (1) claim for \$21,913;
 - c) Mortgage Fund – one (1) claim for \$298,191;
 - d) CLJ Everest – three (3) claims totaling \$1,105,324; and
 - e) Smith – six (6) claims totaling \$12,550,635.
- (collectively, the “**Filed Claims**”).
- 408 The Filed Claims consisted of claims filed by, among others: (i) third party fund

administrators and service providers; (ii) trade vendors; (iii) former employees of the Company; and (iv) former investment advisors independently contracted by the Company. The Receiver is currently conducting a detailed review of the Filed Claims and has yet to make a determination of accepting or disallowing all or part of each claim, except with respect to the Amended BDO Claim (as defined and discussed in the section immediately below).

- 409 A listing of the Filed Claims is attached hereto as **Appendix “69”**. A further report to the Court to be issued by the Receiver on a subsequent motion will address the Receiver’s evaluation of the Filed Claims. As indicated above, the Receiver has set aside the appropriate reserve on account of the Filed Claims, in the event they were to be approved in full.

THE AMENDED BDO CLAIM

- 410 Included in the Filed Claims was an unsecured claim of \$511,101 (the “**Audit Fees**”) against the Company and each of the Crystal Wealth Funds which was filed on July 26, 2017 by BDO, the auditor of the Company and the Crystal Wealth Funds prior to the Receiver’s appointment (the “**Initial BDO Claim**”). The Initial BDO Claim was for work performed by BDO in preparing the audited financial statements for the year ended December 31, 2016 and for the preparation of certain tax filings.
- 411 On August 23, 2017, the Receiver received a letter (the “**August 23, 2017 Letter**”) from BDO’s legal counsel, Blake, Cassels & Graydon LLP (“**Blakes**”), which enclosed an amended proof of claim and which revised the claim of BDO to \$180,796,338 (the “**Amended BDO Claim**”). A copy of the Amended BDO Claim is attached hereto as **Appendix “70”**.
- 412 In addition to the Initial BDO Claim for Audit Fees, the Amended BDO Claim included additional claims for the following:
- a) invoices rendered by BDO’s counsel, Blake, Cassels & Graydon LLP (“**Blakes**”), for its representation in connection with certain regulatory proceedings commenced by the OSC in respect of the Crystal Wealth Group, and certain anticipated legal fees to complete BDO’s representation in the proceedings commenced by the OSC – \$285,237 (the “**Blakes’ Fees Indemnity Claim**”);

- b) the amount claimed against BDO in a Statement of Claim issued on July 20, 2017 (the “**Proposed Class Action**”) by a Plaintiff, Anthony Whitehouse (“**Whitehouse**”), who is an investor in certain of the Crystal Wealth Funds. The Statement of Claim (bearing Court File No. CV-17-579357) is issued pursuant to the *Class Proceedings Act, 1992*, and is a proposed class action lawsuit against BDO by investors of certain Crystal Wealth Funds, seeking damages for negligence in the sum of \$150,000,000, and an additional \$25,000,000 in punitive damages. Whitehouse is accordingly the proposed representative plaintiff. To the Receiver’s knowledge, the Statement of Claim has yet to be served on BDO, and a certification motion has yet to take place – \$175,000,000 (the “**Class Action Indemnity Claim**”); and
- c) estimated legal fees for BDO’s defence of the Proposed Class Action– \$5,000,000 (the “**Estimated Defence Fees Indemnity Claim**”).

413 In support of the claims advanced by BDO in the Amended BDO Claim, BDO relies upon the appointment letter agreement between BDO and the Company dated December 21, 2016 (the “**Appointment Letter**”).⁸ The Appointment Letter stipulates that the Company agreed to:

- a) At s. 8.3: *“reimburse us for our time and expenses, including reasonable legal fees, incurred in responding to any investigation that is requested or authorized by you or investigations of you undertaken under government regulation or authority, court order, or other legal process”; and*
- b) At s. 12.1 *“...indemnify and hold harmless BDO from and against all losses, costs (including solicitors’ fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of a misrepresentation by a member of your management or board of directors...[and] the services performed by BDO pursuant to this Agreement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the gross negligence of BDO...”*.

414 BDO claims that pursuant to s. 8.3 and 12.1 of the Appointment Letters, BDO has a valid

⁸ In addition to the Appointment Letter, similar standard-form appointment letter agreements (collectively, the “**Appointment Letters**”) were entered into with each of the Crystal Wealth Funds. BDO provided the individual appointment letter agreements to the Receiver upon request, which BDO is also relying upon in support of the BDO Amended Claim.

claim for Blakes' Fees Indemnity Claim, the Class Action Indemnity Claim, and the Estimated Defence Fees Indemnity Claim.

415 Rather than embark on a costly and time consuming adversarial process vis-à-vis BDO with respect to Amended BDO Claim, which would have hindered the Receiver's efforts in seeking timely interim distributions to investors on this motion, the Receiver has secured BDO's agreement to abandon its Class Action Indemnity Claim in its entirety, in exchange for the Receiver's agreement to admit the BDO Invoice Claim and the Blakes' Fees Indemnity Claim. In eliminating the BDO Class Action Indemnity Claim, the Receiver has eliminated the risk that distributions to investors of the Crystal Wealth Funds which are the subject of the Proposed Class Action may not have been permitted to be made as a result of the Class Action Indemnity Claim and the significant potential liability arising therefrom to the subject Funds. The Receiver has further secured BDO's agreement that BDO shall not make any further claims, or amendments to claims, of any nature or kind, and in any proceeding or forum, as against any Crystal Wealth Group entity, including, without limitation, as against any of the Crystal Wealth Funds or against Crystal Wealth Management System Limited. The sole exception to the foregoing is that, in the event the Receiver were to commence an Ontario Superior Court of Justice action as against BDO, BDO shall be permitted to defend the action, and assert contributory negligence as against the Crystal Wealth Group entities, or any of them, should BDO elect to do so. Attached hereto as **Appendix "71"** is the email exchange between A&B and Blakes (the "**BDO Agreement**") setting out the terms of the agreement reached by the Receiver and BDO to resolve the BDO Amended Claim and any and all future claims of BDO as against the Crystal Wealth Group.

416 The Receiver's agreement to admit the BDO Invoice Claim and the Blakes' Fee Indemnity Claim arises from the terms of BDO's Appointment Letters (described in paragraph 413 above) which were executed by the Crystal Wealth Funds and the Company prior to the Receiver's appointment, and the Receiver's determination, following its review of the BDO invoices and the accounts of its counsel that are the subject of the BDO Invoice Claim and of the Blakes' Fees Indemnity Claim, that such fees are reasonable. The anticipated legal fees included in Blakes' Fees Indemnity Claim are less than the actual fees incurred, as noted by the Receiver during its review. No additional allowance above and beyond the quantum set out in the Blakes' Fees Indemnity Claim is being admitted by the Receiver for this claim.

- 417 Primarily, the Receiver's agreement to admit the BDO Invoice Claim and the Blakes' Indemnity Claim at this juncture was concluded in order to enable the Receiver to make timely interim distributions to investors, while eliminating the Class Action Indemnity Claim which, if allowed, could have otherwise been in excess of all assets and monies held by the Crystal Wealth Group and could therefore have had a devastating impact on investor recovery. The BDO Agreement further prevents any further or future claims being made by BDO as against the Crystal Wealth Group entities, except as specifically provided for in paragraph 415 above, and as outlined in the paragraph immediately below.
- 418 The Receiver has expressly reserved its position to BDO that, in allowing the BDO Invoice Claim, the Receiver is not acknowledging the quality of services provided by BDO to the Crystal Wealth Funds and the Company. The Receiver has agreed to reserve \$1,000,000 on account of BDO's Estimated Defence Fees Indemnity Claim, while reserving the Receiver's rights to deny and contest that indemnity claim at a later date.

THE PROPOSED CLASS ACTION

- 419 The Statement of Claim, enclosed with the Amended BDO Claim, outlines that Whitehouse is claiming for, among other relief:
- a) an order certifying the Class Action Proceeding (as defined in the Statement of Claim) and appointing Whitehouse as representative Plaintiff on his own behalf and on behalf of the Class (as defined in the Statement of Claim);
 - b) a declaration that BDO had a duty of care to the Class which it breached by negligently performing its professional services causing damages (as described in the Statement of Claim);
 - c) damages for negligence in the sum of \$150,000,000; and
 - d) punitive damages of \$25,000,000.
- 420 The Statement of Claim asserts that damages to the Class were a result of BDO's negligence in performing the audits to which the Class relied on when purchasing units in the following Crystal Wealth Funds:
- a) Mortgage Fund;

- b) Media Fund;
- c) Resource Fund;
- d) High Yield Mortgage Fund;
- e) Factoring Fund;
- f) ACM Income Fund;
- g) Medical Fund;
- h) ACM Growth Fund;
- i) Bullion Fund; and
- j) Retirement Fund;

(collectively, the “**Class Action Funds**”)

421 Based on the April 20th Package and the table included in **Appendix “12”**, the Class Action Funds had a total Recorded Value of approximately \$159,928,046 consisting of:

- a) Cash in the amount of \$2,355,368;
- b) On-Book Assets with a Recorded Value of \$44,403,183;
- c) Off-Book Assets with a Recorded Value of \$115,156,579; and
- d) Accruals with a Recorded Value of **negative** \$1,987,083.

422 As has been detailed throughout this report, the Recorded Value of the NAV of these Funds was materially overstated by the Company, such that the Amended BDO Claim vastly exceeds the assets of the Company and of the Crystal Wealth Funds.

SALES PROCESS

423 In the First Report, the Receiver recommended to the Court that the Receiver conduct a sales process (the “**Sales Process**”) for certain Crystal Wealth Funds in a manner in which:

- a) potential bidders may make an offer to purchase the investments from one or more of the Crystal Wealth Funds (the “**Potential Bidders**”) (an offer submitted by a Potential Bidder is referred to herein as a “**Purchase Offer**”); and/or
- b) potential managers may present an offer to assume the management of one or more of the Crystal Wealth Funds’ investment activities and assume the Company’s position and duties to investors (the “**Potential Managers**”) (an offer submitted by a Potential Manager is referred to herein as a “**Management Offer**”).

Additional details with respect to the Sales Process are outlined in the First Report.

424 Prior to the commencement of the Sales Process, the Receiver had compiled a list of 15 entities who had indicated that they had an interest in either submitting a Purchaser Offer and/or Management Offer (collectively, the “**Initial Interested Parties**”).

425 On July 12, 2017, the Receiver distributed a solicitation letter (the “**Solicitation Letter**”) to the Initial Interested Parties to: (i) confirm their interest, (ii) provide background on the Crystal Wealth Funds which were the subject of the Sales Process (the “**Listed Funds**”)⁹; and (iii) outline the conditions and terms of the Sales Process. A copy of the Solicitation Letter is attached hereto as **Appendix “72”**.

426 In addition to the Solicitation Letter, a confidentiality agreement (the “**Confidentiality Agreement**”) was provided to the Initial Interested Parties. The Confidentiality Agreement was required to be executed and returned to the Receiver in order for Initial Interested Parties to receive a confidential information memorandum prepared by the Receiver (the “**Confidential Information Memorandum**”) and to access the electronic data room

⁹ The Retirement Fund, Resource Fund, ACM Income Fund, ACM Growth Fund, and Sustainable Dividend Fund were not subject to the Sales Process, given that the assets of these Funds were comprised of only cash, marketable securities, and/or Inter-fund Investments.

established by the Receiver (the “**Data Room**”). A copy of the Confidential Information Memorandum, without appendices, is attached hereto as **Confidential Appendix “4”**.

- 427 On July 12, 2017, the Receiver created the Data Room and uploaded numerous documents with respect to the Listed Funds and the investments contained within them. The primary source for documents being contained in the Data Room was the Company’s Dropbox document storage system (which the Receiver understands housed all of the books and records of the Company, except for hard copy files pertaining to individual investors) supplemented by documents provided by Smith. As the Receiver continued to correspond with various service providers to the Company and the Crystal Wealth Funds, including but not limited to Xynergy, Frontline, Spectrum, and IFDS, the Receiver would, if deemed relevant, upload such documents obtained from these service providers to the Data Room. Each time a document was uploaded to the Data Room, all parties with access to the Data Room would receive a notification of same.
- 428 On July 14, 2017, the Receiver placed the Solicitation Letter on the Case Website.
- 429 Beginning on July 31, 2017, the Receiver placed two (2) targeted advertisements of the Sales Process in the Chartered Financial Analyst (CFA) Institute “Financial Newsbrief” which is delivered to CFA members on a daily basis. Since notification of the Receivership Proceedings had already been widely disseminated by the Receiver in the national editions of *The Globe and Mail* and *National Post* on May 4, 2017, and by virtue of the Creditor Claims Procedure being published by the Receiver in the national edition of *The Globe and Mail* on July 10, 2017, the CFA “Financial Newsbrief” forum was specifically chosen as the Receiver wished to target this sales opportunity to sophisticated investment professionals, being the global CFA network whose membership is in excess of 142,000 members in 159 countries.
- 430 The Receiver, with the assistance of its transactions team (Grant Thornton Corporate Finance Inc.), carefully identified an additional nine (9) asset management companies who managed similar *alternative* investment portfolios (“**Related Asset Managers**”) and who it believed may have an interest in the Sales Process (the Related Asset Managers and the Initial Interested Parties are collectively referred to as the “**Interested Parties**”). The Receiver emphasizes the word “alternative” as the general composition of the Crystal

Wealth Funds contains non-traditional investments. A copy of the Solicitation Letter and the Confidentiality Agreement was sent to the Related Asset Managers on July 25, 2017.

- 431 The Receiver received executed Confidentiality Agreements from 12 of the Interested Parties, who were then provided with a copy of the Confidential Information Memorandum and access to the Data Room. The Interested Parties who submitted executed Confidentiality Agreements are referred to as “**Prospective Purchasers**” and/or “**Prospective Managers**”.
- 432 Between July 12, 2017 and the deadline by which Prospective Purchasers and Prospective Managers were required to submit their offers to the Receiver by 5 p.m. EST on August 10, 2017 (the “**Offer Deadline**”), the Receiver responded to numerous inquiries from Prospective Purchasers/Prospective Managers, provided answers to specific questions concerning the Listed Funds and their investments, and uploaded additional documents to the Data Room. Such activity also included numerous correspondence, discussions, and meetings with Prospective Purchasers or Prospective Managers and arranging for Prospective Purchasers or Prospective Managers to conduct individual discussions with the Service Providers.

RESULTS OF THE SALE PROCESS

- 433 By the Offer Deadline, the Receiver obtained the following offers from seven (7) different Prospective Purchasers and Prospective Managers:
- a) two (2) Management Offers for the assumption of the management of all of the Listed Funds’ investment activities and the Company’s duties to investors of such Funds (the “**Complete Management Offers**”) (the Prospective Managers who submitted the Complete Management Offers are referred to as the “**Complete Managers**”);
 - b) one (1) Management Offer for two of the Listed Funds (the “**Limited Management Offer**”) received from a “**Limited Manager**”;
 - c) three (3) cash Purchase Offers for certain assets in the Listed Funds (the “**Cash Purchase Offers**”) (collectively, the “**Cash Purchasers**”); and

d) one (1) Purchase Offer for certain assets in the Listed Funds in exchange for preferred shares to investors (the “**Preferred Share Offer**”) received from a “**Preferred Share Purchaser**”;

(collectively the “**Initial Offers**”).

434 All of the Initial Offers contained an irrevocable date of August 17, 2017, as stipulated in the Confidential Information Memorandum.

435 Shortly after the Offer Deadline, the Receiver commenced a review of the Initial Offers. A summary of the Initial Offers is attached hereto as **Confidential Appendix “5”**.

436 On August 16, 2017, after review of the Complete Management Offers, the Receiver sent a list of additional questions to the Complete Managers (the “**August 16, 2017 Questions**”) in order to more fully understand their offers, particularly from an investor perspective. In addition, the Receiver requested that the Complete Managers extend the irrevocable date of the Complete Management Offers to September 1, 2017 to which both Complete Managers consented. The questions put forth by the Receiver in the August 16, 2017 Questions related to each of the Complete Managers’ plan with regards to:

- a) the anticipated timeline for investors to redeem their units in the Listed Funds and the quantum of liquidity, if any (e.g. cash injection, short term loan, investment, etc.), that would be provided by the Complete Managers to assist in satisfying redemption requests;
- b) their intentions in allowing for new investors to invest in the Listed Funds or if the Funds would be closed to new investors;
- c) the anticipated process to determine the underlying NAV of the Listed Funds;
- d) the current and/or proposed internal processes and controls to be put in place to provide on-going reporting on the NAV of the Listed Funds to investors;
- e) the proposed fees to be charged by the Complete Managers;
- f) their intention to assume current agreements with Service Providers in which the Company and/or any of the Listed Funds were counterparties;

- g) their intended process to obtain required regulatory approvals and/or registrations with the OSC and/or other securities regulator(s), if any; and
- h) their specific plans with respect to the management of some of the more alternative investments (e.g. Factoring Contracts, Media Loans, US Real Estate LP, Commercial Loans).

A copy of the August 16, 2017 Questions and summary of answers from the Complete Managers is attached hereto as **Confidential Appendix “6”**.

- 437 In addition to the Complete Managers, the Receiver requested and obtained the consent from the Limited Manager, Cash Purchasers, and Preferred Share Purchaser to extend the irrevocable date of their respective Initial Offers to September 1, 2017 in order to allow the Receiver to conduct additional due diligence and to engage in further discussions with the Prospective Purchasers and Prospective Managers.

SHORTLISTED PARTIES

- 438 On September 1, 2017, the Receiver issued letters to the Limited Manager and two (2) of the Cash Purchasers advising that their offers would not be accepted.
- 439 The Limited Management Offer was declined due to the negligible purchase price offered for the management of two (2) Listed Funds, and due to the Receiver’s view that the Limited Manager lacked the expertise to manage the named Listed Funds.
- 440 The two (2) Cash Purchase Offers were rejected due to the extremely low value assigned to the assets contained within the Listed Funds outlined for purchase.
- 441 The Complete Management Offers, the Preferred Share Offer, and the remaining Cash Purchase Offer are collectively referred to as the “**Shortlisted Offers**” and the parties who submitted same are referred to as the “**Shortlisted Parties**”.
- 442 On September 1, 2017, the Receiver provided the Shortlisted Parties the opportunity to conduct additional due diligence up to 5 p.m. EST on September 28, 2017 (the “**Additional Due Diligence Period**”), subject to the Shortlisted Offers’ irrevocable dates being extended to October 6, 2017. The Receiver also requested that each Shortlisted Party prepare a proposed form of purchase/assumption agreement, along with a specific

timeline containing key pre and post-closing items, to be submitted to the Receiver for its consideration by September 28, 2017.

443 During the Additional Due Diligence Period, the Receiver conducted the following key activities:

- a) attended numerous conference calls with Shortlisted Parties;
- b) coordinated and scheduled discussions and meetings with various Service Providers, including but not limited to, Spectrum, Xynergy, Frontline, NBCN and IFDS;
- c) obtained and uploaded additional information to the Data Room when received;
- d) responded to various inquiries from the Shortlisted Parties;
- e) attended calls with the OSC to gain an understanding of the regulatory requirements required to be satisfied, if any, by each of the Shortlisted Parties; and
- f) performed background and due diligence checks on each of Shortlisted Parties.

444 Throughout the Receivership Proceedings, and more particularly during the Sales Process, the Receiver also received a broad range of feedback from investors concerning their preferences with respect to the outcome of the Sales Process.

445 By September 28, 2017, the Receiver obtained a proposed purchase/assumption agreement from each of the Shortlisted Parties and reviewed each proposed agreement in order to carefully evaluate all of the terms and conditions being proposed. Where required, the Receiver contacted a Shortlisted Party in order to clarify specific terms and conditions of the proposed agreement.

446 After the Receiver carefully considered all of the information and submissions provided by the Shortlisted Parties and the general opinions expressed by the investor population, the Receiver determined that it would not be pursuing any of the Shortlisted Offers received from Complete Managers and the Preferred Share Purchaser. In arriving at this decision, the Receiver considered the proposed structure, terms, and timelines involved to give effect to the transactions proposed, as well as the broader implications on the stakeholders and investors of the Crystal Wealth Group if the transactions underlying the offers were to be effected.

447 More specifically, the following points influenced the Receiver's decision:

- a) both Complete Management Offers and the proposed management agreements submitted by the Complete Managers were highly conditional and would have required a significant amount of time, cost, and effort to effect a transaction with no guarantees that a transaction would ultimately be completed;
- b) the Complete Management Offers were conditional upon certain relief being granted by the OSC, which is beyond the Receiver's control. For example, one of the Complete Management Offers required that exemptive relief be granted by the OSC in respect of the Listed Funds, to relieve the Complete Manager from past outstanding audit requirements;
- c) as outlined previously in this Second Report, a large majority of the assets contained within the Listed Funds, including but not limited to the Factoring Contracts, Media Loans, and Gold Contracts, are grossly impaired. The Complete Management Offers failed to adequately address or propose a definitive solution as to how the Complete Managers would, as a minimum, recover the principal of the investments, let alone with profit, or otherwise take steps to effect recovery which are preferable to the steps being taken by the Receiver and its counsel. The Receiver is of the view that the Complete Management Offers failed to offer definitive alternatives to the steps already being taken by the Receiver which would better enable investors to recover their original investments in Listed Funds which hold the impaired investments;
- d) both Complete Management Offers did not satisfy the Receiver that investors would be allowed to redeem their investment in the Crystal Wealth Funds in a timely fashion, and contained no guarantees or assurances as to the minimum value at which such redemptions would occur, once available;
- e) both Complete Management Offers accordingly did not provide any assurance that the eventually established NAV by such Complete Managers would any better, then or in the future, than exists at present. In fact, one of the Complete Management Offers was conditional upon the Complete Manager establishing the NAV of the Listed Funds prior to the transaction being effected, and being satisfied with the NAV. Given what the Receiver has learned about the impaired nature of the investments held in many of the Listed Funds, as is detailed throughout this Second Report, a reasonable

possibility existed that this Complete Manager, upon its ultimate establishment of the NAV, may have not wished to proceed with the underlying transaction, which would have only served to result in further delay and expense during which time the Receiver's efforts are better directed at undertaking enforcement and recovery steps in order to maximize investor returns;

- f) the Amended BDO Claim which arose in the midst of the Sales Process, after the Initial Offers had been received by the Receiver, created an additional complication, namely, that the Amended BDO Claim (and in particular, the Class Action Indemnity Claim) would either need to be definitively disallowed prior to any such Complete Management Offer transaction being effected, or would likely have been incorporated into the underlying transaction as an assumed contingent obligation which would have restricted a Complete Manager in the future use of the investments in the Class Action Funds, including the issuance of redemptions to investors.

The fact that the Receiver has now resolved and eliminated BDO's Class Action Indemnity Claim does not alter the Receiver's view that it is not in the best interest of investors to further pursue either of the Complete Management Offers.

- g) during the period in which a Complete Management Offer would be negotiated and finalized, the Receiver's ability to enforce and realize on impaired assets would be delayed which may result in further losses to certain Listed Funds;
- h) both Complete Management Offers contained only a nominal purchase price for the assumption of management of the Listed Funds, which when considered in the context of the additional concerns pertaining to the Complete Management Offers as set out above, did not favour proceeding with the acceptance of either Complete Management Offer; and
- i) with respect to the Preferred Share Offer, the offer did not provide immediate liquidity for investors to redeem their units and also would have resulted in the investors being in a subordinate position in regards to the specific investments in the Listed Fund which was the subject of the Preferred Share Offer; in other words, the transaction would have placed the investors in a worse position vis-à-vis the security being held as collateral for their investments.

448 A comparison of the two Complete Management Offers is attached to this Second
Report as **Confidential Appendix “7”**.

449 In view of the foregoing, on October 4, 2017, the Receiver notified the Complete Managers
and the Preferred Share Purchaser that it would not be pursuing any of the Complete
Management Offers or Preferred Share Offer received throughout the Sales Process.
However, no notification was given to the one (1) Cash Purchase Offer, as will be
addressed below.

THE CASH PURCHASE OFFER

450 The Receiver is in the process of advancing negotiations with respect to the remaining
Cash Purchase Offer. It is anticipated that a supplement to this Second Report will be
issued by the Receiver in advance of the motion seeking approval of this Second
Report, which supplement will report to the Court with respect to whether an agreement
concerning the remaining Cash Purchase Offer has been reached, for which approval
will be sought from the Court on this motion.

RECEIPTS AND DISBURSEMENTS OF THE RECEIVERSHIP

- 451 Attached hereto as **Appendix “11”** is the Receiver's Interim Statement of Receipts and Disbursements for the period April 26, 2017 to October 31, 2017 which outlines the cash balances of the Company and the Crystal Wealth Funds. From April 26, 2017 to October 31, 2017, cash receipts totaled \$30,836,285 and US \$2,242,157 while disbursements were \$1,132,420 and US \$509. The ending cash balances as at October 31, 2017 were \$37,705,633.
- 452 Cash receipts to the Crystal Wealth Funds were generated from the following significant receipts, among others:
- a) the monetization of Equities – \$7,779,181 and US \$4,207,609 respectively, net of commissions;
 - b) collection of Media Loan principal and interest payments – \$6,859,188 and US \$153,591;
 - c) the collection of Residential Mortgage principal and interest payments – \$5,652,373;
 - d) the monetization of External Mutual Funds – \$5,051,937;
 - e) the collection of payments from NFL Participation Agreements – US \$714,867; and
 - f) the sale of the Geodata Balance – US \$684,313.
- 453 Disbursements from the Crystal Wealth Funds primarily relate to Court approved Receiver and legal fees, insurance, the purchase of Equities upon exercising Warrants, outside consulting fees paid to contractors including Quiver, bank charges and commissions, and HST related to taxable expenses.

OTHER NOTABLE ITEMS

INVESTMENT ADVISOR COMPENSATION

- 454 As has been described in detail throughout this Second Report, it is apparent that the historical reported values of certain Crystal Wealth Funds have been overstated by the Company and that provisions in such Funds should have been made to reflect the permanent impairment of certain investments.
- 455 The independent Investment Advisors were compensated, in part, based on the NAV of the Crystal Wealth Funds in which their investors were invested. Accordingly, as the monthly NAV of certain Crystal Wealth Funds were overstated, compensation to the Investment Advisors, based on such inflated NAVs, were overcompensated.
- 456 Although the Receiver is reviewing all of the Independent Advisor compensation agreements, a review of the accounting records of the Company indicates that over the 12 months preceding the Receiver's appointment, some of the Investment Advisors received significant payments. Below is a listing of certain of the Investment Advisors and the payments received by them for the 12 months ending April 26, 2017 totaling \$1,699,944:
- a) Housego – \$713,785;
 - b) Jeff Mushaluk – \$256,647;
 - c) Dale Wells – \$253,221;
 - d) Clayton Smith – \$200,642;
 - e) Scott Whale – \$175,582; and
 - f) Tim Johnston – \$100,067.
- 457 The Receiver will report the results of its review of the agreements between the above noted individuals in its next report to the Court.

INTERFERENCE IN THE RECEIVER'S ADMINISTRATION OF THE CRYSTAL WEALTH GROUP

458 Since the release of the Receiver's Notice to Investors dated October 6, 2017 advising of the Receiver's decision to not accept any of the Complete Management Offers (the "**October 6 2017 Notice**"), it has become evident to the Receiver that third parties, which may include former representatives (i.e. Investment Advisors) of the Company, have continued to communicate with investors, and are purporting to provide investors with information concerning the Receiver's administration of the Crystal Wealth Group, and with respect to the Crystal Wealth Funds. Such information being communicated to investors has been false and misleading. Such statements recently made by numerous investors to the Receiver, which reflect that third parties are providing the investors with false and misleading information, include that:

- a) all of the assets and investments contained within the Crystal Wealth Funds were healthy and performing prior to the appointment of the Receiver;
- b) the Receiver will be performing an expedited liquidation of all of the assets at minimal prices;
- c) the Amended BDO Claim is a consequence of mismanagement and misleading guidance by the Receiver;
- d) the Receiver denied investors the right to have representative counsel appointed;
- e) if representative counsel was appointed then the Proposed Class Action would not have been commenced by Whitehouse (despite Whitehouse having had his own counsel present at the June 30, 2017 motion before the Honourable Justice Mr. Hailey, in order to oppose CMB's appointment as representative counsel);
- f) the OSC placed the Crystal Wealth Group into receivership, even though the Crystal Wealth Group had in excess of \$100 Million in assets and no significant financial issues; and
- g) the Complete Managers would be able to manage the Crystal Wealth Funds back to profitability and recover all investments at full value. Furthermore, many investors who have recently written to the Receiver were aware that there were two (2) Complete

Managers, the number of which had not been publicized by the Receiver prior to the issuance of this Second Report.

- 459 Almost all of such communications from investors advising of inaccurate information provided by other sources has been from investors who are located in British Columbia and are primarily invested in the Factoring Fund, Bullion Fund, and Hedge Fund, in which Housego was the Lead Portfolio Strategist. Coincidentally: (i) these recent investor communications expressing investors' strong disagreement to the Receiver's decisions appear to be in the format of a "form letter" addressed to the same email addresses (some with the same incorrect spelling of certain email addresses); and (ii) the Factoring Fund, Bullion Fund, and Hedge Funds have the most significant issues regarding the quality of investments and non-compliance to the corresponding OMs. In subsequent discussions with a number of investors, the Receiver was advised that Housego was the author of this form letter being submitted by investors. Absent Housego's examination under oath, the Receiver can only surmise that Housego – who received payments of \$713,785 in the 12 months ending April 26, 2017 - is one of the primary sources of such misinformation in order to redirect blame regarding the poor quality of the investments held by the Factoring Fund, Bullion Fund, and Hedge Fund, and the use of investor monies by these Funds.
- 460 Since the commencement of the Receivership Proceedings, and more notably after the Receiver's communication to investors of its decision to not pursue any Management Offers, the Receiver has and continues to spend a considerable amount of time addressing such false information being distributed to investors in order to correct the record and to clarify the resulting confusion which has resulted within the investor base.

UNAUTHORIZED COMMUNICATION TO INVESTORS BY A COMPLETE MANAGER

- 461 Since the October 6 2017 Notice, certain investors have confirmed that they have been contacted by one of the Complete Managers, Brian Bosse ("**Bosse**") of BlueSpring Investments Inc.; such correspondence is a breach of the confidentiality agreement executed by Bosse as a condition of his participation in the Sales Process.
- 462 In a meeting held on October 11, 2017 between the Receiver and Bosse at the Receiver's office, Bosse indicated that he had spoken to an investor who had been concerned as to why his Complete Management Offer was not pursued by the Receiver.

463 On a call convened with the Receiver on October 31, 2017, Bosse indicated his displeasure with the Notice issued by the Receiver to investors dated October 30, 2017 (the “**October 30 2017 Notice**”) which, among other things, communicated to investors the reasons why the Receiver did not accept any of the Complete Management Offers. Bosse demanded that the Receiver take down the October 30 2017 Notice to which the Receiver declined. During the call, Bosse had also communicated to the Receiver that he had been in discussions with “numerous investors in the past few weeks” and that the October 30 2017 Notice damaged the credibility he had with the investors with whom he had been in contact. The Receiver advised Bosse that communication with investors regarding the Crystal Wealth Funds and the Sales Process was in contravention of the Confidentiality Agreement and that all future communications must cease. During the call, the Receiver asked Bosse to disclose the number of investors he had discussions with and the number of occurrences of such discussions however Bosse refused to disclose this information to the Receiver.

THE INVESTMENT ADMINISTRATION SOLUTION INC.’S FAILURE TO PROVIDE DOCUMENTS

- 464 Although the Company performed its financial accounting and record keeping internally, as it relates to the Crystal Wealth Funds, the financial accounting and recording keeping was outsourced to a third-party, Investment Administration Solution Inc. (“**IAS**”).
- 465 The Receiver has made numerous requests to IAS to obtain the monthly reporting for each of the Crystal Wealth Funds and the underlying transaction detail for same from January 1, 2016 to May 31, 2017. As at the date of this Second Report, IAS has ignored the Receiver’s requests and has failed to provide such documentation.
- 466 The Receiver requests that this Court issue an Order directing IAS to provide the Receiver and its counsel with certain requested but still outstanding information and documentation required for a proper account reconciliation and assessment the Crystal Wealth Funds.

OTHER ACTIVITIES OF THE RECEIVER SINCE THE APPOINTMENT ORDER

467 Upon its appointment, the Receiver took immediate steps to secure and preserve the Property of the Crystal Wealth Group, communicate with stakeholders, and deal with other operational and administrative tasks. The Receiver has conducted the following key activities in relation to its appointment:

- a) responded to numerous calls and emails from Crystal Wealth Group investors and other stakeholders;
- b) distributed **ten** (10) notices from the Receiver to all investors, which were also posted to the Receiver's Case Website, from May 1, 2017 to October 30, 2017 updating them on the receivership as events unfolded;
- c) created and maintained a listing of investors with holdings, accounts, and contact information including email addresses;
- d) held meetings and corresponded with NBCN on a number of investor matters, including the on-going management of the securities, records and monetization of assets within the Crystal Wealth Funds;
- e) corresponded with various third-parties involved in administering certain Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors;
- f) collected monthly payments and funds held by third-parties administering certain Crystal Wealth Funds and/or their assets;
- g) corresponded with borrowers of the Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors;
- h) executed the MOU Amendments dated September 28, 2017 and October 30, 2017 with Quiver;
- i) conducted meetings with certain third-parties and borrowers, as appropriate;
- j) corresponded and held numerous discussions with various stakeholders, providers and/or their legal counsels;

- k) corresponded and held various discussions with BDO and its counsel;
- l) corresponded and held various discussions and meetings with parties expressing interest in either purchasing or managing certain Crystal Wealth Funds; and
- m) maintained a public website for the Receivership Proceedings in accordance with the Commercial List E-Service Protocol.

MOUNT NEMO PROPERTY

- 468 As outlined in the First Report, on June 8, 2017, the Receiver entered into an MLS listing agreement with RE/MAX Aboutowne Realty Corp., Brokerage (the “**Broker**”) effective until October 31, 2017 (the “**Listing Agreement**”).
- 469 Prior to listing the Mount Nemo Property, the Receiver performed the following activities to prepare the Mount Nemo Property for sale:
- a) arranged for and retained a third-party to open and maintain the pool and waterfall located on the Mount Nemo Property;
 - b) engaged a third party landscaping company to provide grass cutting and general maintenance and landscaping services for the Mount Nemo Property; and
 - c) ensured adequate security was in place.
- 470 On July 12, 2017, the Mount Nemo Property was listed for \$3,399,000 on the Oakville/Milton, Hamilton/Burlington, and Toronto District Real Estate Board in addition to various other online real estate websites. The Receiver elected to begin listing the Mount Nemo Property at this price as it represented the approximate amount of the Purchaser’s offer as contained in the Mount Nemo Sale Agreement.
- 471 Beginning the week ending July 17, 2017, the Broker provided the Receiver with periodic updates outlining, among other things: (i) the number of showings; (ii) the internet traffic on various websites; (iii) general updates on the condition of the Mount Nemo Property; and (iv) the status of any past or future showings.
- 472 Due to the minimal interest in the Mount Nemo Property and the fact that minimal showings were arranged and no offers had been received, the Receiver executed an amendment to the Listing Agreement dated August 30, 2017 which reduced the listing price of the Mount Nemo Property to \$3,199,000 (a reduction of \$200,000) (the “**First Amendment**”).
- 473 On October 31, 2017, the Listing Agreement with the Broker expired. On November 2 and November 3, 2017, the Receiver notified the Broker that it would not be renewing the Listing Agreement. The Receiver’s decision resulted from the fact that no offers were

received despite the Property having been listed for six months, and given that only a minimal amount of showings were conducted.

- 474 The Receiver contacted another broker, Sotheby's International Realty Canada ("Sotheby's"), who had submitted a proposal as part of the Receiver's Request for Proposals process discussed in the First Report, to inquire if Sotheby's remained interested in listing the Mount Nemo Property.
- 475 In the RFP process, the Receiver had ranked Sotheby's proposal behind that of the Broker, however, the Sotheby's proposal highlighted: (i) its extensive experience selling similar real estate in the Burlington and surrounding area; (ii) a competitive commission structure; (iii) detailed and real time reporting tools and functionality; and (iv) a detailed marketing plan to prepare and execute the sale of the Mount Nemo Property.
- 476 On November 6, 2017, the Receiver entered into an MLS listing agreement with Sotheby's (the "**Sotheby's Listing Agreement**") which is attached to this Second Report as **Confidential Appendix "8"**.

THE RECEIVER'S CONTINUED DEALINGS WITH SMITH

- 477 As a result of the Appointment Order, all of Smith's known assets, including bank accounts, continue to be frozen, and all of the Property (as defined in the Appointment Order) was vested in the Receiver.
- 478 As discussed in the First Report, on May 18, 2017, the Receiver delivered a form of statutory declaration (the "**Statutory Declaration**") to Smith requesting that he provide information concerning, among other things, his assets, liabilities, income, and expenses.
- 479 On May 24, 2017, June 6, 2017, and July 4, 2017, A&B, on behalf of the Receiver, sent follow-up correspondence to Smith reiterating the Receiver's request that Smith complete the Statutory Declaration.
- 480 On July 20, 2017, Smith delivered to the Receiver an unsworn version of the form of statutory declaration, to which Smith had made significant changes (the "**Unsworn and Altered Statutory Declaration**").
- 481 On July 24, 2017, the Receiver provided notice to Smith that the Unsworn and Altered Statutory Declaration contained significant changes to the Statutory Declaration provided by the Receiver on May 18, 2017 and that same was not sworn. On July 28, 2017, Smith advised the Receiver he would provide a sworn Statutory Declaration.
- 482 Subsequent to the Receiver following-up on August 11, 2017, August 28, 2017, and September 1, 2017, Smith provided a sworn Statutory Declaration to the Receiver which was received on September 7, 2017. The delivered Statutory Declaration included hand written changes by Smith to the form of Statutory Declaration which the Receiver had required be completed by Smith.
- 483 The Receiver continues to reserve its rights to cross-examine Smith on his sworn Statutory Declaration, and to examine Smith as permitted by the Appointment Order.

RECEIVER'S FEES AND DISBURSEMENTS

484 Pursuant to paragraph 23 of the Appointment Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Appointment Order. Pursuant to paragraph 24 of the Appointment Order, the Receiver and its counsel shall pass their accounts.

485 The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court up to and including September 30, 2017, and seeks approval of the allocation methodology described in paragraphs 57 to 61 above. The Receiver and its counsel have maintained detailed records of their professional time and costs.

486 The total fees for the Receiver for the period June 1, 2017 to September 30, 2017, were \$385,280.07, plus disbursements of \$4,089.28, plus HST of \$50,618.02, for a total of \$439,987.37. The time spent by the Receiver is more particularly described in the Affidavit of Jonathan Krieger sworn November 17, 2017 (the "**Krieger Affidavit**"), which is attached hereto as **Appendix "73"** and contains copies of invoices that set out the services provided during this time period.

487 The total fees of A&B, as counsel to the Receiver, for the period of June 1, 2017 to September 29, 2017, were \$315,692.50, plus disbursements of \$7,125.88, plus HST of \$41,696.38, for a total of \$364,514.76. The time spent by A&B is more particularly described in the Affidavit of Mark van Zandvoort sworn November 22, 2017 (the "**van Zandvoort Affidavit**"), which is attached as **Appendix "74"** and contains, among other things, copies of invoices that set out the services provided during this period of time.

488 It is the Receiver's opinion that the fees and disbursements of the Receiver and A&B accurately reflect the work done by the Receiver and on behalf of the Receiver by A&B in connection with the receivership and the administration of the Property of the Crystal Wealth Group from June 1, 2017 to September 30, 2017.

489 It is the Receiver's opinion that the fees and disbursements of A&B are fair and reasonable and justified in the circumstances. The Receiver recommends approval of A&B's accounts by this Honourable Court.

TELE-TOWN HALL FOR INVESTORS

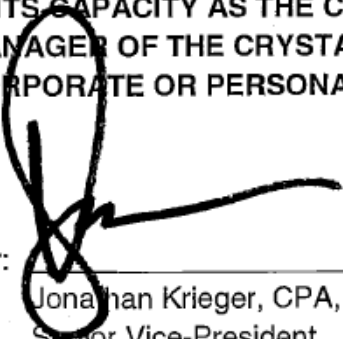
490 Due to the volume and complexity of the information contained within this Second Report, the Receiver will be conducting a "Town Hall" meeting with investors via tele-conference (the "**Tele-Town Hall**") whereby investors will be given the opportunity to ask the Receiver questions with respect to the receivership of the Crystal Wealth Group and its administration of same. The Tele-Town Hall will be conducted by the Receiver on December 7, 2017 from 11:00 am EST to 1:00 pm EST. The Receiver will provide more detailed information and instructions with respect to the Tele-Town Hall to investors in due course, which information will be available on the Receiver's Case Website.

CONCLUSION

491 For the reasons set out in this Second Report, the Receiver respectfully requests the relief and approval requested in the Receiver's Notice of Motion dated November 24th, 2017.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 24th day of November, 2017.

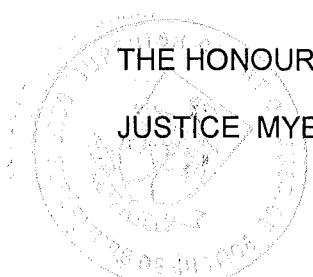
**GRANT THORNTON LIMITED,
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER AND
MANAGER OF THE CRYSTAL WEALTH GROUP, AND NOT IN ITS
CORPORATE OR PERSONAL CAPACITY**

Per: 
Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 8

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**



THE HONOURABLE
JUSTICE MYERS

)
)
)
)
)
)

MONDAY, THE 11th DAY
OF DECEMBER, 2017

BETWEEN:

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**"), without security, of all of the assets, undertakings and properties of 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**"), for an Order, *inter alia*, approving the Second Report of the Receiver dated November 24, 2017 (the "**Second Report**") and the activities of the Receiver set out in the Second Report, and for other relief requested by

the Receiver in its Notice of Motion dated November 24, 2017, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report, including the affidavit of Jonathan Krieger sworn November 17, 2017 (the "**Krieger Affidavit**"), and the affidavit of Mark van Zandvoort sworn November 22, 2017 (the "**van Zandvoort Affidavit**"), and on hearing the submissions of counsel for the Receiver and such other counsel who were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Colette Dillard sworn November 24, 2017, filed,

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the Receiver's motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the Second Report and the activities of the Receiver described therein be and are hereby approved.
3. **THIS COURT ORDERS** that the Confidential Appendices be and are hereby sealed until further Order of the Court.
4. **THIS COURT ORDERS** 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), be and are hereby approved;
5. **THIS COURT ORDERS** that the Receiver's methodology and proposal to make interim distributions to investors of certain Crystal Wealth Funds (as defined in the Second Report) (the "**Investors**"), as set out in the Second Report, be and is hereby approved, and that the Receiver is hereby authorized to make such interim distributions to Investors.
6. **Deleted.**

7. **THIS COURT ORDERS** that each of the following entities and/or individuals be and is hereby 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.

8. **Deleted.**

9. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to examine the following individuals under oath pursuant to a summons, interprovincial summons, or letter of request as the case may be. (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.

10. **THIS COURT ORDERS** that the Receiver be and is authorized to examine the following individuals under oath in accordance with paragraph 6(s) of the Order (Appointing Receiver) of the Ontario Superior Court of Justice dated April 26, 2017 (the “**Appointment Order**”):

- (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.

11. **THIS COURT ORDERS** that Frontline pay to the Receiver the sum of \$53,094.02 representing payments received by Frontline from Zomongo TV, Advanced Metal, 156 Alberta and Restoration Energy (as such entities are defined in the Second Report), which payments have yet to be remitted to the Receiver in trust for the Factoring Fund and Hedge Fund contrary to the FPAA (as defined in the Second Report).

12. **THIS COURT ORDERS** that the Quiver MOU Amendments executed by the Receiver and Quiver (as those terms are defined in the Second Report) be and are hereby approved.

13. **THIS COURT ORDERS** that the Receiver’s Interim Statement of Receipts and Disbursements through to October 31, 2017, as appended to the Second Report, be and is hereby approved.

14. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period June 1, 2017 to September 30, 2017, as described in the Second Report and as set out in the Krieger Affidavit, be and are hereby approved, and that the allocation of the Receiver's fees and disbursements from April 24, 2017 to September 30, 2017, as described and detailed in the Second Report, be and is hereby approved.

15. **THIS COURT ORDERS** that the fees and disbursements of Aird & Berlis LLP, counsel to the Receiver, for the period June 1, 2017 to September 30, 2017, as described in the Second Report and as set out in the van Zandvoort Affidavit, be and are hereby approved, and that the allocation of A&B's fees and disbursements from April 24, 2017 to September 30, 2017, as described and detailed in the Second Report, be and is hereby approved.

16. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

17. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

18. **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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

19. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 13 2017

PER / PAR:



ONTARIO SECURITIES COMMISSION

-and-

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED et al.

Applicant

Respondents

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings 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, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited

FILE/DIRECTION/ORDER

BEFORE JUDGE

MYERS

ACTION #

CV-17-11779-CLOSL

Plaintiff(s)

-v-

CRYSTAL WEALTH et al.

Defendant(s)

CASE MANAGEMENT: YES []

NO ☒

COUNSEL:

PHONE NO. _____

PHONE NO. _____

PHONE NO. _____

[] ORDER [] DIRECTION FOR REGISTRAR

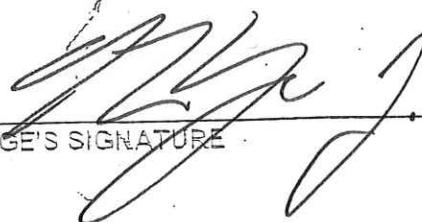
[] REPORTED SETTLED ADJOURNED TO TRIAL SCHEDULING COURT _____

[] NO ONE APPEARED ADJOURNED TO TO BE SPOKEN TO COURT _____

AS INDICATED AT THE HEARING, WITH THE EXCEPTIONS NOTED BELOW I AM SATISFIED THAT THE RELIEF SOUGHT BY THE RELIVER IS FAIR AND REASONABLE AND SHOULD BE GRANTED. THE RELIVER AND ITS COUNSEL HAVE PERFORMED A HUGE TASK AS DESCRIBED IN THE VERY

Dec. 12/17
DATE

JUDGE'S SIGNATURE



Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

COMPREHENSIVE SECOND REPORT. THE RECEIVER WAS DROPPED INTO A MESS IN WHICH IT APPEARS THAT TENS OF MILLIONS OF DOLLARS REPRESENTING HARD-WORKING CANADIANS' INVESTMENTS HAVE GONE MISSING OR BEEN MISAPPROPRIATED. THIRD PARTIES THAT DEALT WITH CRYSTAL WEALTH WHO SHOULD BE QUICKLY AND COMPLETELY TRANSPARENT TO ESTABLISH THEIR INNOCENCE ARE ATTRACTING ATTENTION AND SUSPICION BY THEIR DILATORY, UNHELPFUL RESPONSES.

THE RECEIVER HAS GONE A LONG WAY TOWARDS UNRAVELING MYSTERIES AND REALIZING ON LOW HANGING FRUIT. IT DID NOT CAUSE THE LOSSES. IT IS FOCUSED ON PROTECTING THE INTERESTS OF INVESTORS. [ADLY NOT ALL WHO SPEAK TO THE INVESTORS NECESSARILY SHARE THAT SELFLESS GOAL. THE RECEIVER IS TO BE COMMENDED FOR ITS OPENNESS, THOROUGHNESS, AND STRONG

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

WORK TO DATE. COUNSEL TOO. BUT NOW
THE HARD WORK OF REALIZING ON IMPAIRED
ACCOUNTS BEGINS IN ~~GRATE~~ EARNEST.

THE RECEIVER PROPOSES INTERIM
DISTRIBUTIONS RECOGNIZING EACH CRYSTAL
WEALTH FUND AS DISTINCT AND APPLYING
ALL INTERCOMPANY CHARGES. IT HAS
ACCURATE DATA THAT PRECLUDES
CONSOLIDATION.

I CANNOT GRANT THE RELIEF
SOUGHT IN PARA. 6 REGARDING TAXES. I
WAS SHOWN NO LAW OR STATUTE EMPOWERING
THE COURT TO EXEMPT THE RECEIVER FROM
LAWS THAT APPLY TO IT. MOREOVER IF
TAXATION STATUTES APPLY TO THE

RECEIVER, THEN THE COURT'S INHERENT
JURISDICTION CANNOT APPLY BY DEFINITION.

PARA. 7 IS AMENDED TO REPLACE
"CERTAIN REQUESTED BUT" WITH "ALL
INFORMATION PREVIOUSLY SOUGHT FROM EACH

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

OF THEM IN WRITING BY OR ON BEHALF
OF THE RECEIVER THAT REMAINS."

PARA. 8 IS DELETED BASED ON ~~THE~~
THE REPRESENTATION BY IAS THAT IT HAS
COMPLIED AND HAS PROVIDED THE RECEIVER WITH
A COPY OF ALL INFORMATION IN ITS
POSSESSION, POWER AND CONTROL REGARDING
ANY AND ALL OF THE CRYSTAL WEALTH FUNDS.
IF, ON REVIEW OF IAS'S RECENT DISCLOSURES, THE
RECEIVER HAS CONCERNS I MAY BE CONTACTED
ON NOTICE TO COUNSEL TO IAS TO SCHEDULE
A CASE CONFERENCE AT WHICH SUCH CONCERNS
MAY BE RESOLVED SUMMARILY UNDER
RULE 50.13(6).

PARA 9 IS AMENDED TO REMOVE THE
WORDS "AT THE OFFICES OF VICTORY VERRAM LOCATED
AT 222 BAY STREET SUITE 900, IN TORONTO,
ONTARIO, WITH EACH SUCH INDIVIDUAL BEARING
THEIR OWN COST OF THE ATTENDANCE" AND
REPLACING THEM WITH "PURSUANT TO A SUMMONS",

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

INTERPROVINCIAL SUMMONS OR LETTER OF REQUEST ~~THE~~ AS THE CASE MAY BE. (THE RECEIVER MAY APPLY WITHOUT NOTICE FOR ANY AUTHORIZATION OR LETTER OF REQUEST THAT IT MAY REQUIRE TO COMPEL THE WITNESSES' ATTENDANCE.)"

I DO NOT AGREE WITH THE RECEIVER'S COUNSEL THAT IT WAS APPROPRIATE TO SEEK UTANDATORY INJUNCTIONS TO COMPEL PEOPLE OUTSIDE ONTARIO AND CANADA TO ATTEND HERE AT THEIR OWN EXPENSE BECAUSE THERE WAS "NO DOWNSIDE" TO ASK AND TRY TO REDUCE ADMINISTRATIVE EXPENSES. THE DOWNSIDE OF NOT COMPLYING WITH THE LAW - ESPECIALLY BY A COURT OFFICER - IS SELF-EVIDENT AND INAPT.

PARA 11 IS AMENDED TO REPLACE " \$536,755 " WITH ^{\$53,094.02} ~~\$536,755~~. I AGREE WITH MR. DUBOISAL THAT THE RECEIVER'S EXAMINATION OF MR. FROESE IS IN RESPECT OF ITS EFFORTS TO IDENTIFY AND

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

REALIZE ON ASSETS OF ANY OF THE COMPANIES IN RECEIVERSHIP. IT IS NOT A PRE-DISCOVERY OF CLAIMS AGAINST FRONTLINE OR MR. FROESE. HOWEVER, THAT IS NOT A REASON TO REFUSE TO ANSWER QUESTIONS. THAT IS, PROVIDED THAT THE RECEIVER'S QUESTIONS ARE PRORATIVE OF IDENTIFYING, QUANTIFYING AND REALIZING ON ~~ASSETS~~ OF CHOSES IN ACTION AVAILABLE TO A CRYSTAL WEALTH COMPANY, THE FACT THAT THE QUESTION MAY ALSO BE RELEVANT TO FUTURE CLAIMS TO BE BROUGHT AGAINST FRONTLINE OR MR. FROESE IS NOT A BASIS TO REFUSE TO ANSWER. ✓

THE RECEIVER WILL NOT FISH FOR EXTRANEOUS EVID FOR HYPOTHETICAL CLAIMS. BUT IT IS ENTITLED TO FOLLOW AND LOOK FOR EVERY DOLLAR ADVANCED BY ANY CRYSTAL WEALTH ENTITY AND TO THOROUGHLY UNDERSTAND THE TRANSACTIONS AND SPIN CYCLES THROUGH WHICH THOSE FUNDS MAY HAVE TRAVELLED.

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

THE RECEIVER'S REQUEST FOR PAYMENT OF THE REST OF THE \$536,755 THAT IT WAS IDENTIFIED IS ADJOURNED TO TO A 9³⁰ WITH COUNSEL FOR FRONTLINE TO SCHEDULE A HEARING ON THE MERITS OF ANY CLAIMS THAT THE RECEIVER MAY HAVE. ^{THE 9:30 PM} ~~BE~~ ^{BE} BOOKED AT A TIME WHEN THE RECEIVER IS PREPARED ON THE MERITS.

PARA 92 OF THE RECEIVER'S SECOND REPORT WAS BEEN REPLACED BY THE RECEIVER AT THE REQUEST OF FRONTLINE.

PARA 19 OF THE DRAFT ORDER IS AMENDED BY STRIKING ALL WORDS AFTER "PROVISIONAL EXECUTION." THE RECEIVER IS PROTECTED FROM LIABILITY FROM ACTING UNDER THIS ORDER BY ITS APPOINTMENT ORDER AND S. 142 OF THE COURTS OF JUSTICE ACT. I LEAVE TO THE RECEIVER'S PRUDENT BUSINESS JUDGMENT WHETHER IT DISTRIBUTES FUNDS PRIOR TO THE EXPIRY OF ANY APPLICABLE APPEAL PERIOD. BUT I NOTE

Court File Number: _____

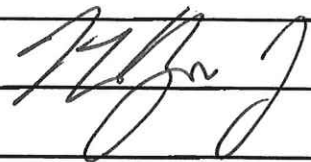
Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

THAT DESPITE BROAD SERVICE OF THE MOTION
RECORD, NO ONE OPPOSED OR EVEN COMMENTED
UPON THE RECEIVER'S REQUEST TO MAKE
INTERIM DISTRIBUTIONS.

REGISTRAR IS DIRECTED TO RELEASE
THIS ENDORSEMENT TO THE RECEIVER
WHO SHALL CIRCULATE IT TO THE
SERVICE LIST.



APPENDIX 9

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SUPPLEMENT TO THE SECOND REPORT TO THE COURT
SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

FEBRUARY 8, 2018



Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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APPENDICES

Appendix 1	Asset Purchase Agreement dated February 2, 2018 [redacted]
Appendix 2	Assignment Agreement
Appendix 3	Bron Animation Inc. Proof of Claim dated August 3, 2017
Appendix 4	Bron Studios Inc. Proof of Claim dated August 3, 2017

CONFIDENTIAL APPENDICES

Confidential Appendix 1	Asset Purchase Agreement dated February 2, 2018 [unredacted]
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SEALED APPENDICES

Sealed Appendix 1	Quiver Report dated November 22, 2017
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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SUPPLEMENT TO THE SECOND REPORT TO THE COURT
SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

FEBRUARY 8, 2018

INTRODUCTION AND PURPOSE OF THE SECOND REPORT SUPPLEMENT

- 1 This supplement (this “**Second Report Supplement**”) is filed by Grant Thornton Limited in its capacity as Court-appointed receiver (the “**Receiver**”) of the Crystal Wealth Group, as a supplement to the Receiver’s Second Report to the Court dated November 24, 2017 (the “**Second Report**”).
- 2 Unless otherwise defined, all capitalized terms in this Second Report Supplement are as defined in the Second Report. All disclaimers provided in the Second Report also apply to this Second Report Supplement.
- 3 Background information in respect of the Respondents and the Receivers’ appointment is provided in the First Report to the Court of the Receiver dated June 22, 2017 (the “**First Report**”), the Supplement to the First Report to the Court dated June 29, 2017 (the “**Supplement to the First Report**”), and in the Second Report.
- 4 Copies of materials filed in these proceedings generally are available on the Receiver’s Case Website at www.grantthornton.ca/crystalwealth.
- 5 The purpose of this Second Report Supplement is to:
 - a) inform and update the Court on the Receiver’s continued negotiations with respect to the remaining Cash Purchase Offer, as referenced at paragraph 450 of the Second Report, which negotiations have culminated in:
 - i. an Asset Purchase Agreement dated February 2, 2018 being entered into between the Receiver and Bron Releasing Inc. (“**BRI**”) (the “**APA**”), attached hereto as **Confidential Appendix “1”**, with a redacted version attached hereto as **Appendix “1”**; and
 - ii. an Assignment Agreement (to be dated) being entered into between the Receiver, as assignee, and Bron Studios Inc. (“**BSI**”) and Bron Animation Inc. (“**BAI**”), each as assignors, (the “**Assignment Agreement**”), attached hereto as **Appendix “2”**, which Assignment Agreement is conditional upon the completion of the transaction set out in the APA;

- b) request that the Court issue an order, substantially in the form attached as Schedule “B” to the APA: (i) approving the APA; (ii) authorizing the Receiver to complete the transaction contemplated therein; and (iii) vesting in BRI all of the rights, title and interests in and to the Sale Assets (as defined in the APA), subject to the terms of the APA;
- c) request that the Court issue an order approving the Assignment Agreement, and authorizing the Receiver to complete the transaction set out therein in accordance with the terms of the Assignment Agreement; and
- d) request that the Court issue an order sealing the Confidential Appendices of this Second Report Supplement until further Order of the Court.

THE APA

- 6 As indicated in paragraph 450 of the Second Report, as at the date of the Second Report, the Receiver was in the process of advancing negotiations with respect to a remaining Cash Purchase Offer which it received through the Sales Process, being an offer to purchase the Receiver’s right, title, and interest in and to the Media Loans of the Media Fund.
- 7 As will be detailed below, the Receiver has continued to negotiate the remaining Cash Purchase Offer, which has culminated in the APA being executed by the Receiver and BRI, as purchaser, on February 2, 2018.
- 8 As indicated in paragraph 215 of the Second Report, the Receiver engaged Quiver as an expert advisor (which engagement was approved by this Court) to assist the Receiver in its investigation and management of the Media Fund. As indicated in paragraph 218 of the Second Report, on November 22, 2017, Quiver provided the Quiver Report to the Receiver that, among other things:
 - a) outlined the nature of the Media Loans issued to the various production companies;
 - b) set out the collections received for Media Loans as at the date of the Quiver Report;

- c) provided an estimated value of the Gap Loans and Tax Credit Loans, and detailed the underlying methodology in determining the limited projected amounts which are reasonably likely to be recovered by the Media Fund with respect to the Media Loans; and
- d) recommended that the Receiver accept the amount being offered by BRI, being the Purchase Price as defined in the APA.

The Quiver Report, with its appendices, was attached as a confidential appendix to the Second Report and was sealed until further Order of the Court pursuant to the Order of the Honourable Justice Myers issued December 11, 2017. For the Court's convenience, a copy of the Quiver Report and its Appendix D, as sealed, will be separately filed by the Receiver as part of the motion record related to this Report, in a sealed envelope as **Sealed Appendix "1"**.

- 9 On the basis of the projected value/limited likelihood of recovery of the Media Loans as detailed in the Quiver Report, as well as the lack of any other offers for the purchase of the Media Loans through the Sales Process, the Receiver continued negotiations with BRI in an effort to finalize the terms of an agreement with BRI.
- 10 Such negotiations ultimately resulted in the execution of the APA dated February 2, 2018. The deposit required under the APA has been paid. In order for the transaction contemplated by the APA to be completed, it is a condition of the APA that an Approval and Vesting Order, substantially in the form attached as Schedule "B" to the APA, be issued by the Court. This form of Approval and Vesting Order is being sought on the present motion.
- 11 BRI is a British Columbia corporation, and its sole director is Aaron Gilbert ("**Gilbert**"). Both Gilbert and Steven Thibault ("**Thibault**") are authorized signatories for BRI. The Receiver understands that Gilbert is also the President, CEO, Chairman, and sole director of MHC, the entity which the Media Fund had engaged prior to the Receiver's Appointment to: (i) source potential Media Loans for investment by the Media Fund; and (ii) administer the Media Loans purchased by the Media Fund. The Receiver understands that Thibault was and/or remains employed by MHC, and that he was formerly the VP Finance at MHC. In addition, Gilbert was and/or continues to be a director of BSI and BAI.

- 12 Through the Creditor Claims Procedure authorized by this Court, BSI and BAI each filed Proofs of Claim (the “**Proofs of Claim**”), attached hereto as **Appendix “A”** and **Appendix “B”**, respectively, against Smith for personal loans advanced to him in the sum of \$8,512,592. According to the Proofs of Claim, as at August 3, 2017, Smith is indebted to BAI and BSI in the total sum of \$12,243,455 given accrued interest on the outstanding indebtedness.
- 13 The Receiver required that, as a condition of entering into the APA, BSI and BAI each assign their rights, title and interest under the Proofs of Claim to the Receiver. BSI and BAI each agreed, and have executed the Assignment Agreement along with the Receiver, which is being held in escrow and will become effective only upon the completion of the APA transaction.
- 14 The Receiver required that the Assignment Agreement be entered into as a result of: (i) concerns raised in the Commission Affidavits (as defined in the First Report) about funds which were traced from the Media Fund to either MHC or BAI, and which ultimately appeared to be traced to Smith or his holding company, CLJ Everest, which concerns are disputed by Bron; and (ii) the particulars submitted in the Proofs of Claim, which provided that BSI and BAI made loans to Smith. The assignment of the Proofs of Claim could thus result in additional monies being recovered by the Receiver in respect of such funds.

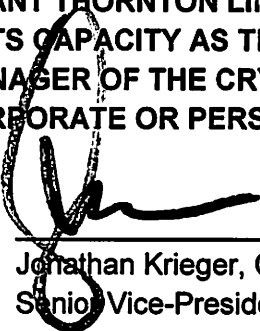
CONCLUSION

- 15 The Receiver conducted a fulsome Sales Process which elicited an offer from BRI and its affiliates. The Purchase Price contained in the APA is for an amount which the Receiver considers to be reasonable in the circumstances based upon the analysis and conclusions provided in the Quiver Report given the likelihood of recovery on the Gap Loans and certain Tax Credit Loans.
- 16 Furthermore, if the APA is approved and the transaction thereby completed, the Receiver will receive the benefits of any recovery which may be obtained as a result of the Assignment Agreement.

- 17 The Receiver considers the terms of the APA and the Assignment Agreement to be reasonable in the circumstances. It is the Receiver's view and recommendation that Court approval of the APA and the Assignment Agreement is likely to yield the best recovery on the Media Loans, and in turn, for investors of the Media Fund.
- 18 Accordingly, the Receiver is seeking an order approving the APA and the Assignment Agreement.
- 19 The Receiver is also seeking an order sealing the Confidential Appendices, which contain certain commercially-sensitive information related to pricing, the release of which could prejudice the Crystal Wealth Group's stakeholders if the transaction contemplated by the APA is not completed.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 8th day of February, 2018.

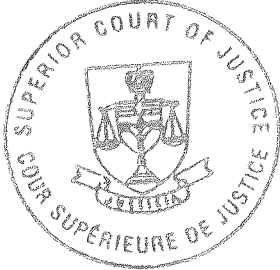
**GRANT THORNTON LIMITED,
IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER AND
MANAGER OF THE CRYSTAL WEALTH GROUP, AND NOT IN ITS
CORPORATE OR PERSONAL CAPACITY**

Per: 

Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 10

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



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

JUSTICE

S.L. Dunphy

)

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)

TUESDAY, THE 20th DAY

OF FEBRUARY, 2018

BETWEEN:**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**") (the Respondents except for Chrysalis Yoga being collectively referred to as the "**Crystal Wealth Group**"); and (ii) 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 Supplement to the Second Report of the Receiver dated February 8, 2018 (the "**Second Report Supplement**") and the activities of the Receiver set out in the Second Report Supplement; (ii) sealing the

confidential appendix to the Second Report Supplement (the "**Confidential Appendix**"); and (iii) approving the assignment agreement entered into among the Receiver, as assignee, and Bron Studios Inc. and Bron Animation Inc., each as assignors (the "**Assignment Agreement**"), and for other relief requested by the Receiver in its Notice of Motion dated February 8, 2018, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report Supplement and on hearing the submissions of counsel for the Receiver and such other counsel who were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Timothy Jones sworn February 9, 2018, filed,

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

2. **THIS COURT ORDERS** that the Second Report Supplement and the activities of the Receiver described therein be and are hereby approved.

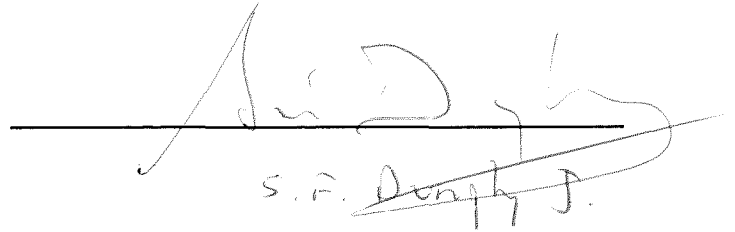
3. **THIS COURT ORDERS** that the Confidential Appendix be and is hereby sealed until further Order of the Court. *the Receiver's filing or March 26, 2018.* *AWD*

4. **THIS COURT ORDERS** that the Assignment Agreement be and is hereby approved, and the Receiver be and is hereby authorized to proceed with the transaction contemplated therein.

5. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

7. **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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.



S.F. Dunphy J.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

FEB 20 2018

PER / PAR:



Applicant

Respondents

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

ORDER

AIRD & BERLIS LLP

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Lawyers for Grant Thornton Limited, in its capacity as Receiver and Manager of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited

S.F. Murphy J
20 Feb 2018

No one opposes the approval sought. I am satisfied that, based on the Swadlow principles the Receiver has adhered to, this is the best transaction available in all the circumstances, Counsel for White House plaintiffs are satisfied the approval order + sales transaction does not adversely affect their statement of claim that is outstanding as against parties related to the purchaser. Order to go in form ^{Receiver report} submitted + signed by the approving sales ^{Receiver report} security order only until earlier of closing date and March 26, 2018. The Quiver report is ordered unseated at the same time (earlier of closing or March 26, 2018).

Jim D. J

APPENDIX 11

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**THIRD REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

MAY 3, 2018



**Grant Thornton Limited
200 King Street West, 11th Floor
TORONTO, ONTARIO, M5H 3T4**

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APPENDICES

- Appendix 1** Temporary Order, First Extension Order and Second Extension Order issued April 7, 2017, October 2, 2017 and April 9, 2018, respectively
- Appendix 2** Appointment Order and endorsement dated April 26, 2017
- Appendix 3** Receiver's First Report to Court dated June 22, 2017
- Appendix 4** Order and Endorsement issued by Justice Hainey dated June 30, 2017
- Appendix 5** Receiver's Second Report to Court dated November 24, 2017
- Appendix 6** Order and Endorsement issued by Justice Myers dated December 11, 2017
- Appendix 7** Receiver's Second Report Supplement dated February 8, 2018
- Appendix 8** Order and Endorsement issued by Justice Dunphy dated February 20, 2018
- Appendix 9** Agreement of Purchase and Sale dated April 11, 2018 [redacted]
- Appendix 10** Home Trust Notice of Sale dated June 19, 2017
- Appendix 11** June 20, 2017 letter from Aird & Berlis LLP to Home Trust
- Appendix 12** Master Medical Receivables Purchase and Administration Agreement dated March 31, 2016
- Appendix 13** Geodata Participation Agreement March 31, 2016
- Appendix 14** SSI Participation Agreement dated March 31, 2016
- Appendix 15** Geodata Bill of Sale dated July 10, 2017
- Appendix 16** Geodata Amendment to the Bill of Sale dated January 26, 2018
- Appendix 17** SSI Bill of Sale dated January 24, 2018

CONFIDENTIAL APPENDICES

Confidential Appendix 1	Agreement of Purchase and Sale dated April 11, 2018 [unredacted]
Confidential Appendix 2	Summary of Mount Nemo Property Proposals Received
Confidential Appendix 3	Listing Agreement with Sotheby's dated November 6, 2017 and Amendment dated March 26, 2018
Confidential Appendix 4	Toronto Real Estate Board Reports – Rural Burlington
Confidential Appendix 5	Summary of Offers Received
Confidential Appendix 6	Email dated April 6, 2018 from Andrew Cowan and email correspondence dated February 20, 2018 from one of the previous offerors

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**THIRD REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

MAY 3, 2018

INTRODUCTION

The OSC Application and Appointment Order

- 1 The Ontario Securities Commission (the “**OSC**”) issued a temporary order on April 7, 2017 (as extended by the OSC on April 13, 2017 and April 28, 2017 (the “**Temporary Order**”)) providing that the trading of units of all of the Crystal Wealth Funds cease, that trading in securities held by the Crystal Wealth Funds cease, and prohibiting the trading in or acquisition of securities by Clayton Smith (“**Smith**”) and Crystal Wealth Management System Limited (the “**Company**”), with limited exceptions that permitted Smith and the Company to liquidate exchange-traded securities in the Crystal Wealth Funds with such proceeds being deposited into the bank account of the relevant Fund. On October 2, 2017, the OSC extended the Temporary Order to April 10, 2018 (the “**First Extension Order**”), while modifying the Temporary Order issued April 7, 2017 to remove the portions of paragraphs 4 and 5 thereof referring to Smith in his capacity as advising representative, given that Smith’s registration was automatically suspended when he was terminated by the Receiver. On April 9, 2018, the OSC further extended the Temporary Order to July 5, 2018 (the “**Second Extension Order**”). The Temporary Order issued April 7, 2017, the First Extension Order and the Second Extension Order are attached hereto as **Appendix “1”** to this Third Report of the Receiver (the “**Third Report**”).

- 2 On April 26, 2017, on application of the OSC to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), the Honourable Mr. Justice Newbould issued an Order (the “**Appointment Order**”) appointing Grant Thornton Limited as: (i) receiver and manager (in such capacities, the “**Receiver**”), without security, of all of the assets, undertakings and properties (collectively, the “**Property**”) of 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**”), and of all contents, including funds, contained in the Chrysalis Account. The proceedings were commenced by way of application made by the OSC (the “**OSC Application**”) under section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”). The said receivership proceedings shall be referred to herein as the “**Receivership Proceedings**”. A copy of the Appointment

Order and the endorsement of the Honourable Mr. Justice Newbould are attached hereto as **Appendix “2”**.

- 3 Also on April 26, 2017, the Honourable Mr. Justice Newbould issued a Vesting Order (the “**Vesting Order**”) authorizing the Receiver to complete, on behalf of the Respondent, CLJ Everest Ltd. (“**CLJ Everest**”) (a company wholly owned by Smith), the sale transaction of the property located at 5043 Mount Nemo Crescent in Burlington, Ontario (the “**Mount Nemo Property**”) to Martin McCready (“**McCready**”) pursuant to and in accordance with an agreement of purchase and sale dated April 12, 2017 (the “**McCready APS**”). McCready did not respond to the Receiver’s communications following the issuance of the Vesting Order, and McCready failed to complete the sale transaction (the “**McCready Sale Transaction**”). The Receiver has reserved its rights to claim damages from McCready as a result of his failure to complete the McCready Sale Transaction.
- 4 A summary of the circumstances leading to the appointment of the Receiver is outlined in the Receiver’s First Report to Court dated June 22, 2017 (the “**First Report**”) which is attached hereto, without appendices, as **Appendix “3”**. The complete OSC Application can be found on the Receiver’s case website at www.GrantThornton.ca/CrystalWealth (the “**Case Website**”).

The First Report Approval Motion – June 30, 2017

- 5 On June 22, 2017, the Receiver provided the Court with its First Report and served a motion record in support of a motion to, among other things, approve a proposed Sales Process (as defined and described in the First Report) to be conducted by the Receiver by which prospective purchasers and managers could submit bids to the Receiver to either purchase the assets of certain Crystal Wealth Funds, or to take over the management of certain Funds. On June 29, 2017, the Receiver provided the Court with its Supplement to the First Report dated June 29, 2017.
- 6 On June 30, 2017, the Honourable Mr. Justice Hailey issued an Order and Endorsement (the “**June 30 2017 Order and Endorsement**”) that, among other things, approved:
 - a) the Receiver’s First Report and the activities of the Receiver set out therein; and
 - b) the Sales Process.

A copy of the June 30th Order and Endorsement is attached hereto as **Appendix “4”**.

The Second Report Approval Motion – December 11, 2017

- 7 On November 24, 2017, the Receiver provided the Court with its Second Report to Court dated November 24, 2017 (the **“Second Report”**) and served a motion record (the **“November 24, 2017 Motion”**) in support of a motion to, among other things: (i) approve the Receiver’s methodology and proposal to make an interim distribution to the investors of certain Crystal Wealth Funds, and authorizing the Receiver to make such interim distribution; (ii) direct certain entities and/or individuals to provide the Receiver and its counsel with certain requested but still outstanding information required by the Receiver for a proper account reconciliation and assessment of the Crystal Wealth Group; and (iii) authorize the Receiver to examine certain individuals. A copy of the Second Report, without appendices, is attached hereto as **Appendix “5”**.
- 8 On December 11, 2017, the Honourable Justice Myers issued an Order and Endorsement (the **“December 11, 2017 Order and Endorsement”**) that approved, among other things, the Receiver’s activities as set out in the Second Report. A copy of the December 11, 2017 Order and Endorsement is attached hereto as **Appendix “6”**.

The Second Report Supplement Approval Motion – February 20, 2018

- 9 On February 8, 2018, the Receiver provided the Court with a Supplement to the Second Report to Court dated February 8, 2018 (the **“Second Report Supplement”**) and served a motion record (the **“February 8, 2018 Motion”**) in support of a motion to, among other things, obtain approval of the Court of: (i) an Asset Purchase Agreement dated February 2, 2018 entered into between the Receiver and Bron Releasing Inc. (**“BRI”**) (the **“APA”**); and (ii) an Assignment Agreement entered into between the Receiver, as assignee, and Bron Studios Inc. (**“BSI”**) and Bron Animation Inc. (**“BAI”**), each as assignors, (the **“Assignment Agreement”**), which Assignment Agreement was conditional upon the completion of the transaction set out in the APA. A copy of the Second Report Supplement, without appendices, is attached hereto as **Appendix “7”**.
- 10 On February 20, 2018, the Honourable Justice Dunphy issued an Order and Endorsement (the **“February 20, 2018 Order and Endorsement”**) that approved, among other things,

the relief as sought in the February 8, 2018 Motion. A copy of the February 20, 2018 Order and Endorsement is attached hereto as **Appendix “8”**.

PURPOSE OF THE THIRD REPORT

- 11 The purpose of this Third Report is to inform the Court of the Receiver's activities with respect to: (i) the marketing and proposed sale by the Receiver of the Mount Nemo Property; (ii) the Receiver's execution of the Geodata Bill of Sale Amendment and the SSI Bill of Sale (as such terms are hereafter defined); and (iii) to support the Receiver's request for, among other things:
 - a) an order approving this Third Report, including the actions and activities of the Receiver as described in this Third Report;
 - b) an order, among other things: (i) approving the Agreement of Purchase and Sale dated April 11, 2018 and the amendment thereto dated April 17, 2018 entered into by the Receiver, as vendor on behalf of CLJ Everest, and Daniel Palmer (“**Palmer**”), as purchaser, regarding the sale of the Mount Nemo Property (the “**Palmer APS**”); (ii) authorizing the Receiver to complete the transaction contemplated therein (the “**Palmer Sale Transaction**”); and (iii) vesting in Palmer all of the right, title and interests in and to the Mount Nemo Property, subject to the terms of the Palmer APS. The Palmer APS is attached hereto as **Confidential Appendix “1”**, with a redacted version attached hereto as **Appendix “9”**;
 - c) an order vesting in Xynergy Medical Capital LLC (“**Xynergy**”) all of the rights, title and interests in the Geodata Participation (as defined in the Second Report and in the Geodata Bill of Sale dated July 10, 2017) in accordance with the Geodata Sale Agreement (as defined below);
 - d) an order vesting in Xynergy all of the rights, title and interests in and to the SSI Participation (as defined in the SSI Bill of Sale, as defined in this Third Report) in accordance with the SSI Bill of Sale; and
 - e) sealing the **Confidential Appendices** to this Third Report until the Palmer Sale Transaction has been completed.

- 12 Accordingly, this Third Report is a limited purpose report, and a more detailed report addressing other matters which have taken place subsequent to the Second Report and Second Report Supplement will be filed in due course.

RESTRICTIONS AND TERMS OF REFERENCE

- 13 In preparing this Third Report, the Receiver has relied upon unaudited and certain audited financial information, the Crystal Wealth Group's books and records, certain financial information obtained by third parties, and discussions with various individuals (collectively, the "**Information**"). Except as described in this Third Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
- 14 This Third Report has been prepared for the use of this Court to provide general information and an update relating to the Receivership Proceedings for the purpose of assisting the Court in making a determination as to whether to approve the relief sought in the Receiver's Notice of Motion dated May 3, 2018. This Third Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Third Report contrary to the provisions of this paragraph.
- 15 Capitalized terms not defined in this Third Report are as defined in the First Report, the Second Report, and in the Second Report Supplement. All references to dollars are in Canadian currency unless otherwise noted.
- 16 Copies of materials filed in these Receivership Proceedings are available on the Receiver's Case Website at: www.GrantThornton.ca/CrystalWealth.

MOUNT NEMO PROPERTY

Sale Pending at the Date of Receivership

- 17 As explained in the First Report, the Receiver was authorized by the Court to complete, on behalf of the Respondent, CLJ Everest (the registered owner of the Mount Nemo Property), the McCready Sale Transaction pursuant to and in accordance with the McCready APS which had been entered into between CLJ Everest and McCready. The

completion date for the underlying transaction was April 28, 2017.

- 18 On April 27, 2017, Jo-Anne Smith (“**Ms. Smith**”), Smith’s sister and the listing agent for the Mount Nemo Property at that time, informed the Receiver that McCready had advised her on April 27, 2017, that McCready would not be completing the McCready Sale Transaction.
- 19 The Receiver subsequently attempted to contact McCready by telephone at the number which Ms. Smith advised was McCready’s cell phone number. On both occasions, the message “*call cannot be completed as dialed*” was received.
- 20 Accordingly, by letter to McCready dated April 28, 2017, counsel to the Receiver, Aird & Berlis LLP (“**A&B**”), advised McCready that the Receiver was treating his anticipatory breaches as a repudiation of the McCready APS, thereby discharging the Receiver from proceeding with the sale while reserving the Receiver’s right to pursue damages from McCready.
- 21 To date, no response has been provided by McCready.

Mount Nemo Listing Process and the First Listing Broker

- 22 After the McCready Sale Transaction failed to close, the Receiver requested from Ms. Smith any and all information relating to the Mount Nemo Property, as it was the Receiver’s intent to conduct a formal sales process for the listing of the Mount Nemo Property (the “**Mount Nemo Listing Process**”). After receiving limited information from Ms. Smith, on May 10, 2017, the Receiver received an executed Listing Cancellation from Ms. Smith thereby allowing the Receiver to conduct the Mount Nemo Listing Process.
- 23 The First Report detailed the Mount Nemo Listing Process, which included: (i) researching and compiling a short-list of real estate agents/brokers with extensive experience in marketing and selling rural estate properties in the Burlington and surrounding areas; (ii) conducting a request for proposal process under confidentiality provisions; and (iii) evaluating submissions received from real estate agents/brokers.
- 24 The Mount Nemo Listing Process ultimately led to RE/MAX Aboutowne Realty Corp., Brokerage (“**RE/MAX**”) being selected as the listing agent. The summary of the proposals received, which was attached to the First Report as a confidential appendix, is attached

hereto as **Confidential Appendix “2”**.

- 25 On June 8, 2017, the Receiver entered into an MLS listing agreement with RE/MAX effective until October 31, 2017. After the completion of certain services relating to grounds keeping and proper maintenance for the pool, the Mount Nemo Property was listed on July 12, 2017 for \$3,399,000. The Receiver elected to begin listing the Mount Nemo Property at this price as it represented the approximate amount of the purchase price contained in the McCreedy APS.
- 26 Beginning the week ending July 17, 2017, RE/MAX provided the Receiver with periodic updates outlining, among other things: (i) the number of showings; (ii) the internet traffic on various websites; (iii) general updates on the condition of the Mount Nemo Property; and (iv) the status of any past or future showings.
- 27 Due to the minimal interest in the Mount Nemo Property and the fact that minimal showings were arranged and no offers had been received, the Receiver executed an amendment to the Listing Agreement dated August 30, 2017 which reduced the listing price of the Mount Nemo Property to \$3,199,000 (a reduction of \$200,000) (the “**First Amendment**”).
- 28 On October 31, 2017, the Listing Agreement with RE/MAX expired. On November 2 and November 3, 2017, the Receiver notified RE/MAX that it would not be renewing the Listing Agreement. The Receiver’s decision resulted from the fact that no offers were received despite RE/MAX having the opportunity to sell the Mount Nemo Property for almost five months, and given that only a minimal amount of showings were conducted.

The Second Listing Broker

- 29 The Receiver contacted another broker, Sotheby’s International Realty Canada (“**Sotheby’s**”), who had submitted a proposal as part of the Receiver’s Request for Proposals process discussed in the First Report, to inquire if Sotheby’s remained interested in listing the Mount Nemo Property.
- 30 In the RFP process, the Receiver had ranked Sotheby’s proposal behind that of RE/MAX, however, the Sotheby’s proposal highlighted: (i) its extensive experience selling similar real estate in the Burlington and surrounding area; (ii) a competitive commission structure; (iii) detailed and real time reporting tools; and (iv) a detailed marketing plan to prepare and execute the sale of the Mount Nemo Property.

- 31 On November 6, 2017, the Receiver entered into an MLS listing agreement with Sotheby's (the "**Sotheby's Listing Agreement**") effective until April 1, 2018 (which was subsequently extended to July 1, 2018). The Sotheby's Listing Agreement was attached to the Second Report as a confidential appendix and is attached hereto (along with the amendment to same) as **Confidential Appendix "3"**. With the downward trends being noticed in the real estate market, and specifically in Burlington, the Mount Nemo Property was listed at \$2,900,000 (a further reduction of \$299,000). Due to the need to create marketing materials prior to listing on the Multiple Listing Service, the Mount Nemo Property was listed on an exclusive basis for a short period of time; this allowed Sotheby's to commence contacting their client base immediately.
- 32 Over the course of the listing period, the Mount Nemo Property was advertised in the following media, along with a targeted email campaign, and professionally created property brochures, floor plans, video and related collateral:
- a) sothebysrealty.ca and sothebysrealty.com
 - b) countrylife.co.uk
 - c) homeadverts.com
 - d) house24.ilsole24ore.com
 - e) jameslist.com
 - f) luxuryestate.com
 - g) PropGoLuxury.com
 - h) real-buzz.com
 - i) realtor.ca
 - j) Sotheby's Insight Magazine
 - k) West of the City 2018
- 33 The April 16, 2018 marketing update from Sotheby's (the "**April 16, 2018 Sotheby's Update**") indicated 3,373 views on the www.sothebysrealty.ca website and 45,563

impressions, the latter of which means the number of times the listing appeared on a search results page on the www.sothebysrealty.ca website. This same update indicated:

- a) The top five cities from which searches were performed were: (i) unidentified but with a “.ca” address; (ii) Toronto; (iii) Burlington; (iv) Oakville; and (v) Mississauga.
- b) The top five countries from which searches were performed were: (i) Canada; (ii) United States; (iii) Hong Kong; (iv) France; and (v) the United Kingdom.

- 34 The April 16, 2018 Sotheby's Marketing Update also indicated that during the period November 15, 2017 to March 16, 2018, there were 20 separate showings of the Property.
- 35 The Receiver notes that Sotheby's also provided market data for the second quarter of 2017 to the fourth quarter of 2017 from the Toronto Real Estate Board specific to rural Burlington which is attached hereto as **Confidential Appendix “4”**. It is noted that there is a general downward trend with properties being on the market longer, the number of listings and transactions having decreased and the average and medium selling prices having materially decreased. On May 2, 2018, Sotheby's advised the Receiver that such market data for the first quarter of 2018 is not yet available.

Offers Received

- 36 A summary of the offers (“**Summary of Offers**”) received is attached hereto as **Confidential Appendix “5”**. The comments provided in the Summary of Offers indicates the principal issues regarding each offer to which the Receiver attempted to negotiate in order to arrive at an offer that was appropriate to accept subject only to approval of this Court.
- 37 Sotheby's indicated that there were other interested parties who did not submit offers as they were not willing to offer a purchase price as high as that which is contained in the Palmer APS. The primary concerns raised by these parties included: (i) the size of the property; (ii) the ability for a purchaser to change the current zoning to a different permitted use; (iii) the structural integrity of the barn located on the property; (iv) the amount of repairs to the house which would be required, depending on the preference of a purchaser; (v) and the general condition of the property. Email correspondence dated April 6, 2018 from Andrew Cowan (the real estate agent of Palmer) and email correspondence dated February 20, 2018 from one of the previous offerors both identify certain concerns over

the property illustrating the foregoing points, and are collectively attached hereto as **Confidential Appendix “6”**.

- 38 When taking the foregoing into account and related costs thereof, the interested parties were considering offers generally around the range of the initial offering prices as noted in the Summary of Offers, all of which were less than the purchase price contained in the Palmer APS.
- 39 After receiving an initial offer from Palmer and various sign-backs thereof, negotiations ceased as he was unwilling to delete a number of his conditions.
- 40 However, on April 2, 2018, Palmer submitted another offer, this time reducing the number of conditions. Negotiations recommenced whereby Palmer showed the seriousness of his interest, including through his obtaining professional assessments on the condition of the Mount Nemo Property. Such further negotiations culminated in the Receiver and Palmer agreeing on price and terms which led to the acceptance of an offer on April 11, 2018, subject only to a two business day period for Palmer to review such items as zoning, permitted uses, and easements with relevant authorities including the Niagara Escarpment Commission, the Halton Conservation Authority and the City of Burlington. Palmer subsequently requested the conditional date to be extended from two business days to April 23, 2018. The Receiver agreed, and the parties executed an amendment to the Palmer APS dated April 17, 2018 to give effect to the aforesaid extension.
- 41 On April 23, 2018, Palmer gave notice to the Receiver that all conditions of the Palmer APS had been fulfilled resulting in the Palmer APS becoming firm.
- 42 The Receiver recommends and seeks approval of the Palmer APS from this Court, given: (i) the failed McCready Sale Transaction; (ii) that the Receiver, and RE/MAX and Sotheby's on the Receiver's behalf, has conducted a thorough sales and marketing process for approximately 10 months during the Receivership Proceedings; (iii) that the offers received and offers being considered by other interested parties were all in relatively the same price range, being less than the purchase price contained in the Palmer APS; and (iv) the downturn in the real estate market for rural properties.
- 43 A sealing order is requested with respect to the Confidential Appendices, as they contain sensitive commercial information concerning the Receiver's marketing and sale of the

Mount Nemo Property, the release of which could prejudice the stakeholders of the Crystal Wealth Group should the Palmer APS Transaction fail to close.

DISTRIBUTION OF PROCEEDS FROM THE PALMER APS TO HOME TRUST

- 44 Home Trust Company (“**Home Trust**”) is the first mortgagee in regards to the Mount Nemo Property. On June 19, 2017, Home Trust issued a Notice of Sale Under Charge (“**Notice of Sale**”), a copy of which is attached hereto as **Appendix “10”**, pursuant to a default by CLJ Everest in regard to payment of monies due under a certain charge dated January 16, 2015 and made between CLJ Everest and Home Trust. Pursuant to the Notice of Sale Under Charge, notice was given that the amount due on the charge for principal money, interest, taxes, and costs, respectively, was \$1,324,014.
- 45 On June 20, 2017, A&B corresponded with Home Trust advising them of the stay of proceedings pursuant to the Appointment Order. A copy of A&B’s letter is attached hereto as **Appendix “11”**. On a periodic basis since the issuance of this letter, the Receiver has kept Home Trust advised of the activity with respect to listing the Mount Nemo Property.
- 46 The Receiver seeks authorization of the Court as part of the relief sought herein to make distributions from the sale proceeds of the Palmer Sale Transaction to the registered mortgagee, Home Trust, without further order of the Court, in satisfaction of the discharge of Home Trust’s mortgage registered on title to the Mount Nemo Property, provided that the Receiver is satisfied as to the validity of the mortgage and amounts claimed.

SALE OF GEODATA AND SSI PARTICIPATIONS

- 47 As outlined in the Receiver’s previous reports, the Medical Fund invested in, among other things, Medical Factoring Contracts (as defined below) which were administered by Xynergy Medical Capital LLC (“**Xynergy**”). In these arrangements, Xynergy would enter into contracts (the “**Medical Factoring Contracts**”) to purchase healthcare receivables (after purchase, invoices are referred to as “**Purchased Medical Receivables**”) from operating businesses in the United States and Puerto Rico (“**Clients**”) for a discount and service fees.
- 48 Once the medical receivables were purchased by Xynergy, Xynergy would take an assignment of the Purchased Medical Receivables and ultimately collect the amounts owing under the invoices (the “**Invoice Principal**”) from the underlying debtors. Once the

Invoice Principal was collected, Xynergy would remit the amount to the Client, net of any fees earned by Xynergy pursuant to the particulars of the Medical Factoring Contract.

- 49 The Medical Factoring Contracts were fluid arrangements whereby the quantum of the amounts advanced to the Clients for the Purchased Medical Receivables (the “**Client Advances**”) would vary based on the underlying working capital needs of the Clients. Each of the Medical Factoring Agreements indicated a maximum amount of Client Advances that could be outstanding at any given time (i.e. a maximum borrowing).
- 50 Pursuant to a Master Medical Receivables Purchase and Administration Agreement dated March 31, 2016 (defined in the First Report as the “**MMRPAA**”), the Medical Fund entered into participation agreements (the “**Participation Agreements**”) with Xynergy whereby it purchased a stated interest (the “**Participation**”) in certain of the Medical Factoring Contracts. For greater clarity, the Medical Fund was not a party to the Medical Factoring Contracts entered into between the Clients and Xynergy. A copy of the MMRPAA is attached hereto as **Appendix “12”**.
- 51 Each Participation Agreement would outline, among other things, on a percentage basis, the Medical Fund’s Participation in both the Client Advances (the Medical Fund’s Participation in the Client Advances is referred to as the “**Net Funds Employed**”) and the fees earned on same for a particular Medical Factoring Contract. Each Client Advance included both Xynergy’s capital and the Medical Fund’s capital pursuant to the relevant Participation Agreement. As a result, as the Client’s working capital needs changed, the Client Advances (and the Net Funds Employed) fluctuated.
- 52 A segregated trust account was setup and administered by Xynergy to administer the Medical Fund’s allocated Participation of the advances and collections made to and from the Clients. In times in which the Client’s working capital needs were not extensive, an “ear-marked” amount remained in the trust account in the event additional Client Advances were required under the Medical Factoring Contracts.
- 53 As noted in paragraph 124 of the First Report, included in the Medical Fund were Participations Agreements in Medical Factoring Contracts with two Clients: GeodataPR International, Inc. (“**Geodata**”) and Servicios de Salud Integrada, CSP (“**SSI**”), both of whom operate out of Puerto Rico. Copies of the Participation Agreements with respect to SSI and Geodata are attached to this Third Report as **Appendix “13”** and “**14**”

respectively.

- 54 Paragraph 6(k)(ii) of the Appointment Order authorized the Receiver to sell, convey, transfer, lease or assign the Property of the Crystal Wealth Funds, which includes Participation Agreements, without the approval of this Court, regardless of the purchase price.

GeodataPR International, Inc.

- 55 As noted in paragraph 125 of the First Report, on June 20, 2017, Xynergy put forth an offer to acquire the Medical Fund's Participation in the accounts receivable owing by Geodata (the "**Geodata Participation**") for US \$684,313, representing the Net Funds Employed, pursuant to the Geodata Participation, as at June 20, 2017.
- 56 As outlined in the Second Report, on July 10, 2017, the Receiver and Xynergy executed a bill of sale (the "**Geodata Bill of Sale**") whereby Xynergy re-acquired the Geodata Participation for US \$684,313 (the "**Geodata Purchase Amount**"). The Receiver received the Geodata Purchase Amount funds in trust on July 12, 2017. A copy of the executed Geodata Bill of Sale is attached hereto as **Appendix "15"**.
- 57 Pursuant to the Geodata Bill of Sale, the Receiver agreed to hold the Geodata Purchase Amount in trust until a Vesting Order (as defined in the Geodata Bill of Sale) (the "**Geodata Vesting Order**") was obtained from the Court vesting the Geodata Participation to Xynergy. On January 26, 2018, the Receiver and Xynergy entered into an amendment to the Geodata Bill of Sale (the "**Geodata Bill of Sale Amendment**", together with the Geodata Bill of Sale, the "**Geodata Sale Agreement**") for the purposes of extending the date by which the Geodata Vesting Order must be obtained to May 31, 2018. A copy of the Geodata Bill of Sale Amendment is attached hereto as **Appendix "16"**.
- 58 As the sale of the Geodata Participation for the Geodata Purchase Amount was authorized by this Court pursuant to the Appointment Order, June 30 2017 Order and Endorsement and the December 11, 2017 Order and Endorsement, the Receiver recommends that the Court issue the Vesting Order required by the Geodata Sale Agreement so that the Geodata Purchase Amount need not be returned by the Receiver to Xynergy.

Servicios de Salud Integrada, CSP's

- 59 As outlined in paragraphs 373 to 377 of the Second Report, on March 27, 2013, Xynergy entered into a medical receivables factoring agreement with SSI under which a maximum US \$600,000 medical factoring facility was provided (the “**SSI Factoring Agreement**”).
- 60 SSI is located in Puerto Rico and is engaged in the business of supplying radiology technicians to hospitals and clinics in the San Juan Municipality. All invoices are issued to and paid by the San Juan Municipality (i.e. the underlying debtor).
- 61 The Medical Fund and Xynergy entered into a Participation Agreement dated March 31, 2016 for a Participation in SSI's accounts receivable and 70% of the factoring fees (the “**SSI Participation**”).
- 62 In and around July 2017, the time in which the Geodata Bill of Sale was being negotiated and completed, Xynergy indicated to the Receiver that it had an interest in repurchasing the SSI Participation for a discount. As the Receiver had, at the time, commenced the Sales Process, it advised Xynergy that the offer to purchase the SSI Participation must be made through the Sales Process.
- 63 In late 2017, the distressed state of Puerto Rico, as a result of Hurricane Irma (September 6, 2017) and Hurricane Maria (September 20, 2017), continued to cause a significant delay in the payment of the Purchased Medical Receivables by the San Juan Municipality. Xynergy advised the Receiver that the situation in Puerto Rico would result in lengthy delays in receiving payments of the Purchased Medical Receivables from San Juan Municipality.
- 64 Given the uncertainty surrounding the repayment of the Purchased Medical Receivables and the fact that no bids were received for the SSI Participation in the Sales Process, the Receiver, on December 14, 2017, inquired as to whether Xynergy remained interested in repurchasing the SSI Participation.
- 65 On December 19, 2017, Xynergy advised that, given the circumstances with respect to Hurricane Irma and Maria, where the risk of collections of the underlying Purchased Medical Receivables had increased and that it may have to spend money in professional fees to collect same, it would be willing to repurchase the SSI Participation for 60% of the

Net Funds Employed of US \$341,725 (i.e. the Medical Fund's portion of the Client Advances) as at December 19, 2017 (the "**SSI Balance**") (US \$205,035).

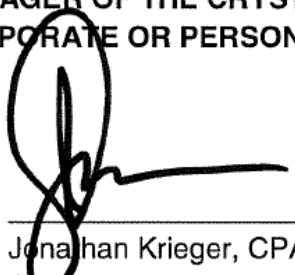
- 66 On January 24, 2018, after numerous discussions, the Receiver and Xynergy entered into a bill of sale agreement dated January 24, 2018 (the "**SSI Bill of Sale**") for the sale of the SSI Participation for US \$222,290.95 (the "**SSI Purchase Price**"), approximately 65% of the SSI Balance. The Receiver received the SSI Purchase Price and the segregated SSI funds held in the trust account administered by Xynergy of US \$103,884.55 (the "**Segregated SSI Funds**"), in trust, on January 30, 2018. A copy of the SSI Bill of Sale is attached hereto as **Appendix "17"**.
- 67 Similar to the Geodata Bill of Sale, the SSI Bill of Sale requires that the Receiver hold the SSI Purchase Price funds in trust until a Vesting Order (as defined in the SSI Bill of Sale) (the "**SSI Vesting Order**") is obtained. The SSI Vesting Order must be obtained by no later than May 31, 2018, failing which, the SSI Bill of Sale shall be deemed null and void and the Receiver will be required to return the SSI Purchase Price funds to Xynergy.
- 68 The Receiver believes that the discount agreed upon on for the re-purchase of the SSI Participation is reasonable given the circumstances and the status of the investment, mainly:
- a) the SSI Participation is a unique and specialized investment whereby the potential parties interested in purchasing same is limited;
 - b) the Sales Process conducted by the Receiver resulted in no bids being received on the SSI Participation;
 - c) the events in Puerto Rico has created uncertainty with respect to the ultimate collection of SSI's outstanding receivables; and
 - d) the Medical Fund was potentially exposed to be required to advance the additional SSI Segregated Funds.
- 69 For the reasons outlined above, the Receiver respectfully requests that this Court approve the SSI Bill of Sale and issue the SSI Vesting Order.

CONCLUSION

70 For the reasons set out in this Third Report, the Receiver respectfully requests the relief and approval requested in the Receiver's Notice of Motion dated May 3, 2018.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 3rd day of May, 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**

Per: 

Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 12

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

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

B E T W 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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**SUPPLEMENT TO THE THIRD REPORT TO THE COURT SUBMITTED BY GRANT
THORNTON LIMITED IN ITS CAPACITY AS RECEIVER**

MAY 14, 2018



**Grant Thornton Limited
200 King Street West, 11th Floor
TORONTO, ONTARIO, M5H 3T4**

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INTRODUCTION AND PURPOSE OF THE THIRD REPORT SUPPLEMENT

- 1 This supplement is filed by Grant Thornton Limited in its capacity as Court-appointed receiver and manager (in such capacity, the “**Receiver**”) of the Crystal Wealth Group and of the Chrysalis Account.
- 2 This Third Report Supplement is filed by the Receiver as a supplement to its third report dated May 3, 2018 (the “**Third Report**”) to address a concern raised by the Court at the Receiver’s motion returnable May 14, 2018, namely, that all parties with a claim against the Property which is the subject of the Palmer APS, and the Property which is the subject of the requested Geodata Vesting Order and SSI Vesting Order, have received notice of the relief sought by the Receiver in the Third Report.
- 3 Capitalized terms not defined in this Third Report Supplement are as defined in the Third Report. All references to dollars are in Canadian currency unless otherwise noted.
- 4 Copies of materials filed in these proceedings generally are available on the Receiver’s Case Website at www.grantthornton.ca/crystalwealth.

NO OTHER CLAIMS

- 5 For the reasons set out in its Third Report, and this Third Report Supplement, the Receiver is requesting Orders, among other things:
 - a) approving the Palmer APS and vesting in Palmer all of the right, title and interests in and to the Mount Nemo Property, of which CLJ Everest is the current registered owner; and
 - b) vesting the Geodata Participation and SSI Participation to Xynergy, pursuant to agreements entered into by Xynergy and the Receiver on behalf of the Respondent, Crystal Wealth Medical Strategy.
- 6 Pursuant to the Creditor Claims Procedure Order issued by this Court on June 30, 2017, attached as **Appendix “1”**, the Court established a claims process (the “**Creditor Claims Procedure**”) to be conducted by the Receiver in respect of non-investor creditor claims against the Crystal Wealth Group entities, which includes CLJ Everest and

Crystal Wealth Medical Strategy. The Claims Bar Date, as defined in the Creditor Claims Procedure Order, was 5 p.m. on August 3, 2017.

- 7 Pursuant to paragraphs 5, 6(a), and 6(c) of the Creditor Claims Procedure Order, any Creditor (as defined therein) that did not file a Proof of Claim by the Claims Bar Date “shall be and is hereby forever barred from asserting or enforcing any Claim against the Crystal Wealth Group” and “shall not be entitled to any further notice in, and shall not be entitled to participate as a creditor in, the Receivership Proceedings”.
- 8 As is set out in paragraph 407 of the Receiver’s Second Report (which Report is appended at Appendix “5” to the Third Report), as at the Claims Bar Date, 26 persons or entities filed claims, including three (3) claims against CLJ Everest, the registered owner of the Mount Nemo Property. Attached hereto as **Appendix “2”** is a listing of the claims filed against the Crystal Wealth Group entities by the August 3, 2017 Claims Bar Date (which listing is also attached as Appendix “69” to the Second Report).

THE MOUNT NEMO PROPERTY

- 9 With respect to the claims filed against CLJ Everest, none of the claims filed in accordance with the Creditor Claims Procedure Order assert an interest in the Mount Nemo Property. The City of Burlington filed a claim as a result of the Creditor Claims Procedure Order with respect to any property tax arrears which may become owing on the Mount Nemo Property. As reflected in the Tax Certificate provided by the City of Burlington dated May 8, 2018, attached hereto as **Appendix “3”**, there are no property tax arrears owing on the Mount Nemo Property, and the next property tax payment on the Mount Nemo Property is not due until June 20, 2018, after the anticipated completion date for the Palmer APS Transaction of May 16, 2018.
- 10 Attached hereto as **Appendix “4”** is a parcel abstract for the Mount Nemo Property dated May 14, 2018, reflecting that there are no other Claims (as defined in the draft Approval and Vesting Order appended at Tab A2 of the Receiver’s Motion Record dated May 3, 2018) registered against title to the Mount Nemo Property, aside from those set out in Schedule C (Claims to be deleted and expunged from title) and Schedule D (Permitted Encumbrances, Easements, and Restrictive Covenants related to the Real Property) of the draft Approval and Vesting Order appended at Tab A2 of the Receiver’s Motion Record dated May 3, 2018.

- 11 Attached hereto as **Appendix "5"** is an Ontario *Personal Property Security Act* search results obtained on May 14, 2018 which reflects that there are no registrations against CLJ Everest.

SALE OF GEODATA AND SSI PARTICIPATIONS

- 12 With respect to the claims filed against Crystal Wealth Medical Strategy, none of the claims filed in accordance with the Creditor Claims Procedure Order assert an interest in the Geodata Participation and SSI Participation.
- 13 The sole claim filed against the Crystal Wealth Medical Strategy as part of the Creditor Claims Process is the unsecured claim of BDO Canada LLP.
- 14 Attached hereto as **Appendix "6"** is an Ontario *Personal Property Security Act* search results obtained on May 14, 2018 which reflects that there are no registrations against Crystal Wealth Medical Strategy.

CONCLUSION

- 15 Accordingly, based upon the foregoing and the information contained in the Receiver's Third Report, the Receiver believes that all third parties with a claim against: (i) the Property which is the subject of the Palmer APS; and (ii) the Property which is the subject of the requested Geodata Vesting Order and SSI Vesting Order, have received notice of the relief sought by the Receiver in the Third Report.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 14th day of May, 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**



Per: _____
Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 13

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**



THE HONOURABLE
JUSTICE PATTILLO

)
)
)

TUESDAY, THE 15th DAY
OF MAY, 2018

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**") (the Respondents except for Chrysalis Yoga being collectively referred to as the "**Crystal Wealth Group**"); and (ii) 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 Third Report of the Receiver dated May 3, 2018 (the "**Third Report**") and the Supplement to the Third Report of the Receiver dated May 14, 2018 (the "**Third Report Supplement**") and the activities of the Receiver set out in each of the Third Report and Third Report Supplement; and (ii) sealing the confidential appendices to the Third Report (the "**Confidential Appendices**"), and for other

relief requested by the Receiver in its Notice of Motion dated May 3, 2018, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and the Third Report Supplement and on hearing the submissions of counsel for the Receiver and such other counsel who were present, no one appearing for any other person on the service list, although duly served as appears from the affidavits of service of Diana Saturno sworn May 3, 2018 and May 14, 2018, filed,

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion, the Receiver's motion record, and the Third Report Supplement is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the Third Report and the Third Report Supplement, and the activities of the Receiver described in each of them, be and are hereby approved.

3. **THIS COURT ORDERS** that the Confidential Appendices be and are hereby sealed until further Order of the Court, except that the Palmer APS (as defined in the Third Report) shall be unsealed upon the completion of the transaction contemplated by the Palmer APS.

4. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

5. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

6. **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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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ON / BOOK NO:

LE / DANS LE REGISTRE NO:

MAY 15 2018

PFR / PAR



COUNSEL SLIPCOURT FILE NO CV-17-011779-001DATE 15-MAY-2018NO ON LIST ADD ONTITLE OF
PROCEEDINGONTARIO SECURITIES COMMISSION v.
CRYSTAL WEALTH MANAGEMENT SYSTEMS LIMITED
ET AL.

COUNSEL FOR:

PLAINTIFF(S)

APPLICANT(S)

PETITIONER(S)

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COUNSEL FOR:

DEFENDANT(S)

RESPONDENT(S)

PHONE & FAX NOS

May 15, 2018

Based on the material filed, including the Receiver's Third Report and the Supplement to the Third Report, I am satisfied that the orders requested and the vesting orders should issue. Orders signed by me.


A. P. P. P. P.

APPENDIX 14

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**FOURTH REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

JULY 20, 2018



**Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4**

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CONFIDENTIAL APPENDICES

- Confidential Appendix 1** AGB LLP Engagement Letter dated June 11, 2018
- Confidential Appendix 2** Receiver's Notice of Action and Statement of Claim
- Confidential Appendix 3** SS&C Engagement Letter dated March 15, 2018

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**FOURTH REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER OF THE RESPONDENTS**

JULY 20, 2018

EXECUTIVE SUMMARY

- 1 **The Receiver strongly encourages that readers of this Fourth Report read this Report in its entirety as it provides important details of the work performed by the Receiver that led to its conclusions and concerns as set out in this Executive Summary**
- 2 The Examinations and the additional work performed by the Receiver with respect to the investments of the Crystal Wealth Funds has further solidified the concerns raised by the Receiver in the Second Report, specifically:
 - a) the decisions of the Company, Smith, and Housego to cause certain of the Crystal Wealth Funds to advance monies to third parties, purportedly on account of investments, which investments had questionable return and recovery prospects, were inconsistent with the Funds' investment objectives as set out in the OMs, and/or lacked the security which was to be provided by third parties to the Crystal Wealth Funds in connection with such investment;
 - b) the relationships between Smith, Housego, administrators of certain investments in Crystal Wealth Funds, and the principals of the companies in which certain Crystal Wealth Funds advanced monies purportedly on account of investments;
 - c) certain Crystal Wealth Funds' exposure was concentrated within a few companies who received substantial monies from the Funds;
 - d) the ultimate use of and lack of accountability for the investors' monies once such investments were made by the Company, Smith, and/or Housego on behalf of the Funds, and the ineffective organizational structure to ensure proper oversight and governance of the Crystal Wealth Funds and possibly, compliance with Ontario securities laws, including, without limitation, the Act.
- 3 The Receiver has significant concerns over the quality and ultimate collectability of approximately \$50.25 million of the remaining Recorded Value as reflected in the April 20th Package delivered by Smith, including the Factoring Contracts, Gold Loans and OOM Energy Loans.

- 4 To date, the Receiver has realized approximately \$62 million of proceeds from its realization efforts in the Crystal Wealth Funds. The realizations have come from a variety of sources, including the sale of the Media Fund portfolio which was previously approved by this Court. The Receiver made an interim distribution on January 18, 2018 in the amount of \$31 million, and in this upcoming motion, is seeking the Court's approval of a second interim distribution of \$25 million. The Receiver anticipates that it will make further distributions as it continues with its realization efforts. However, the Receiver cautions that there are challenged circumstances surrounding the large majority of the remaining assets in the Crystal Wealth Funds. This includes, in many cases, lack of adequate diligence by the Crystal Wealth Funds that advanced the loans, difficult assets to monetize, and roadblocks from many of the participants involved in the Crystal Wealth Funds' business, including their borrowers.
- 5 Significant work remains ahead in realization efforts. The Receiver believes that the cost of pursuing recoveries on the remaining assets may be disproportionately high compared to the ultimate recovery. However, the Receiver believes that in the absence of taking further aggressive recovery efforts, including litigation, the recoveries will be minimal.
- 6 Over the course of its mandate, the Receiver has communicated with hundreds of investors, many of whom are deeply concerned about the ultimate recoverability of their investments. As set out in the Receiver's earlier reports, in some cases, their investment in the Crystal Wealth Funds accounted for a better part of certain investors' life savings. Since the Second Report, the Receiver has diligently pursued avenues to collect on the investments in the Crystal Wealth Funds.
- 7 The Receiver and its counsel have begun the process of pursuing various forms of legal enforcement against third parties, including: (i) the Company's auditors (BDO); and (ii) corporations and individuals who have defaulted on their obligations to certain Crystal Wealth Funds. The Receiver intends on filing a supplement to this Fourth Report in advance of the Receiver's motion returnable August 20, 2018 in order to further update the Court and investors with respect to additional enforcement initiatives which have been undertaken by the Receiver against particular third parties. The Receiver assures investors that it continues to represent their interests in these challenging proceedings.

BACKGROUND AND INTRODUCTION

THE OSC APPLICATION AND APPOINTMENT ORDER

- 8 The Ontario Securities Commission (the “**OSC**”) issued a temporary order on April 7, 2017 (as extended by the OSC on April 13, 2017 and April 28, 2017 (the “**Temporary Order**”)), providing that the trading of units of all of the Crystal Wealth Funds cease, that trading in securities held by the Crystal Wealth Funds cease, and prohibiting the trading in or acquisition of securities by Clayton Smith (“**Smith**”) and Crystal Wealth Management System Limited (the “**Company**”), with limited exceptions that permitted Smith and the Company to liquidate exchange-traded securities in the Crystal Wealth Funds with such proceeds being deposited into the bank account of the relevant Crystal Wealth Fund. On October 2, 2017, the OSC extended the Temporary Order to April 10, 2018 (the “**First Extension Order**”), while modifying the Temporary Order issued April 7, 2017 to remove the portions of paragraphs 4 and 5 thereof referring to Smith in his capacity as advising representative, given that Smith’s registration was automatically suspended when he was terminated by the Receiver. On April 9, 2018, the OSC further extended the Temporary Order to July 5, 2018 (the “**Second Extension Order**”). The Temporary Order issued April 7, 2017, the First Extension Order and the Second Extension Order are attached hereto as **Appendix “1”** to this Fourth Report of the Receiver (the “**Fourth Report**”).

- 9 On April 26, 2017, on application of the OSC to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), the Honourable Justice Newbould issued an Order (the “**Appointment Order**”) appointing Grant Thornton Limited as: (i) receiver and manager (in such capacities, the “**Receiver**”), without security, of all of the assets, undertakings and properties (collectively, the “**Property**”) of 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**”), and of all contents, including funds, contained in the Chrysalis Account. The proceedings were commenced by way of application made by the OSC (the “**OSC Application**”) under section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”). The said receivership proceedings shall be referred to herein as the “**Receivership Proceedings**”. Copies of the Appointment

Order and the Endorsement of the Honourable Justice Newbould are attached hereto as **Appendix “2”**.

- 10 Staff of the OSC and Clayton Smith executed a Settlement Agreement dated May 28, 2018 (the **“Settlement Agreement”**), which is attached hereto as **Appendix “3”**. On June 14, 2018, the Commission issued an Order approving the Settlement Agreement, and released Oral Reasons for Approval of Settlement. The Commission’s Order and Oral Reasons for Approval of Settlement¹ are attached hereto as **Appendix “4”**. The Receiver was not involved in connection with the negotiation of the Settlement Agreement, or the OSC hearing in which it was approved. Further details regarding the Settlement Agreement are included in this Fourth Report.
- 11 As a consequence of the foregoing, the July 4, 2018 hearing date to further extend the Temporary Order has been vacated by Order of the Commission issued June 14, 2018, attached hereto as **Appendix “5”**.
- 12 A summary of the circumstances leading to the appointment of the Receiver is outlined in the Receiver’s First Report to Court dated June 22, 2017 (the **“First Report”**), which is attached hereto, without appendices, as **Appendix “6”**. The complete OSC Application can be found on the Receiver’s case website at www.GrantThornton.ca/CrystalWealth (the **“Case Website”**).

THE FIRST REPORT APPROVAL MOTION – JUNE 30, 2017

- 13 On June 22, 2017, the Receiver provided the Court with its First Report and served a motion record in support of a motion to, among other things, approve a proposed Sales Process (as defined and described in the First Report) to be conducted by the Receiver, by which prospective purchasers and managers could submit bids to the Receiver to either purchase the assets of certain Crystal Wealth Funds, or to take over the management of certain Funds. On June 29, 2017, the Receiver provided the Court with its Supplement to the First Report dated June 29, 2017 (the **“First Report Supplement”**) which is attached hereto, without appendices, as **Appendix “7”**.

¹ The Settlement Agreement, the OSC’s Order, and the OSC’s Oral Reasons for Approval and Settlement are available on the OSC’s website: <http://www.osc.gov.on.ca>

14 On June 30, 2017, the Honourable Justice Hailey issued an Order and Endorsement (the “**June 30 2017 Order and Endorsement**”) and a Creditor Claims Procedure Order (the “**Creditor Claims Procedure Order**”) that, among other things, approved:

- a) the Receiver’s First Report and the activities of the Receiver set out therein;
- b) the Sales Process; and
- c) a Creditor Claims Procedure for non-investor claims against the Crystal Wealth Group.

Copies of the June 30th Order and Endorsement and the Creditor Claims Procedure Order are attached hereto as **Appendix “8”**.

THE SECOND REPORT APPROVAL MOTION – DECEMBER 11, 2017

15 On November 24, 2017, the Receiver provided the Court with its Second Report to Court dated November 24, 2017 (the “**Second Report**”) and served a motion record (the “**November 24, 2017 Motion**”) in support of a motion to, among other things: (i) approve the Receiver’s methodology and proposal to make an interim distribution to the investors in certain Crystal Wealth Funds, and authorize the Receiver to make such interim distribution; (ii) direct certain entities and/or individuals to provide the Receiver and its counsel with certain requested but still outstanding information required by the Receiver for a proper account reconciliation and assessment of the Crystal Wealth Group; and (iii) authorize the Receiver to examine certain individuals. A copy of the Second Report, without appendices, is attached hereto as **Appendix “9”**.

16 The Second Report detailed the Receiver’s significant concerns over the quality and ultimate collectability of many of the recorded investments of the Crystal Wealth Funds.

17 On December 11, 2017, the Honourable Justice Myers issued an Order and Endorsement (the “**December 11, 2017 Order and Endorsement**”) that approved, among other things, the Receiver’s activities as set out in the Second Report, and which authorized the Receiver to proceed with its proposed interim distribution to the investors of certain Crystal Wealth Funds. Copies of the December 11, 2017 Order and Endorsement are attached hereto as **Appendix “10”**.

THE SECOND REPORT SUPPLEMENT APPROVAL MOTION – FEBRUARY 20, 2018

- 18 On February 8, 2018, the Receiver provided the Court with a Supplement to the Second Report to Court dated February 8, 2018 (the “**Second Report Supplement**”) and served a motion record (the “**February 8, 2018 Motion**”) in support of a motion to, among other things, obtain the approval of the Court of: (i) an Asset Purchase Agreement dated February 2, 2018 entered into between the Receiver and Bron Releasing Inc. (the “**APA**”) pursuant to which Media Loan assets of the Media Fund would be sold to Bron Releasing Inc.; and (ii) an Assignment Agreement entered into between the Receiver, as assignee, and Bron Studios Inc. and Bron Animation Inc., each as assignors, (the “**Assignment Agreement**”), which Assignment Agreement was conditional upon the completion of the transaction set out in the APA. A copy of the Second Report Supplement, without appendices, is attached hereto as **Appendix “11”**.
- 19 On February 20, 2018, the Honourable Justice Dunphy issued an Order and Endorsement (the “**February 20, 2018 Order and Endorsement**”) that approved, among other things, the relief as sought in the February 8, 2018 Motion. Copies of the February 20, 2018 Order and Endorsement are attached hereto as **Appendix “12”**.
- 20 On March 23, 2018, the transaction subject of the APA (the “**Media Fund APA Transaction**”) was completed. On March 26, 2018, the Receiver’s Certificate was filed with this Honourable Court confirming that the APA transaction had been completed to the satisfaction of the Receiver.

THE THIRD REPORT AND THIRD SUPPLEMENT APPROVAL MOTION – MAY 15, 2018

- 21 On May 3, 2018, the Receiver served its Third Report to Court dated May 3, 2018 (the “**Third Report**”) and served a motion record (the “**May 3, 2018 Motion**”) in support of a motion to, among other things, obtain an order: (i) approving an Agreement of Purchase and Sale dated April 11, 2018 and the amendment thereto dated April 17, 2018 (the “**Palmer APS**”) entered into by the Receiver, as vendor on behalf of CLJ Everest, and Daniel Palmer, as purchaser, regarding the sale of a property municipally known as 5043 Mount Nemo Crescent, Burlington, Ontario (the “**Mount Nemo Property**”); (ii) vesting title in the Mount Nemo Property to Palmer free and clear of any liens, claims, and encumbrances; and (iii) vesting in Xynergy Medical Capital LLC (“**Xynergy**”) all of the rights, title and interests in the Geodata Participation (as defined in the Second Report)

and the SSI Participation (as defined in the Third Report), being assets of the Medical Fund. A copy of the Third Report, without appendices, is attached hereto as **Appendix “13”**.

- 22 On May 14, 2018, the Receiver served and filed with the Court a Supplement to the Third Report to Court dated May 14, 2018 (the **“Third Report Supplement”**) in support of the May 3, 2018 Motion. A copy of the Third Report Supplement, without appendices, is attached hereto as **Appendix “14”**.
- 23 On May 15, 2018, the Honourable Justice Pattillo issued an Order and Endorsement (the **“May 15, 2018 Order and Endorsement”**) that approved, among other things, the relief as sought in the May 3, 2018 Motion. Copies of the May 15, 2018 Order and Endorsement are attached hereto as **Appendix “15”**.
- 24 On May 18, 2018, the transaction subject to the Palmer APS was completed.

EXAMINATIONS

- 25 As provided for in the December 11, 2017 Order and Endorsement, the Receiver conducted examinations under oath of the following individuals on the below noted dates:
- a) Joanne Bentley (**“Bentley”**), a former registered associate advising representative of the Company – January 17, 2018;
 - b) Smith, the controlling mind of the Company and the sole officer, director, chief executive officer, chief compliance officer, and ultimate designated person thereof at the time of the Receiver’s appointment – January 25, 2018 (the **“Smith Examination”**);
 - c) Craig Clydesdale (**“Clydesdale”**), the principal of OOM Energy Group. The entities comprising the OOM Energy Group are indebted to the Mortgage Fund, Infrastructure Fund, and Sustainable Property Fund pursuant to Commercial Loans – March 12, 2018 and March 13, 2018 (the **“Clydesdale Examination”**);
 - d) David DenHollander (**“DenHollander”**), the President of 647 BC. 647 BC is a Factoring Contract Merchant and is indebted to the Factoring Fund – March 21, 2018 (the **“DenHollander Examination”**);

- e) Darcy Pahl (“**Pahl**”), the President of Dome Mountain. Dome Mountain is a Factoring Contract Merchant and Debtor and is indebted to the Factoring Fund and Hedge Fund – March 21, 2018;
- f) Robert Maljaars (“**Bob Maljaars**”), a representative of Dome Mountain and 156 Alberta – March 22, 2018 (the “**Bob Maljaars Examination**”). 156 Alberta is a Factoring Contract Merchant and is indebted to the Factoring Fund;
- g) Jeffrey Maljaars, the President of 156 Alberta – March 22, 2018 (the “**Jeffrey Maljaars Examination**”);
- h) Housego, the former Lead Portfolio Strategist for the Resource Fund, Bullion Fund, Factoring Fund, and Hedge Fund – April 12, 2018 (the “**Housego Examination**”). Housego testified during his examination that he is currently the subject of a securities commission investigation in British Columbia, and that the British Columbia Securities Commission (the “**BCSC**”) has consequently frozen corporate accounts with which he is associated. A copy of the Order to Freeze Property issued by the BCSC dated January 19, 2018 is attached hereto as **Appendix “16”**; and
- i) Jerry Froese (“**Froese**”), President and Chief Executive Officer of Frontline Factoring Inc. (“**Frontline**”) – April 18, 2018 (the “**Froese Examination**”). Frontline administered the Factoring Contracts on behalf of the Factoring Fund and Hedge Fund,

(collectively, the “**Examinations**”). The transcripts of the Examinations are available in their entirety on the Receiver’s Case Website.

- 26 The testimony given by these individuals at the Examinations provided further evidence in support of the conclusions drawn by the Receiver at paragraph 32 of the Second Report, including that:

- a) The lack of segregation of duties in performing the day to day operations and governance thereof (e.g. Smith was the controlling mind, sole director, and Chief Compliance Officer, among others) resulted in the Company not having an effective organizational structure to ensure proper oversight and governance of the Crystal Wealth Funds;

- b) The decisions of the Company, Smith, and Housego to cause certain of the Crystal Wealth Funds to advance monies to third parties, purportedly on account of investments, which investments had questionable return and recovery prospects, were inconsistent with the Funds' investment objectives as set out in the OMs, and/or lacked the security which was to be provided by third parties to the Crystal Wealth Funds in connection with such investments;
- c) There were private relationships and dealings between Crystal Wealth representatives, including Smith and Housego, and administrators of certain investments in Crystal Wealth Funds and/or the principals of the companies to which certain Crystal Wealth Funds advanced monies purportedly on account of investments;
- d) Certain Crystal Wealth Funds' exposure was concentrated within a few companies who received substantial monies from the Funds;
- e) The Receiver's concerns as to the ultimate use of and lack of accountability for the investors' monies once such investments were made by the Company, Smith, and/or Housego on behalf of the Funds;
- f) The Company's transfer of significant money between Crystal Wealth Funds which apparently was used to falsely create liquidity to meet investor distributions and/or redemptions;
- g) The Company's payment of distributions to investors in Crystal Wealth Funds, which Funds had no sources of income, or cash flow, and which payments were funded by Inter-fund Investments;
- h) The Company disclosed false or manipulated net asset values ("**NAVs**") of the Funds, causing the NAVs of certain Funds to be materially overstated; and
- i) Accordingly, the quality of and ultimate collectability of investments held by certain of the Crystal Wealth Funds: specifically the Factoring Contracts; certain Commercial Loans; and the Gold Loans, is likely grossly impaired.

27 At the examinations of Pahl, DenHollander, and Bob Maljaars, all requests for undertakings were refused. Similarly, certain undertakings, and questions taken under

advisement and which were refused, remain outstanding from the Smith, Clydesdale, and Froese Examinations. The Receiver is of the view that such questions are relevant, and probative to the Receiver's mandate, and that an Order ought to issue requiring these individuals to answer the questions, and to produce the associated documentation requested. Attached hereto as **Appendix "17", "18", "19", "20", "21", "22", "23", and "24"**, respectively, are the charts from the Smith, Clydesdale, Pahl, Bob Maljaars, DenHollander, Jeffrey Maljaars, Housego, and Froese Examinations setting out the outstanding undertakings, and questions taken under advisement and which were refused.

PURPOSE OF THE FOURTH REPORT

28 The purpose of this Fourth Report is to inform the Court of the Receiver's activities since the date of the Second Report which are not addressed in the Second Report Supplement, Third Report, and Third Report Supplement, and to support the Receiver's request for an order, among other things:

- a) approving this Fourth Report, including the actions and activities of the Receiver as described in this Fourth Report;
- b) approving the Receiver's methodology and proposal to make a further interim distribution to the investors of certain Crystal Wealth Funds, and authorizing the Receiver to make such interim distribution;
- c) directing that the outstanding undertakings/requests from, and questions taken under advisement and which were refused at the Smith Examination, Clydesdale Examination, DenHollander Examination, Pahl Examination, Bob Maljaars Examination, Jeffrey Maljaars Examination, Housego Examination, and Froese Examination be answered and delivered to the Receiver and its counsel by Smith, Clydesdale, DenHollander, Pahl, Bob Maljaars, Jeffrey Maljaars, Housego, and Froese, respectively, along with all documentation in response to such questions;
- d) finding that Alberto Storelli ("**Storelli**"), Brian Peoples ("**Peoples**"); and Joe Harker ("**Harker**") are in contempt due to their breach of the December 11, 2017 Order, namely, their failure to provide the Receiver and its counsel with certain requested but still outstanding information required by the Receiver for a proper account reconciliation and assessment of the US Real Estate LP;
- e) approving the Receiver's engagement of Adair Goldblatt Bieber LLP ("**AGB LLP**") as the Receiver's lawyer of record in an Ontario Superior Court of Justice (Commercial List) action (CV-18-595063-00CL) against BDO Canada LLP ("**BDO**");
- f) awarding judgment in favour of the Receiver as against 109545 B.C. Ltd. ("**109 BC**"), for payment of an amount in Canadian funds sufficient to purchase \$50,000 in United States Dollars, at a bank in Ontario listed in Schedule 1 of the *Bank Act* (Canada), the amount of said funds to be determined at the close of business on the first day before

the day that judgment is granted, and on a day which the Bank quotes a Canadian dollar rate for the purchase of foreign currency, in accordance with 109 BC's obligations to the Receiver pursuant to a Settlement Agreement and Mutual Release entered into by 109 BC and the Receiver dated December 20, 2017;

- g) approving the Receiver's Interim Statement of Receipts and Disbursements for the period from April 26, 2017 to May 31, 2018, attached hereto as **Appendix "25"**;
- h) approving the fees and disbursements of the Receiver and Aird & Berlis LLP ("**A&B**"), legal counsel to the Receiver, as described herein for the period of October 1, 2017 to May 31, 2018, and an allocation of such fees and disbursements from October 1, 2017 to May 31, 2018; and
- i) sealing the **Confidential Appendices** of this Fourth Report until further Order of the Court.

- 29 The Receiver's activities since the date of the Second Report, which are not addressed in the Second Report Supplement, Third Report, and Third Report Supplement, are detailed throughout this Fourth Report.

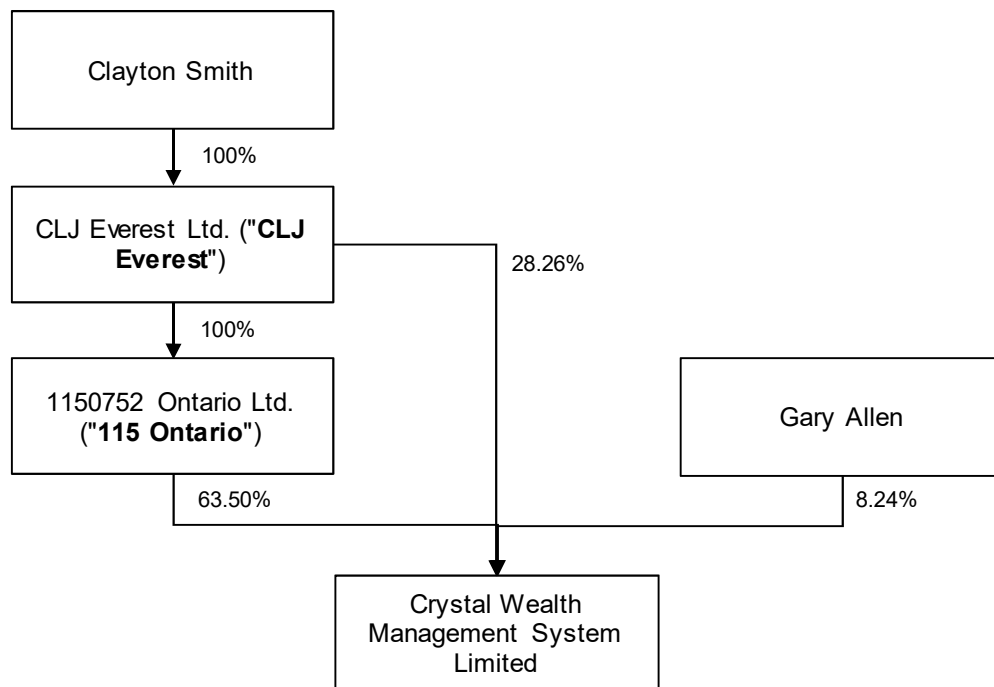
RESTRICTIONS AND TERMS OF REFERENCE

- 30 In preparing this Fourth Report, the Receiver has relied upon unaudited and certain audited financial information, the Crystal Wealth Group's books and records, certain financial information obtained by third parties, and discussions with and examinations of various individuals (collectively, the "**Information**"). Except as described in this Fourth Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
- 31 This Fourth Report has been prepared for the use of this Court to provide general information and an update relating to the Receivership Proceedings for the purpose of assisting the Court in making a determination as to whether to approve the relief sought in the Receiver's Notice of Motion dated July 20, 2018. This Fourth Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Fourth Report contrary to the provisions of this paragraph.
- 32 Capitalized terms not defined in this Fourth Report are as defined in the First Report, the First Report Supplement, the Second Report, the Second Report Supplement, the Third Report, and the Third Report Supplement. All references to dollars are in Canadian currency unless otherwise noted.
- 33 Copies of materials filed in these Receivership Proceedings are available on the Receiver's Case Website at: www.GrantThornton.ca/CrystalWealth.

CORPORATE STRUCTURE

34 At the time of the Appointment Order, the Company was a corporation registered with the OSC in the categories of: “Exempt Market Dealer”, “Investment Fund Manager”, “Portfolio Manager”, and “Commodity Trading Manager”.

35 At the time of the Appointment Order, Smith was the controlling mind of the Company, was listed as the sole director and officer, and held a controlling interest of 91.76% in the Company. The ownership structure of the Company is as follows:



36 At the time of the Appointment Order, Smith was registered in Ontario with the OSC as a dealing representative, an advising representative in the category of “Portfolio Manager”, and an advising representative in the category of “Commodity Trading Manager”. Smith was also registered as the Company’s chief executive officer, chief compliance officer and ultimate designated person. Moreover, Smith held the chief financial officer position.

37 The Company created and managed the following 15 proprietary investment funds (collectively referred to as the “**Crystal Wealth Funds**”):

- a) Crystal Wealth Mortgage Strategy (the “**Mortgage Fund**”);
- b) Crystal Enlightened Resource and Precious Metals Fund (the “**Resource Fund**”);
- c) Crystal Wealth Enlightened Factoring Strategy (the “**Factoring Fund**”);
- d) Crystal Wealth Medical Strategy (the “**Medical Fund**”);
- e) Crystal Enlightened Bullion Fund (the “**Bullion Fund**”);
- f) Crystal Wealth Media Strategy (the “**Media Fund**”);
- g) Crystal Wealth High Yield Mortgage Strategy (the “**High Yield Mortgage Fund**”);
- h) Crystal Wealth Infrastructure Strategy (the “**Infrastructure Fund**”);
- i) Crystal Wealth Enlightened Hedge Fund (the “**Hedge Fund**”);
- j) Crystal Wealth Conscious Capital Strategy (the “**Conscious Capital Fund**”);
- k) ACM Income Fund;
- l) ACM Growth Fund;
- m) Absolute Sustainable Dividend Fund (the “**Sustainable Dividend Fund**”);
- n) Absolute Sustainable Property Fund (the “**Sustainable Property Fund**”); and
- o) Crystal Wealth Retirement One Fund (the “**Retirement Fund**”);

(collectively, the “**Crystal Wealth Funds**”, and individually, a “**Fund**”).

A detailed description of the Crystal Wealth Funds and the investments contained therein are outlined in the First Report and Second Report.

- 38 The Crystal Wealth Funds are structured as open-ended mutual fund trusts. Units in each of the Crystal Wealth Funds were distributed to investors on an exempt basis, pursuant to offering memoranda (“**OMs**”). The Company managed the day-to-day business of the Crystal Wealth Funds and was required to make investment decisions consistent with each of the Crystal Wealth Funds’ investment objectives. As detailed in the Second Report, certain Crystal Wealth Funds held investments that are not in compliance with their respective OMs.

THE RECEIVER'S PROPOSED SECOND INTERIM DISTRIBUTION

- 39 Through the ongoing monetization of the Equities, the Media Fund Sale, and the maturation and payout of certain Off-Book Assets, the Receiver has collected net proceeds available for distribution to individual investors of certain Crystal Wealth Funds of \$25,292,893, after the allocation of professional fees and appropriate holdback for claims filed pursuant to the Creditor Claims Procedure Order.
- 40 Cash balances are those being held in the respective Crystal Wealth Fund accounts at NBIN. Any proceeds (e.g. mortgage payments) or realizations from the monetization of marketable securities of a particular Fund were deposited to that Fund's bank account at NBIN. In other words, each Fund is being managed and accounted for on its own with no co-mingling amongst the Funds.
- 41 The creditor claims filed are currently being analyzed by the Receiver. However, for purposes of the Receiver's request for an order authorizing a further interim distribution to investors, the Receiver has included a holdback for the full value of the creditor claims filed (as outlined in the table below) while they remain under evaluation. As detailed in the Creditor Claims Procedure section to the Second Report, a claim which names a particular Fund has been allocated to that Fund. For those claims which name the Crystal Wealth Funds in general, such claims were allocated among the Crystal Wealth Funds based on the weighted average of the recorded NAV as at April 20, 2017 of each Crystal Wealth Fund.
- 42 The sole exception to the holdbacks provided for on account of the creditor claims filed through the Creditor Claims Procedure concerns the contingent claim filed by BDO Canada LLP ("**BDO**"), which is addressed in paragraphs 410 to 418 of the Second Report and which permits the Receiver's proposed interim distributions to investors to proceed.
- 43 The following table demonstrates the calculated proposed per unit interim distribution to investors of certain of the Crystal Wealth Funds using the foregoing allocation methodology, including the allocation of the Receiver's fees and the Receiver's legal fees from October 1, 2017 to May 31, 2018 (including HST). The database of investors is that contained in the records of IFDS pursuant to the June 30, 2017 Order. Cash balances for

each of the Crystal Wealth Funds are as at May 31, 2018. The total cash balance consists of all Canadian dollar denominated funds.

Fund	In 000's						Per Unit		
	Cash Balance May 31/18	Inter-fund Investment Proceeds	Gross Available Cash	Holdbacks	Receiver & Legal Fees	Available Proceeds for Second Distribution	Second Distribution	First Distribution [Jan 18/18]	Total Distributions Made by the Receiver
Mortgage Fund	\$ 5,930	\$ 507	\$ 6,437	\$ (1,876)	\$ (200)	\$ 4,360	\$ 1.625	\$ 1.445	\$ 3.071
Resource Fund	1,308	-	1,308	(105)	(28)	1,175	\$ 1.944	\$ 2.931	\$ 4.875
Factoring Fund	610	0	610	(1,051)	(353)	Nil	\$ -	\$ -	\$ -
Medical Fund	1,198	377	1,575	(355)	(74)	1,146	\$ 1.678	\$ 2.858	\$ 4.536
Bullion Fund	87	-	87	(87)	(29)	Nil	\$ -	\$ 2.021	\$ 2.021
Media Fund	15,966	-	15,966	(2,255)	(307)	13,404	\$ 2.479	\$ 1.181	\$ 3.660
High Yield Mortgage Fund	1,422	250	1,672	(206)	(33)	1,433	\$ 2.642	\$ 2.923	\$ 5.565
Infrastructure Fund	391	-	391	(372)	(72)	Nil	\$ -	\$ 2.193	\$ 2.193
Hedge Fund	454	-	454	(388)	(115)	Nil	\$ -	\$ 0.125	\$ 0.125
Conscious Capital Fund	26	-	26	(121)	(6)	Nil	\$ -	\$ -	\$ -
ACM Income Fund	1,137	1,672	2,810	(243)	(27)	2,539	\$ 2.404	\$ 0.623	\$ 3.027
ACM Growth Fund	357	141	498	(256)	(29)	213	\$ 0.179	\$ 4.882	\$ 5.060
Sustainable Dividend Fund	136	17	152	(123)	(36)	Nil	\$ -	\$ 10.761	\$ 10.761
Sustainable Property Fund	1,211	-	1,211	(168)	(44)	999	\$ 2.203	\$ 1.994	\$ 4.197
Total	\$ 30,232	\$ 2,964	\$ 33,197	\$ (7,606)	\$ (1,353)	\$ 25,271			

- 44 As the foregoing table suggests, the Receiver is recommending a per unit distribution for eight (8) of the fourteen Crystal Wealth Funds. Six (6) of the Crystal Wealth Funds do not have funds available for distribution, and as a result, the investors in same will not receive a per unit distribution at this stage.²
- 45 Holdbacks for actual and future estimated Receiver and legal fees are similarly tracked in the table above either by specific Crystal Wealth Fund, or if they represent time allocable to all Crystal Wealth Funds, then such fees were allocated on the basis of effort and number of investors in each Fund. Cumulative Receiver and legal fees of approximately

² Holdbacks include, among other things: (i) claims received from certain creditors of the Crystal Wealth Funds pursuant to the Creditor Claims Procedure; (ii) the contingent claim filed by BDO, as detailed in the Second Report; and (iii) an additional holdback for estimated Receiver and legal fees with respect to the continued administration of the receivership.

\$130,000 (including HST) were allocated outside of the Crystal Wealth Funds to Crystal Wealth Group entities and individuals, including CLJ Everest, Smith, and 115 Ontario.

UPDATE ON INVESTMENTS IN EACH OF THE CRYSTAL WEALTH FUNDS

- 46 For each of the Crystal Wealth Funds, the Receiver has prepared a statement of cash receipts and disbursements (the “**Cash R&Ds**”) as at May 31, 2018, which includes:
- a) the cash balance as at April 20, 2017 pursuant to the April 20th Package;
 - b) investment returns of the Fund (“**Investments**”) monetized by the Receiver since the date of the Appointment Order and the proceeds obtained from same (“**Monetized Investments**”);
 - c) collections in the normal course since the date of the Appointment Order with respect to the Investments (“**Investment Collections**”);
 - d) disbursements since the date of the Appointment Order; and
 - e) the cash balance as at May 31, 2018.
- 47 For each of the Crystal Wealth Funds, the Receiver has also prepared a summary listing of the cash and Investments held as at April 20, 2017 based on the values as recorded by the Company as at that date per the April 20th Package (the “**Recorded Values**”), compared to the cash and Investments held as at May 31, 2018, with such remaining Investments being presented at their Recorded Values. For the purpose of this Fourth Report, the Receiver has not updated or accrued further interest on Investments, where applicable, from the values reported in the April 20th Package.
- 48 Common items reflected in the Cash R&Ds for the Funds are:
- a) **Inter-Fund Investment Distribution [Jan 18, 2018]** – reflects the amount of the first interim distribution made by the Receiver on January 18, 2018 received by a Fund on account of its Inter-Fund Investment(s);
 - b) **Interim Distribution [Jan 18, 2018]** – reflects the amount distributed by a Fund pursuant to the first interim distribution declared by the Receiver on January 18, 2018 in the aggregate amount of \$31 million, as authorized by the December 11, 2017 Order and Endorsement; and

- c) **Professional Fees [Apr 26, 2017 to Sep 30, 2017]** – represent the fees of the Receiver and its legal counsel for April 26, 2017 to September 30, 2017, as approved by the Court pursuant to the December 11, 2017 Order and Endorsement, and apportioned among all of the Crystal Wealth Funds on the basis as described in the Second Report.

MORTGAGE FUND

- 49 The following is the Cash R&D for the Mortgage Fund (a more detailed accounting of the receipts and disbursements incurred by the Mortgage Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “26”**):

Mortgage Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 1,217,989	\$ -
<u>Receipts</u>		
Monetized Investments		
Proceeds from GIC	525,311	-
Investment Collections		
Collection of Residential Mortgage Principal & Interest	7,080,448	-
Collection of Commercial Loan Principal & Interest	1,553,921	-
Interest Income	12,585	-
Other Receipts		
Inter-fund Investment Distribution [Jan 18, 2018]	241,451	-
	9,413,716	-
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	3,855,919	-
Advances to Receiver's Trust Account	617,854	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	205,000	-
Bank Charges & Expenses	13,386	-
	4,692,158	-
Cash Balance - May 31, 2018	\$ 5,939,546	\$ -

“Advances to the Receiver’s Trust Account” represent amounts advanced by the Mortgage Fund on behalf of the other Crystal Wealth Funds for the payment of Receiver and legal fees for October 1, 2017 to May 31, 2018, as authorized by the Appointment Order.

The “Cash Balance” as at May 31, 2018 includes \$10,000 held in trust by Spectrum on behalf of the Mortgage Fund; the remainder of the Cash Balance is held in the Mortgage Fund’s NBIN accounts.

- 50 As at May 31, 2018 (with comparatives as at April 20, 2017), the Mortgage Fund held the following cash and Investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 1,218	\$ -	\$ 5,940	\$ -
Residential Mortgages	14,072	-	8,037	-
Commercial Loans	9,095	-	7,919	-
Inter-fund Investments	2,056	-	2,056	-
GIC	523	-	-	-
Other Assets	119	-	-	-
	\$ 27,083	\$ -	\$ 23,951	\$ -

RESOURCE FUND

- 51 The following is the Cash R&D for the Resource Fund (a more detailed accounting of the receipts and disbursements incurred by the Resource Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “27”**):

Resource Fund	CAD	USD	AUD
Cash Balance - April 20, 2017	\$ 145,662	\$ 29,671	\$ (170)
<u>Receipts</u>			
Monetized Investments			
Sale of Equities	3,467,127	-	26,260
Investment Collections			
Proceeds from USD Futures	809	-	-
Interest Income	3,841	-	-
Other Receipts			
Transfer from USD & AUD Accounts	62,637	-	-
Inter-fund Investment Distribution [Jan 18, 2018]	42,315	-	-
	3,576,728	-	26,260
<u>Disbursements</u>			
Interim Distribution [Jan 18, 2018]	1,770,689	-	-
Purchase of Shares from Warrants	594,778	-	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	34,503	-	-
Bank Charges & Expenses	14,073	-	21
Transfer to CAD Account	-	29,671	26,069
	2,414,044	29,671	26,090
Cash Balance - May 31, 2018	\$ 1,308,347	\$ -	\$ -

The "Purchase of Shares from Warrants" reflects the Receiver exercising Warrants held by the Resource Fund. Proceeds from the sale of the shares obtained from the Warrants is reflected in the "Sale of Equities" line item which includes proceeds from Equities held by the Resource Fund as at the date of the Appointment Order and those acquired from Warrants being exercised.

- 52 As at May 31, 2018 (with comparatives as at April 20, 2017), the Resource Fund held the following cash and Investments:

<i>In \$000's</i>	Recorded Value April 20, 2017			Recorded Value May 31, 2018		
Investment	[CAD]	[USD]	[AUD]	[CAD]	[USD]	[AUD]
Cash	\$ 146	\$ 30	\$ (0)	\$ 1,308	\$ -	\$ -
Equities	1,540	9	25	91	9	-
Inter-fund Investments	262	-	-	262	-	-
USD Futures	-	(4)	-	-	-	-
Convertible Debenture	50	-	-	50	-	-
Warrants	23	-	-	15	-	-
Accrued Expenses	(6)	-	-	-	-	-
	\$ 2,015	\$ 35	\$ 25	\$ 1,727	\$ 9	\$ -

“Equities” include four (4) CAD Equities and one (1) USD Equity. Trading for two (2) of the CAD Equities has been halted since the Appointment Order. As such, the Receiver is unable to liquidate same at this time. The remaining two (2) CAD Equities and USD Equity are all thinly traded stocks that are traded on the “Over-the-Counter” markets. The Receiver continues to monitor these Equities and work with its advisors to liquidate same.

FACTORING FUND

- 53 The following is the Cash R&D for the Factoring Fund (a more detailed accounting of the receipts and disbursements incurred by the Factoring Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “28”**):

Factoring Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 421,643	\$ (7,371)
<u>Receipts</u>		
Monetized Investments		
Sale of Equities	138,866	-
Investment Collections		
Proceeds from USD Futures	128,334	-
Collection of Factoring Contract Interest	53,094	-
Inter-fund Investment Distribution [Jan 18, 2018]	33,261	-
Interest Income	1,584	-
Other Receipts		
External Mutual Fund Dividend	3,615	-
Transfer from CAD Account	-	7,371
	358,754	7,371
<u>Disbursements</u>		
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	147,086	-
Bank Charges & Expenses	13,140	-
Commissions	1,382	-
Transfer to USD Account	8,931	-
	170,540	-
Cash Balance - May 31, 2018	\$ 609,857	\$ -

- 54 As at May 31, 2018 (with comparatives as at April 20, 2017), the Factoring Fund held the following cash and Investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 422	\$ (7)	\$ 610	\$ -
Factoring Contracts	24,462	-	24,462	-
Inter-fund Investments	2,953	-	2,953	-
US Real Estate LP	-	2,299	-	2,299
Gold Loans	2,207	3,553	2,207	3,553
Equities	313	453	100	453
Commercial Loans	-	156	-	156
External Mutual Funds	67	-	67	-
Convertible Debenture	30	-	30	-
Warrants	-	48	-	-
USD Futures	-	(6)	-	-
Accruals and Loss Provisions	(1,086)	-	-	-
	\$ 29,369	\$ 6,494	\$ 30,430	\$ 6,460

“Factoring Contracts” reflects the Recorded Value of the principal and accrued interest, \$22,821,205 and \$1,641,268 respectively, owing from the Merchants as reported on the April 20th Package. As detailed below, the interest has and will continue to accrue on the outstanding Factoring Contract balances.

“US Real Estate LP” reflects the Recorded Value of the principal and accrued interest, US \$2,150,000 and US \$149,211 respectively, owing to the Factoring Fund from its investment in the US Real Estate LP. Similar to the Factoring Contracts, the interest has and continues to accrue on the Factoring Fund’s investment in the US Real Estate LP.

“Equities” include one (1) CAD Equity and three (3) USD Equities, all of which are thinly traded on the “Over-the-Counter” markets. The Receiver continues to monitor these Equities and work with its advisors to liquidate same.

MEDICAL FUND

55 The following is the Cash R&D for the Medical Fund (a more detailed accounting of the receipts and disbursements incurred by the Medical Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “29”**):

Medical Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 421,542	\$ 20,939
<u>Receipts</u>		
Monetized Investments		
Redemption of Units in External Mutual Fund	25,345	-
Sale and Settlement of Medical Factoring Contracts	-	1,134,313
Payout of NFL Participation Agreements	-	714,687
Investment Collections		
Proceeds from USD Futures	192,159	-
Inter-fund Investment Distribution [Jan 18, 2018]	179,315	-
Interest Income	2,084	6,535
Other Receipts		
Transfer from USD Account	2,395,717	-
	2,794,621	1,855,535
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	1,952,183	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	61,541	-
Bank Charges & Expenses	3,985	647
Transfer to CAD Account	-	1,875,827
	2,017,709	1,876,474
Cash Balance - May 31, 2018	\$ 1,198,454	\$ -

56 As at May 31, 2018 (with comparatives as at April 20, 2017), the Medical Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 422	\$ 21	\$ 1,198	\$ -
Inter-fund Investments	1,527	-	1,527	-
External Mutual Funds	25	-	-	-
Equities	-	6	-	6
NFL Participation Agreements	-	4,047	-	3,347
Medical Factoring Contracts	-	1,352	-	-
USD Futures	-	(14)	-	-
Accrued Expenses	2	-	-	-
	\$ 1,975	\$ 5,411	\$ 2,725	\$ 3,352

As outlined later in this Fourth Report, as at April 20, 2017, the Medical Fund held 26 NFL Participation Agreements consisting of principal and accrued fees with Recorded Values of US \$3,601,715 and US \$445,050, respectively. As at May 31, 2018, there remain 22 NFL Participation Agreements consisting of principal and accrued fees with Recorded Values of US \$2,976,830 and US \$369,819, respectively.

BULLION FUND

- 57 The following is the Cash R&D for the Bullion Fund (a more detailed accounting of the receipts and disbursements incurred by the Bullion Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix "30"**):

Bullion Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 279,763	\$ (6,381)
<u>Receipts</u>		
Investment Collections		
Interest Income	614	-
Other Receipts		
Transfer from CAD Account	-	6,605
	614	6,605
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	166,507	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	17,441	-
Bank Charges & Expenses	696	238
Transfer to USD Account	8,592	-
	193,235	238
Cash Balance - May 31, 2018	\$ 87,141	\$ (13)

58 As at May 31, 2018 (with comparatives as at April 20, 2017), the Bullion Fund held the following cash and Investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 280	\$ (6)	\$ 87	\$ (0)
Gold Loans	763	-	763	-
Accrued Expenses	(5)	-	-	-
	\$ 1,038	\$ (6)	\$ 850	\$ (0)

MEDIA FUND

59 As detailed in the Second Report and the Second Report Supplement, the Receiver has fully monetized all of the Investments held in the Media Fund following the completion of the Media Fund APA Transaction.

60 The following is the Cash R&D for the Media Fund (a more detailed accounting of the receipts and disbursements incurred by the Media Fund, along with details of the

Investments that remain as at May 31, 2018, is attached hereto as **Appendix “31”**):

Media Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 307,817	\$ 314,137
<u>Receipts</u>		
Monetized Investments		
Sale of Media Loans	14,375,000	-
Redemption of Units in External Mutual Funds	1,044,604	-
Investment Collections		
Media Loan Collections	6,883,087	229,690
Proceeds from USD Futures	232,970	-
Interest Income	31,058	193
Other Receipts		
Transfer from USD Account	676,719	-
	23,243,439	229,883
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	6,358,649	-
Consulting Fees	889,875	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	315,145	-
Bank Charges & Expenses	21,460	101
Transfer to CAD Account	-	543,919
	7,585,130	544,020
Cash Balance - May 31, 2018	\$ 15,966,126	\$ -

“Consulting Fees” reflect the amounts paid to Quiver pursuant to the MOU and the Quiver MOU Amendments, as approved by the Court pursuant to the June 30 2017 Order and Endorsement and December 11, 2017 Order and Endorsement.

- 61 As at May 31, 2018 (with comparatives as at April 20, 2017), the Media Fund held the following cash of approximately \$16 million:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 308	\$ 314	\$ 15,966	\$ -
Media Loans	45,523	5,932	-	-
External Mutual Funds	1,042	-	-	-
USD Futures	(24)	-	-	-
Accrued Loss Provision	(804)	-	-	-
	\$ 46,046	\$ 6,247	\$ 15,966	\$ -

HIGH YIELD MORTGAGE FUND

- 62 The following is the Cash R&D for the High Yield Mortgage Fund (a more detailed accounting of the receipts and disbursements incurred by the High Yield Mortgage Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “32”**):

High Yield Mortgage Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 760,006	\$ -
<u>Receipts</u>		
Investment Collections		
Collection of Residential Mortgage Principal & Interest	1,923,126	-
Collection of Commercial Loan Principal & Interest	207,868	-
Interest Income	4,160	-
Other Receipts		
Inter-fund Investment Distribution [Jan 18, 2018]	184,333	-
	2,319,488	-
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	1,585,219	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	63,658	-
Bank Charges & Expenses	4,003	-
	1,652,879	-
Cash Balance - May 31, 2018	\$ 1,426,614	\$ -

The “Cash Balance” as at May 31, 2018 includes \$5,000 held in trust by Spectrum on

behalf of the High Yield Mortgage Fund; the remainder of the Cash Balance is held in the High Yield Mortgage Fund's NBIN account.

- 63 As at May 31, 2018 (with comparatives as at April 20, 2017), the High Yield Mortgage Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 760	\$ -	\$ 1,427	\$ -
Residential Mortgages	2,458	-	815	-
Inter-fund Investments	1,379	-	1,379	-
Commercial Loans	603	-	395	-
Inter-fund Loans	277	-	277	-
Accrued Loss Provision	(35)	-	-	-
	\$ 5,442	\$ -	\$ 4,293	\$ -

"Inter-Fund Loans" reflect a loan made by the High Yield Mortgage Fund to the Conscious Capital Fund in December 2016. The principal amount of the loan is \$274,000 whereby interest is accrued at the prime interest rate plus 1% per annum.

INFRASTRUCTURE FUND

- 64 The following is the Cash R&D for the Infrastructure Fund (a more detailed accounting of the receipts and disbursements incurred by the Infrastructure Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix "33"**):

Infrastructure Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 2,087,300	\$ 1
<u>Receipts</u>		
Investment Collections		
Interest Income	3,665	-
Other Receipts		
Transfer from USD Account	1	-
	3,666	-
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	1,664,590	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	32,803	-
Bank Charges & Expenses	2,465	-
Transfer to CAD Account	-	1
	1,699,858	1
Cash Balance - May 31, 2018	\$ 391,108	\$ -

- 65 As at May 31, 2018 (with comparatives as at April 20, 2017), the Infrastructure Fund held the following cash and Investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 2,087	\$ -	\$ 391	\$ -
Commercial Loans	5,677	-	5,677	-
	\$ 7,765	\$ -	\$ 6,068	\$ -

HEDGE FUND

- 66 The following is the Cash R&D for the Hedge Fund (a more detailed accounting of the receipts and disbursements incurred by the Hedge Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix "34"**):

Hedge Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 531,127	\$ 49
<u>Receipts</u>		
Monetized Investments		
Sale of Equities	119,624	-
Redemption of Units in External Mutual Fund	50,205	-
Investment Collections		
Interest Income	1,441	-
Other Receipts		
Transfer from CAD Account	63	-
	171,332	-
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	156,358	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	86,693	-
Bank Charges & Expenses	4,338	-
Commissions	1,196	-
Transfer to USD Account	-	49
	248,586	49
Cash Balance - May 31, 2018	\$ 453,873	\$ -

67 As at May 31, 2018 (with comparatives as at April 20, 2017), the Hedge Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 531	\$ 0	\$ 454	\$ -
US Real Estate LP	-	6,124	-	6,124
Factoring Contracts	3,567	-	3,567	-
Gold Loans	896	252	896	252
Equities	173	-	-	-
Private Equities	100	-	100	-
External Mutual Funds	53	-	-	-
Loan to US Real Estate LP	46	-	46	-
Accrued Expenses	(42)	-	-	-
	\$ 5,324	\$ 6,376	\$ 5,063	\$ 6,376

CONSCIOUS CAPITAL FUND

- 68 The following is the Cash R&D for the Conscious Capital Fund (a more detailed accounting of the receipts and disbursements incurred by the Conscious Capital Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “35”**):

Conscious Capital Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 27,905	\$ -
<u>Receipts</u>		
Interest Income	67	-
	67	-
<u>Disbursements</u>		
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	2,039	-
Bank Charges & Expenses	127	-
	2,166	-
Cash Balance - May 31, 2018	\$ 25,806	\$ -

- 69 As at May 31, 2018 (with comparatives as at April 20, 2017), the Conscious Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 28	\$ -	\$ 26	\$ -
Private Equities	633	-	633	-
Private Warrants	25	-	25	-
Inter-fund Loan	(277)	-	(277)	-
	\$ 409	\$ -	\$ 407	\$ -

“Private Equities” reflect 336,571 shares in Pond purchased by the Conscious Capital Fund at an average cost of \$1.33 per share. As detailed in this Fourth Report, the shares in Pond are now publicly traded on the TSX-Venture Exchange.

ACM INCOME FUND

- 70 The following is the Cash R&D for the ACM Income Fund (a more detailed accounting of the receipts and disbursements incurred by the ACM Income Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “36”**):

ACM Income Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 368,113	\$ 2,180
<u>Receipts</u>		
Monetized Investments		
Redemption of Units in External Mutual Funds	564,897	-
Investment Collections		
Interest Income	3,287	-
Other Receipts		
Inter-fund Investment Distribution [Jan 18, 2018]	894,903	-
Transfer from USD Account	2,810	-
	1,465,898	-
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	657,534	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	32,480	-
Bank Charges & Expenses	6,913	-
Transfer to CAD Account	-	2,180
	696,927	2,180
Cash Balance - May 31, 2018	\$ 1,137,084	\$ -

- 71 As at May 31, 2018 (with comparatives as at April 20, 2017), the ACM Income Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 368	\$ 2	\$ 1,137	\$ -
Inter-fund Investments	9,898	-	9,898	-
External Mutual Funds	560	-	-	-
Accrued Expenses	(14)	-	-	-
	\$ 10,812	\$ 2	\$ 11,036	\$ -

ACM GROWTH FUND

- 72 The following is the Cash R&D for the ACM Growth Fund (a more detailed accounting of the receipts and disbursements incurred by the ACM Growth Fund, along with details of

the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “37”**):

ACM Growth Fund	CAD	USD
Cash Balance - April 20, 2017	\$ (1,739,873)	\$ (225,369)
<u>Receipts</u>		
Monetized Investments		
Sale of Equities	4,304,672	398,394
Redemption of Units in External Mutual Funds	3,410,855	-
Investment Collections		
Interest Income	6,232	-
Other Receipts		
Inter-fund Investment Distribution [Jan 18, 2018]	85,869	-
Transfer from USD Account	209,234	-
	8,016,861	398,394
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	5,834,281	-
Commissions	45,151	9,420
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	31,366	-
Bank Charges & Expenses	9,523	93
Interest Expense	-	1,151
Transfer to CAD Account	-	162,360
	5,920,321	173,025
Cash Balance - May 31, 2018	\$ 356,667	\$ -

- 73 As at May 31, 2018 (with comparatives as at April 20, 2017), the ACM Growth Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ (1,740)	\$ (225)	\$ 357	\$ -
Equities	4,875	428	-	-
Inter-fund Investments	4,740	-	4,740	-
External Mutual Funds	3,483	-	-	-
Accrued Expenses	(22)	-	-	-
	\$ 11,336	\$ 203	\$ 5,096	\$ -

SUSTAINABLE DIVIDEND FUND

- 74 The following is the Cash R&D for the Sustainable Dividend Fund (a more detailed accounting of the receipts and disbursements incurred by the Sustainable Dividend Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “38”**):

Sustainable Dividend Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 115,376	\$ 4,424
<u>Receipts</u>		
Monetized Assets		
Sale of Equities	1,478,092	3,829,828
Investment Collections		
Dividend Income	7,364	13,496
Other Receipts		
Inter-fund Investment Distribution [Jan 18, 2018]	15,050	-
Transfer from USD Account	5,060,724	-
	6,561,230	3,843,324
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	6,500,807	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	37,021	-
Bank Charges & Expenses	2,062	-
Commissions	924	2,140
Transfer to CAD Account	-	3,845,608
	6,540,815	3,847,749
Cash Balance - May 31, 2018	\$ 135,791	\$ -

- 75 As at May 31, 2018 (with comparatives as at April 20, 2017), the Sustainable Dividend Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 115	\$ 4	\$ 136	\$ -
Equities	1,444	3,715	-	-
Inter-fund Investments	76	-	76	-
Accrued Expenses	(20)	-	-	-
	\$ 1,616	\$ 3,720	\$ 211	\$ -

SUSTAINABLE PROPERTY FUND

- 76 The following is the Cash R&D for the Sustainable Property Fund (a more detailed

accounting of the receipts and disbursements incurred by the Sustainable Property Fund, along with details of the Investments that remain as at May 31, 2018, is attached hereto as **Appendix “39”**):

Sustainable Property Fund	CAD	USD
Cash Balance - April 20, 2017	\$ 245,796	\$ -
<u>Receipts</u>		
Collection of Residential Mortgage Principal & Interest	1,916,450	-
	1,916,450	-
<u>Disbursements</u>		
Interim Distribution [Jan 18, 2018]	904,265	-
Professional Fees [Apr 26, 2017 to Sep 30, 2017]	40,370	-
Bank Charges & Expenses	1,764	-
	946,399	-
Cash Balance - May 31, 2018	\$ 1,215,846	\$ -

The “Cash Balance” as at May 31, 2018 includes \$5,000 held in trust by Spectrum on behalf of the Sustainable Property Fund; the remainder of the Cash Balance is held in the Sustainable Property Fund’s NBIN account.

- 77 As at May 31, 2018 (with comparatives as at April 20, 2017), the Sustainable Property Fund held the following cash and investments:

<i>In \$000's</i>	Recorded Value April 20, 2017		Recorded Value May 31, 2018	
Investment	[CAD]	[USD]	[CAD]	[USD]
Cash	\$ 246	\$ -	\$ 1,216	\$ -
Residential Mortgages	2,221	-	390	-
Commercial Loans	2,094	-	2,094	-
Accrued Loss Provision	(12)	-	-	-
	\$ 4,548	\$ -	\$ 3,700	\$ -

DISCUSSION OF INVESTMENTS AND RECEIVER'S FINDINGS

FACTORING CONTRACTS

78 As detailed in the Second Report, the procurement and administration of the Factoring Contracts by Frontline, Housego, and Smith was highly unsophisticated and lacked the necessary controls to ensure that advances made to Merchants were for the purposes outlined in the Funds' OMs, or that they would ultimately be repaid. The impaired status of the investments held by the Factoring and Hedge Funds were a direct result of the following deficiencies:

- a) **High Level of Concentration Risk** – two (2) Merchants, Dome Mountain³ and Zomongo TV, directly and indirectly account for 87.97% (57.97% and 30.00%, respectively) of the collective balance outstanding to the Hedge Fund and Factoring Fund from the Merchants; while three (3) Merchants account for the remaining 12.03%;
- b) **Due Diligence on Merchants and Debtors and Represented Purpose** – under the FPAA, Frontline was required to perform a certain level of due diligence prior to putting forth a proposed Factoring Contract to the Factoring Fund and/or Hedge Fund. Based on the Company's books and records, there appears to be little to no evidence of any additional information provided to the Company that would confirm that Frontline or Housego performed any meaningful due diligence. Furthermore, the Purchased Invoices which the Factoring and Hedge Fund purchased from Merchants misstated, on several occasions and most notably in connection with the Dome Mountain, 156 Alberta, and 647 BC Merchants, the nature of the funding being provided by the Funds to the Merchants. As outlined later in this Fourth Report, the Examinations of Housego, Smith, Froese, Pahl, DenHollander, Bob Maljaars, and Jeffrey Maljaars confirmed the foregoing and that minimal to no due diligence was performed;
- c) **Conflict of Interest** – during the Receiver's due diligence, the Receiver noted numerous conflicts of interest and/or personal relationships amongst individuals involved in the Factoring Fund Investments, and in particular, amongst Froese

³ Including the 156 Alberta Balance and the 647 BC Balance.

(Frontline Factoring Inc.), Bob Maljaars (156 Alberta/Dome Mountain), Pahl (Dome Mountain), DenHollander (647 BC), the Zomongo entities, and others, as will be further particularized below.

- 79 The Receiver is of the view that the Factoring Contracts, with a Recorded Value of \$28,029,511 (consisting of \$25,813,567 of principal and \$2,215,944 of interest pursuant to the April 20th Package) are impaired.

General Update

- 80 The Second Report, beginning in paragraph 62, specified in detail the concerns of the Receiver regarding the Factoring Contracts, which are agreements to purchase invoices or portions thereof (the “**Purchased Invoices**”) from operating businesses referred to as “**Merchants**”, for a discount and a service fee. The procurement and administration of the Factoring Contracts was governed by a Factoring Procurement and Administration Agreement (“**FPAA**”) entered into with Frontline Factoring Inc. (“**Frontline**”) by the Factoring Fund.⁴ Pursuant to the FPAA, the Factoring Contracts were to be sourced and administered by Frontline Factoring. Frontline was tasked by the Company with finding these opportunities and then collecting the invoice value from the underlying customers of the Merchants, known as “**Debtors**”.
- 81 According to the Company’s books and records, the Factoring Fund and the Hedge Fund have outstanding Purchased Invoices acquired through Factoring Contracts entered into with the following Merchants:
- a) Dome Mountain Resources of Canada Inc. (“**Dome Mountain**”);
 - b) Zomongo TV Corp (“**Zomongo TV**”);
 - c) Advanced Metal Concept and Fabrication Ltd. (“**Advanced Metal**”);
 - d) 1566496 Alberta Ltd. (“**156 Alberta**”);
 - e) 647497 B.C. Ltd. (“**647 BC**”);

⁴ A separate FPAA was not entered into by Frontline and the Company with respect to the Hedge Fund. Instead, Frontline carried out the same role in connection with Hedge Fund Factoring Contract Investments as it did with the Factoring Fund Factoring Contract Investments.

f) Restoration Energy Inc. (“**Restoration Energy**” or “**REI**”); and

g) Single Source Services Ltd. (“**Single Source**”)

(collectively, the “**Merchants**”).

82 The following table, included in the Second Report, outlines the principal and interest owing from each of the Merchants as at October 26, 2017.

Merchant	Principal			Interest		
	Factoring Fund	Hedge Fund	Total	Factoring Fund	Hedge Fund	Total
Dome Mountain	\$ 12,793,175	\$ 1,015,660	\$ 13,808,835	\$ 2,280,593	\$ 181,058	\$ 2,461,651
Zomongo TV	6,204,373	1,494,737	7,699,110	845,396	660,307	1,505,702
Advanced Metal	1,256,311	-	1,256,311	248,029	-	248,029
156 Alberta	824,039	-	824,039	140,318	-	140,318
Restoration Energy	1,402,193	501,000	1,903,193	100,876	68,222	169,098
647 BC	439,698	-	439,698	109,260	-	109,260
Single Source	93,985	-	93,985	20,206	-	20,206
	\$ 23,013,773	\$ 3,011,397	\$ 26,025,170	\$ 3,744,678	\$ 909,586	\$ 4,654,265

83 Since the date of the Second Report, the Receiver has continued its efforts to collect the above-noted amounts from the Merchants.

84 In order to preserve its rights regarding the security that the Crystal Wealth Funds hold over the assets of certain Merchants, the Receiver had issued formal notices of intention to enforce security pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (“**NITES**”) to Dome Mountain, 156 Alberta, 647 BC and Restoration Energy. These notices followed formal demands for payment previously served on these parties. To date, none of these Merchants has repaid any of the indebtedness which they owe to the Factoring and Hedge Funds, and none appear to have any assets, aside from Dome Mountain’s shareholdings in Gavin Mines as is further described below.

85 The remaining subsections below provide more specific updates regarding each of the Merchants. In addition to the concerns regarding the nature and collectability of the

Factoring Contracts highlighted by the Receiver in the Second Report, the Receiver, through its Examinations of Froese, Smith, Housego, Bob Maljaars, DenHollander, Pahl, and Jeffrey Maljaars, has learned that:

- a) Froese met several of the principals of the Merchants (more notably, those involved with Dome Mountain, 156 Alberta, and 647 BC) originally through Lyoness (“**Lyoness**”), a networking, multilevel marketing organization principally involved in providing cashback discounts and customer loyalty programs to members who referred new individuals. It emerged during the Examinations of Froese, Bob Maljaars, DenHollander, and Housego that each of Froese, DenHollander, Bob Maljaars, Pinnell (611 BC – Gold Loans), Ryan Waechter (“**Waechter**”), and Housego attended Lyoness meetings. Froese was introduced to Lyoness by Bob Maljaars in 2012 or 2013, and subsequently, met Waechter through DenHollander. In addition, Froese, Bob Maljaars, DenHollander, Pinnell, Waechter, and Housego all appeared to be invested in an olive farm in Chile known as “Hacienda Laguna Torca”, as reflected by the email sent by DenHollander to each of them, amongst others, on April 20, 2017 (6 days prior to the Appointment Order), appended hereto as **Appendix “40”**. Each of Froese, Bob Maljaars, DenHollander, and Housego denied at their respective Examinations that they jointly invested in Hacienda Laguna Torca;
- b) Since Frontline was incorporated on October 1, 2012, Frontline has employed a small staff, which included Froese (as President), an account manager/IT person (Froese’s nephew, Steven Bandola), and a part-time bookkeeper, Waechter. It does not appear that these individuals, including Froese, possess the education and skills necessary to assess investments, let alone run a successful factoring business. Froese testified that the “bookkeeper” who was on Frontline’s payroll from 2015 to 2017 was Waechter. Froese testified that he met Waechter through DenHollander and Lyoness, and that it was Waechter – who was from the Salmon Arm, B.C. area and knew DenHollander – who introduced Froese to Housego. Froese testified that it was Waechter’s job to bring in business for Frontline, and Waechter brought Froese the Housego connection. Accordingly, Froese confirmed that Frontline began paying Waechter once the Crystal Wealth Funds began advancing funds to Frontline on account of the Factoring Contract investments;

- c) Froese testified that he previously worked with DenHollander in an unrelated business, Duratech Group, in 2010 or 2011. According to Froese, around the same time period, both Froese and DenHollander invested in a company called Nature Zone Environmental Solutions Inc. ("**Nature Zone**"), which had been owned by Duratech and which Froese and DenHollander "*lost money in*". Froese testified that he had tried to resurrect Nature Zone, and that to do that, Froese had enlisted DenHollander to help, who in turn "*listed a guy by the name of Andy Clark to just kind of take it over*";
- d) As will be further detailed below, Bob Maljaars testified that Andy Clark, through his company, Grace Mining Inc., was a 28% percent shareholder in Gavin Mines, the shares of which Dome Mountain had hoped to acquire but for its failed efforts to obtain financing from MGE;
- e) Froese denies that the FPAA was the governing agreement between Frontline and the Factoring and Hedge Funds. Instead, Froese testified that, despite Frontline having been paid millions of dollars from the Factoring and Hedge Funds, the terms of Frontline's arrangement was determined on an *ad hoc* basis for each Factoring Contract;
- f) Only cursory due diligence was performed on the Merchants, Purchased Invoices, and underlying Debtors by Frontline, Housego, and Smith. In regards to the Merchants Dome Mountain, 156 Alberta and 647 BC, and Frontline's recommendations that the Factoring and/or Hedge Funds invest in the Purchased Invoices belonging to these Merchants, it appears that Frontline primarily relied on the views of a small circle of contacts, including DenHollander (of 647 BC) and Bob Maljaars (of Dome Mountain and 156 Alberta), both of whom had personal financial interests in the Crystal Wealth Funds investing in the Purchased Invoices of Dome Mountain, 156 Alberta and 647 BC;
- g) At the Froese Examination, Froese could not articulate the fee structure for each of the Merchants and how funds flowed and amounts thereof from the Crystal Wealth Funds to Frontline and then to the Merchants, including the supposed subsequent repayments of Purchased Invoices or portions thereof from the Debtor and Merchants to the eventual repayment to the Crystal Wealth Funds. However, Froese was able to explain that the Crystal Wealth Funds only advanced monies to Frontline, net of a

holdback for up-front fees. Any payments received by Frontline by Debtors or Merchants, would first be applied to the fees of Frontline, with the balance being paid back to the Crystal Wealth Funds, contrary to s. 4.6 of the FPAA. Often, Frontline earned more revenue from the arrangement than the Factoring and Hedge Funds;

- h) During the Froese Examination, he could not explain the source of the figures contained in the reports which Frontline provided to the Company on a monthly basis, nor could he explain the format of same. This brings into question the diligence for on-going monitoring of the accounts by Frontline and also by Housego or Smith, the result of which was the extreme aging of the Purchased Invoices;
- i) Frontline was one of multiple companies beneficially owned and run by Froese. Froese appears to be a dabbling and unfocussed entrepreneur whose motivation was to make money the easiest way possible;
- j) Froese served as a consultant to the Factoring Fund Merchant, Zomongo TV, and accordingly received 300,000 share purchase warrants in Zomongo TV pursuant to a Stock Option Agreement entered into by Zomongo TV and Froese dated November 18, 2015. Froese separately holds 400,000 shares of Zomongo TV through a numbered company which he controls, 1267379 Alberta;
- k) Froese advised that, aside from the Factoring and Hedge Funds, Frontline has not served as a factoring administrator on behalf of any other entity. Frontline's economic dependence on the Crystal Wealth Group is reflected by the fact that Frontline was forced to wind-down operations upon the receivership of the Crystal Wealth Group. According to Frontline's unaudited financial statements for the years ended February 28, 2014 and February 28, 2015, Frontline generated \$210,426 and \$363,216 in factoring revenue, respectively. After the FPAA was entered into with the Factoring Fund on November 25, 2014, Frontline's factoring income for the subsequent fiscal year increased by over 600 percent to \$2,036,376, as reflected in Frontline's financial statements for the year ended February 29, 2016, which were provided by Froese to the Receiver following his Examination. Froese testified that without the significant revenues Frontline generated from the Factoring and Hedge Funds, Frontline could not continue to operate. As of the end of April 2018, Froese testified that Frontline was vacating its rental office and operating from his house.

- 86 At the Smith Examination, Smith acknowledged his negligence in permitting Frontline to retain payment first prior to the Factoring and Hedge Funds being repaid, contrary to s. 4.6 of the FPAA, and had the following exchange with the Receiver's counsel:

***MVZ** "Would it not be utterly negligent of you to allow Frontline to retain payments in the face of [s. 4.6 of the FPAA]?"*

***CS** "Sorry, I am just...because I don't remember this paragraph, honestly. So...yes, I would agree with what you just said."*

Dome Mountain, 156 Alberta, and 647 BC

- 87 As outlined in the Second Report, Dome Mountain, 156 Alberta and 647 BC (collectively, the "**Dome Mountain Entities**") are closely related companies that received significant amounts of monies from the Factoring Fund and Hedge Fund. As further noted in the Second Report, shortly after receiving funding from the Factoring Fund, Dome Mountain paid: (i) \$1,798,181 to 647 BC for "Project Management" invoices issued to Dome Mountain; and (i) \$2,751,900 to 156 Alberta for "Consulting" invoices issued to Dome Mountain. The foregoing was confirmed by Froese during his Examination. As discussed in detail below, \$4,550,081 of the monies advanced to Dome Mountain from the Factoring Fund and Hedge Fund were paid to 156 Alberta (Bob Maljaars) and 647 BC (DenHollander) as advances on commissions to be paid by Dome Mountain for 156 Alberta and 647 BC sourcing financing for Dome Mountain. Furthermore, Biodiesel, a Debtor to 647 BC, was in fact Pahl's company, reflecting two of 647 BC's Debtors being owned by the same individual. Pahl has further companies, IC Commerce and 894833 Alberta Ltd., both of whom were Debtors of 156 Alberta. The foregoing further demonstrates Housego and Smith's lack of oversight and incompetence as portfolio managers, given that such monies were advanced in circumstances where the only hope of repayment to the Factoring and Hedge Funds was through Dome Mountain securing replacement financing.
- 88 As outlined in the Second Report, as at October 26, 2017, the total amount owing to the Factoring Fund and Hedge Fund from the Dome Mountain Entities totaled \$17,783,801 and is comprised of:

- a) Dome Mountain – \$16,270,486, consisting of \$13,808,835 in principal and \$2,461,651 in interest;
- b) 156 Alberta – \$964,357, consisting of \$824,039 in principal and \$140,318 in interest;
- c) 647 BC – \$548,958, consisting of \$439,698 in principal and \$109,260 in interest;

(collectively, the “**Dome Mountain Entities Indebtedness**”).

- 89 As mentioned above, the following individuals, all of whom have close personal relationships, are the principals of the following Dome Mountain Entities:

- a) Dome Mountain – Pahl and Bob Maljaars;
- b) 156 Alberta – Bob Maljaars and his son, Jeffrey Maljaars;
- c) 647 BC – DenHollander;

(collectively, the “**Dome Mountain Individuals**”).

- 90 By letters dated November 22, 2017 (the “**Dome Mountain Entities Demand Letters**”) to each of the Dome Mountain Entities, the Receiver demanded that Dome Mountain, 156 Alberta, and 647 BC repurchase the outstanding accounts receivable factored by the Hedge Fund and Factoring Fund pursuant to the relevant Factoring Agreements.

- 91 As outlined in the Second Report, and confirmed on the Examinations of Pahl, DenHollander, and Bob Maljaars, Dome Mountain is a holding company with no actual operations or assets. The only asset of Dome Mountain is a minority ownership of Gavin Mines Inc. (“**Gavin Mines**”). As at the date of the Second Report, the Receiver had not been provided with precise information to determine the exact number of shares Dome Mountain holds in Gavin Mines, but Froese’s productions to the Receiver suggest that Dome Mountain holds 174,375 common shares in Gavin Mines, representing between 13 and 16 percent of the outstanding common shares of Gavin Mines according to Froese. As will be discussed below, the Receiver understands that Dome Mountain currently holds 14.48 percent of the shares in Gavin Mines.

Updates Subsequent to the Second Report

Metal Mountain and Gavin Mines

92 Upon further research, the Receiver gained an understanding that the majority shareholder of Gavin Mines is a company by the name of Metal Mountain Resources Inc. (“**Metal Mountain**”), a junior exploration and development company headquartered in Vancouver, British Columbia.

93 Metal Mountain’s website (www.metalmountainresources.com) states that:

“The Dome Mountain Mine (gold and silver) is owned by [Metal Mountain’s] subsidiary Gavin Mines Inc. Metal Mountain holds a 63% interest in Gavin Mines Inc...”

94 Metal Mountain’s website contains other limited information on the Dome Mountain Mine, a summary of which is included below:

- a) the Dome Mountain Mine is located approximately 38 kilometers east of Smithers, British Columbia;
- b) the property includes 42 contiguous mineral claims and one mining lease comprising of a total area of over 11,000 hectares; and
- c) Metal Mountain acquired mineral tenures that cover the past-producing Dome Mountain Mine with the intention of reopening the mine and exploring for additional gold-silver resource.

A complete overview of the Dome Mountain Mine included on Metal Mountain’s website is attached hereto as **Appendix “41”**.

95 In a previous update dated July 6, 2016 (the “**June 2016 Press Release**”), Metal Mountain was unable to pay a dividend as a result of certain delays with respect to Gavin Mines as follows:

- a) Gavin Mines was not able to obtain an amended permit for the mill and tailings management facility from the BC government by June 30, 2016;
- b) Gavin Mines was required to complete an engineering study on the feasibility of different technologies before the application for an amended permit can be updated and resubmitted;

- c) as a result, Gavin Mines entered into negotiations with Nicola Mining Inc. ("**Nicola**"), an ore processing company whose facility is located outside Merritt, British Columbia, to ship to and process ore from the Dome Mountain Mine (the Dome Mountain Mine had to revert into "Stage 1 Production" at a rate of 100 tons per day); and
- d) the cash flow from the Nicola arrangement was to enable Gavin Mines to fund the Stage 2 permit amendment requirements.

The June 2016 News Release also states that Dome Mountain currently holds 14.48% of the shares in Gavin Mines. A copy of the June 2016 News Release is attached hereto as **Appendix "42"**.

- 96 The most recent new release dated February 9, 2017 (the "**February 2017 News Release**") stated, among other things, that:

- a) Gavin Mines had shipped 5,700 tons of ore from the Dome Mountain Mine to Nicola pursuant to the 50-50 Profit Share Agreement dated May 12, 2016; and
- b) Gavin Mines was in the process of negotiating a longer term profit sharing agreement (37.5% Nicola and 62.5% Gavin Mines) which would enable Gavin Mines to meet the permit requirements and perform further exploration.

A copy of the February 2017 News Release is attached hereto as **Appendix "43"**. No further updates regarding the Dome Mountain Mine have been posted on Metal Mountain's website.

- 97 On February 23, 2018, the Receiver sent a letter to Metal Mountain (the "**Receiver's Letter to Metal Mountain**") and specifically, to Lloyd Tattersall ("**Tattersall**"), the President of Metal Mountain, advising Tattersall of Dome Mountain's indebtedness to the Factoring/Hedge Funds and requesting that a call be convened with the Receiver. After being contacted by Tattersall, a call was scheduled for March 7, 2018.

- 98 During the call, Tattersall requested that the call be conducted on a without prejudice basis as his counsel was not in attendance. Tattersall requested that the Receiver provide him with a copy of the Appointment Order, and that a with prejudice call could be scheduled with his counsel. Subsequently, the Receiver provided Tattersall with a copy of the Appointment Order and requested to schedule a with prejudice call with Tattersall and his

counsel. Notwithstanding follow-up correspondence from the Receiver, Tattersall has not responded to the Receiver's request for a with prejudice discussion.

Examinations of Froese, Housego, and the Dome Mountain Individuals

- 99 On December 8, 2017, upon serving the Motion Record returnable December 11, 2017, the Receiver was made aware that Christian Popowich ("**Popowich**") of Code Hunder LLP had been retained collectively by the Dome Mountain Individuals. As detailed throughout the Examinations of the Dome Mountain Individuals, Popowich proved to be extremely protective during the Examinations, as he routinely objected to Pahl, DenHollander, Bob Maljaars, and Jeffrey Maljaars answering questions and refused to provide any undertakings requested by the Receiver. This type of conduct was similar to what was observed during the Clydesdale Examination (discussed below) and is a cause of concern for the Receiver in its efforts to identify, quantify, and realize on assets of the Crystal Wealth Group.
- 100 Pursuant to the December 11, 2017 Order and Endorsement, the Receiver examined Froese, Housego and the Dome Mountain Individuals. All of the examinations confirmed the background and descriptions of the Dome Mountain, 156 Alberta and 647 BC sections noted in the Second Report.
- 101 Moreover, all of the examinations, to a greater or lesser degree, were consistent as to following:
- a) The relationships between Froese, Housego, Pahl, DenHollander, Bob Maljaars, Jeffrey Maljaars, and Waechter were mostly formed through Lyoness functions. Froese also had a past working relationship with DenHollander as mentioned above. Bob Maljaars and DenHollander had been involved with the Dome Mountain Mine since at least 2010;
 - b) Jeffrey Maljaars, the President and sole director of 156 Alberta, appears to have had little involvement in the funding provided by the Factoring Fund to 156 Alberta. When the Receiver's counsel asked Jeffrey Maljaars during his examination how he knew each of Froese, DenHollander, Pahl, and Housego, Jeffrey Maljaars responded by simply indicating "*family friend*" for each of them. When asked whether he had ever done any business with Housego or his companies, Jeffrey Maljaars responded

“apparently”. When asked what his father, Bob Maljaars, did for a living, Jeffrey testified that he did not know. When asked what he did for a living, Jeffrey Maljaars testified *“I cut firewood”*. It appears from the Examinations that Bob Maljaars led the initiatives of 156 Alberta;

- c) Dome Mountain was formed solely to purchase the shares of Gavin Mines. DenHollander, Bob Maljaars, and Pahl were the principals (collectively, the **“Dome Mountain Principals”**) who wanted to get the Dome Mountain Mine into production. DenHollander already had some familiarity with Gavin Mines since 2009 and was also involved in raising capital for the development of the mine. Pahl was and remains the 100% shareholder of Dome Mountain;
- d) The Dome Mountain Principals performed limited due diligence and purported to rely primarily on a mining report known as Form 43-101 Standards of Disclosure for Mineral Projects (**“Form 43-101”**). The Dome Mountain Principals could not advise the date of the Form 43-101 and if, in fact, it pertained directly to the Dome Mountain Mine in which the investors of Crystal Wealth invested through Dome Mountain. Moreover, the Dome Mountain Principals purportedly did not perform a physical inspection of the Dome Mountain Mine;
- e) Bob Maljaars was the primary contact with Tattersall;
- f) Dome Mountain required funding to purchase the shares of Gavin Mines. One of Bob Maljaars’s contacts was Jordan McBean (**“McBean”**), who represented himself as a former RCMP fraud investigator and the principal of The McBean Group Ltd. (**“TMGL”**), an Investment Management Firm operating from premises in Calgary, Alberta. Pahl indicated that McBean committed to providing a \$200 million facility in the form of four funds with offering memoranda via a public offering in the Bahamas. Two of the facilities would be used by Dome Mountain, and two for other projects. In exchange, McBean’s fee was \$160,000 per fund (i.e. a total of \$640,000), which apparently was funded by the Factoring Fund’s advances to 156 Alberta, 647 BC, and/or Dome Mountain. The exact amount of the McBean proposed financing was not clear during the Examinations, as Bob Maljaars indicated the funding was only \$150 million, with \$100 million to be used to acquire all of the shares of Gavin Mines, and the remainder to be utilized to put the Dome Mountain Mine into production. Regardless, the McBean

financing never came to fruition, although McBean was evidently paid his \$640,000 fee;

- g) On June 6, 2018, following the Examinations, Froese produced the Commitment Letter addressed to Dome Mountain and dated March 17, 2015, which was executed by McBean as the Managing Director – Fund Manager, of TMGL, whereby TMGL conditionally outlined terms of a term facility in the amount of 50% of the subscribed Funds with full subscription of the Funds at \$200 million. No other documentation concerning McBean or this proposed financing has been disclosed by Froese or any of the Dome Mountain Principals. A copy of the Commitment Letter is attached hereto as **Appendix “44”**;
- h) When the TMGL financing did not materialize, another one of Pahl’s contacts was Stephen Miller (“**Miller**”). Miller was the principal of MGE Corporation Limited (“**MGE**”), based in the UK. MGE was going to provide an \$80 million facility for the purposes of funding Dome Mountain’s acquisition of the shares of Gavin Mines. In addition, there were additional Form 43-101 requirements that needed to be completed in order to meet the funding requirements from MGE;
- i) After the Crystal Wealth Funds had funded over \$12.5 million (as noted in paragraphs 83 to 87 of the Second Report) to Dome Mountain, Housego learned that MGE was not going to provide the \$80 million facility to Dome Mountain, part of which was to repay the debt owing to the Factoring Fund and Hedge Fund by Dome Mountain, 156 Alberta, and 647 BC. Housego then became involved with the direct negotiations with Miller, who subsequently verbally committed on behalf of MGE to providing a \$36 million facility instead, after the Dome Mountain Principals claimed to have obtained an approximate \$47 million reduction of the Gavin Mines share purchase price, such that only \$20 million was required to purchase the remaining Gavin Mines shares. Bob Maljaars testified that the reduction was made possible as Andy Clark (whom Froese and DenHollander previously knew through Nature Zone), who owned 28% of the shares of Gavin Mines through his company, Grace Mining Inc., was “*pressed for finances and stuff*” and accordingly agreed to a drastically reduced purchase price;
- j) The premium for the 2016 Performance Guarantee was to be paid, but according to Housego, “...seems to have been missed...the [Factoring Fund] didn’t have the money

[to pay it]". The premium was never paid as the Crystal Wealth Funds did not have available liquidity. Furthermore, the \$36 million facility from MGE did not materialize. As neither the MGE nor any other financing could be obtained by the Dome Mountain Principals, the result is that the Factoring and Hedge Funds currently have no prospect of readily recovering the Dome Mountain Entities Indebtedness owing by 156 Alberta, 647 BC, and Dome Mountain;

- k) The Purchase Invoices issued by 156 Alberta and 647 BC following the execution of their respective Factoring Contracts with Crystal Wealth were for arbitrary amounts, for the sole purpose of providing 156 Alberta and 647 BC an advance of the fees to which they claimed an entitlement upon raising financing for Dome Mountain's acquisition of the shares of Gavin Mines. In this regard, Bob Maljaars of 156 Alberta testified that Frontline created all of 156's Purchased Invoices, including those set out at paragraph 110 of the Receiver's Second Report which were issued by 156 Alberta, as Merchant, to Dome Mountain, as Debtor. Bob Maljaars further testified that Froese was an authorized representative on Dome Mountain's bank account to control the manner in which the funds received by Dome Mountain from the Crystal Wealth Funds were deployed. Froese confirmed during his Examination that he had signing authority over Dome Mountain's bank account, and that it was Frontline who created the Purchased Invoices issued by 156 Alberta and 647 BC to Debtors; and
- l) With respect to the monies advanced to Dome Mountain by the Factoring and Hedge Funds, Froese testified: (i) that approximately \$4,550,081 was transferred back to the Company to retire the Purchased Invoices issued by 156 Alberta and 647 BC, as listed in paragraph 110 of the Second Report; and (ii) approximately \$4.5 million was wired to Gavin Mines. Froese could not account for how the remaining \$4,758,784 of the \$13,808,835 in funding provided by the Factoring Fund and Hedge Fund was utilized by Dome Mountain. When asked if any of these funds were used to buy any of Dome Mountain's shares in Gavin Mines, Froese indicated, *"I guess"*. He could not recall whether any of these funds were utilized to pay the \$600,000 premium for the 2015 Performance Bond. Bob Maljaars testified that approximately \$7 million of the \$13,808,835 had been transferred to Tattersall/Gavin Mines for *"operations"* and with which Tattersall *"cleaned up some payables"* given that *"he was at risk with one creditor coming after him, so that was all cleaned up"*.

Formal Demand Letters

102 Subsequent to the Examinations, A&B, on behalf of the Receiver, issued formal default and demand letters dated April 27, 2018 to the Dome Mountain Entities (collectively the **“Dome Mountain Default and Demand Letters”**) that, among other things:

- a) outlined the Dome Mountain Entities’ failure to repurchase the outstanding receivables as demanded in the Dome Mountain Entities Demand Letters; and
- b) enclosed NITES.

The Dome Mountain Default and Demand Letters are collectively attached hereto as **Appendix “45”**.

103 As at the time of this Fourth Report, the Dome Mountain Entities Indebtedness remains outstanding in its entirety.

Zomongo TV

104 As outlined previously, the Factoring Fund and the Hedge Fund each entered into Factoring Agreements with Zomongo TV, an Alberta entity, dated August 7, 2015 (the **“Zomongo TV Factoring Agreement”**). The Factoring Fund and Hedge Fund entered into general security agreements with Zomongo TV and Zomongo.TV Holdings Corp., respectively, granting the Factoring Fund and Hedge Fund a general continuing security interest over all present and future property and assets of Zomongo TV and Zomongo.TV Holdings Corp.

105 On December 29, 2016, Zomongo TV and its associated entities entered into a credit agreement with TCA Global Credit Master Fund, LP (**“TCA”**) effective December 30, 2016 (the **“TCA Loan Agreement”**) for a revolving credit facility of up to US \$10,000,000 (the **“TCA Credit Facility”**). As outlined in the Second Report, as a condition to the TCA Loan Agreement, the Factoring Fund’s security appears to have been subordinated to TCA pursuant to the Zomongo TV Subordination Agreement dated December 28, 2016.

106 As outlined in the Second Report, on October 3, 2017, the Receiver received an email from Frontline (the **“Initial Zomongo Email”**) indicating that Zomongo TV was in financial difficulties as TCA had not advanced the total amount of the funds that were potentially

available under the TCA Credit Facility (i.e. US \$10 million). Frontline indicated that without additional funding, Zomongo TV could not continue operating.

- 107 Up to the date of the Second Report, the Receiver and its counsel engaged in numerous discussions with Zomongo TV, BFF Ventures (Zomongo TV's advisor), and TCA regarding the potential to come to an agreement to allow for TCA to advance the additional funding under the TCA Loan Agreement to Zomongo TV, while allowing Zomongo TV to make repayments to the Factoring and Hedge Funds under a restructured arrangement.
- 108 On November 17, 2017, BFF Ventures advised the Receiver that TCA had now agreed to provide \$5 million in additional funding to Zomongo TV and its affiliates under the TCA Loan Agreement. On November 19, 2017, the Receiver requested that BFF Ventures, on behalf of Zomongo TV, deliver to the Receiver Zomongo TV's proposed form of agreement(s), in order for the Receiver to continue to evaluate the possibility of an arrangement to be agreed upon by TCA, Zomongo TV, and the Receiver, which would result in: (i) TCA providing additional funding to Zomongo TV; and (ii) the repayment of a portion of the Zomongo TV Balance being made to the Factoring and Hedge Funds by Zomongo TV under a restructured arrangement, likely on a monthly installment basis.

Updates Subsequent to the Second Report

- 109 On November 24, 2017, the Receiver received a letter from Greg Shannon (the "**Gowling Letter**"), a partner at Gowling WLG (Canada) LLP ("**Gowling**") in Calgary, Alberta, advising that Gowling had been retained by Zomongo TV with respect to the Zomongo TV Factoring Agreement and the potential restructuring arrangement discussed with Zomongo TV and TCA. The Gowling Letter also requested that the Receiver provide the following information for Gowling to consider in order to prepare a binding letter of intent (the "**Proposed LOI**") regarding the restructuring of the Zomongo TV Balance:
- a) a complete "Consolidated Running Balance Statement" that included: (i) advances; (ii) payments as applied to the associated invoices; (iii) interest accrual; (iv) and how said payments and advances were received by the Factoring Fund and the Hedge Fund, respectively; and
 - b) an exact amount of the indebtedness due and the per diem interest charges.

A copy of the Gowling Letter is attached hereto as **Appendix "46"**.

- 110 On December 4, 2017, the Receiver delivered to Gowling a letter dated December 4, 2017 which included, among other things: (i) a “Consolidated Running Balance Statement” for each of the Factoring Fund and the Hedge Fund; and (ii) the principal and interest owing to the Factoring Fund and Hedge Fund as at November 30, 2017. A copy of the Receiver’s letter to Gowling, excluding the enclosed schedules, is attached hereto as **Appendix “47”**.
- 111 On December 13, 2017, the Receiver sent email correspondence inquiring as to the expected timing of the Proposed LOI. In response, Gowling advised that a timeline would be provided in the week of December 28, 2017. On December 17, 2017, A&B advised Gowling that the Receiver required that the Proposed LOI be delivered to it by no later than December 28, 2017.
- 112 On December 27, 2017, in an email to TCA, BFF Ventures, Gowling, A&B, and the Receiver, Zomongo TV advised that all further inquiries regarding Zomongo TV should be directed to TCA.
- 113 On December 30, 2017, in response to the Receiver’s follow-up correspondence, Gowling advised the Receiver that it was no longer engaged by Zomongo TV to act on its behalf and that the Receiver was to deal with TCA and Zomongo TV directly.
- 114 On December 31, 2017, BFF Ventures advised, among other things, that: (i) TCA had assumed an advisory role to Zomongo TV with respect to its indebtedness to the Factoring Fund and Hedge Fund; (ii) Gowling had been provided with no further directions from Zomongo TV to act on its behalf; and (iii) all future correspondence regarding the matter should be directed to Zomongo TV, TCA, and BFF Ventures. The various email correspondence between the Receiver, A&B, Gowling, BFF Ventures, Zomongo TV, and TCA from December 13, 2017 to December 31, 2017 is collectively attached hereto as **Appendix “48”**.
- 115 On January 5, 2018, in an email to Zomongo TV, TCA, and BFF Ventures, A&B expressed the concerns it and the Receiver had with respect to the current situation and the minimal communication received with respect to a potential arrangement and requested that a conference call be conducted between the parties on January 10, 2018.

- 116 Subsequent to the email being sent by A&B on January 5, 2018, BFF Ventures advised that it was no longer involved with Zomongo TV and would not be responding to further communications unless requested by Zomongo TV.
- 117 Despite repeated follow-up correspondence to Zomongo TV and TCA, on January 8, 2018 and January 9, 2018, no response was received from Zomongo TV nor TCA. A copy of the initial email sent by A&B on January 5, 2018 and the follow-up correspondence with respect to same is attached hereto as **Appendix “49”**.
- 118 Given the lack of response from any of the above parties, the Receiver sought to obtain further information concerning the status of Zomongo TV through the Examinations.
- 119 At the outset of Froese’s examination, his counsel advised the Receiver that, due to an error, documentation in Frontline’s possession concerning the Zomongo entities had not been disclosed. Such documents were not disclosed to the Receiver until June 6, 2018, and the Receiver reserved its right to re-examine Froese as a result of the omitted disclosure.
- 120 Froese testified that Frontline had brokers that “*would refer deals*” to Frontline, referring to how Frontline would source prospective Merchants for the Factoring and Hedge Funds. While Froese could not provide particulars, he testified that these brokers were paid fees. In some instances, mortgages were registered on their properties as security, with the mortgagor receiving payments in exchange for such security.
- 121 At paragraphs 137 to 139 of the Second Report, the Receiver had indicated that it was unclear how the DenHollanders were involved with Zomongo Inc. and Zomongo TV, or why they provided the DenHollander Personal Guarantees and the DenHollander Mortgage on their residence to secure the obligations owing by Zomongo Inc. to the Factoring Fund. Froese testified during his examination that DenHollander was paid a monthly fee from Frontline in exchange for providing the DenHollander Mortgage. Froese testified that Zomongo paid Frontline the monthly fee amounts, and that Frontline in turn paid such amounts to DenHollander.
- 122 With respect to Zomongo TV, Froese testified that he was introduced to Zomongo TV by an individual named Jeff Wilkie (“**Wilkie**”), and that Wilkie had been introduced to Froese by Bob Maljaars. Froese testified that Wilkie or a company of his was paid a referral fee

of \$3,000 per month until November 2017 for having referred Zomongo to Frontline. When asked how Wilkie knew of Zomongo, Froese testified that he did not know.

- 123 Wilkie appears to represent yet a further link amongst four of the seven Factoring Contract Merchants (156 Alberta, Dome Mountain, 647 BC, and Zomongo TV), as Froese testified that:
- a) it was Wilkie who had introduced Bob Maljaars and DenHollander to McBean, who in turn introduced McBean to Froese and Housego;
 - b) Wilkie, to Froese's recollection, attended at a meeting in Calgary with McBean concerning the Dome Mountain financing along with Housego, McBean, Bob Maljaars, and DenHollander;
 - c) Froese later discovered that Wilkie was a shareholder of Zomongo TV; and
 - d) Wilkie was the owner of GIC Capital Corp., a Debtor of certain Purchased Invoices issued by 647 BC. When asked what the business of GIC Capital was, Froese testified that he did not remember, and could not remember why he recommended that the Factoring Fund factor Purchased Invoices issued to GIC Capital, but that the intention was that they would be repaid from financing raised by McBean, which financing never occurred but was intended to repay the Purchased Invoices issued by 156 Alberta, 647 BC, and later, by Dome Mountain.
- 124 When questioned as to whether Froese was aware of whether Zomongo TV would repay the indebtedness owing by it to the Factoring Fund and Hedge Fund, Froese stated that Jeremy Ostrowski, the principal of Zomongo TV, had indicated that he plans to take Zomongo TV public to raise funds.
- 125 Froese further testified that Ostrowski advised him that his lawyers – whom Froese believed to be Gowling - had instructed Zomongo TV and Ostrowski to ignore the Receiver.

Receiver's Next Steps

- 126 As mentioned, on June 6, 2018, Froese produced to the Receiver certain supplementary documentation (the "**Froese Supplementary Productions**") concerning the Zomongo entities. This documentation included a document dated December 23, 2016 and entitled

“Agreement to Transfer Assets and Receivables” (the “**Agreement to Transfer Assets and Receivables**”) which was executed by Zomongo Inc., Zomongo TV, and Zomongo.TV Holdings Corp. (“**Zomongo TV Holdings**”), and which appears to purport to transfer the Zomongo TV Balance owing to the Factoring and Hedge Fund, and the ownership of the Purchased Invoices giving rise to the Zomongo TV Balance, to Zomongo TV Holdings. The Agreement to Transfer Assets and Receivables is attached hereto as **Appendix “50”**.

- 127 Consistent with the Agreement to Transfer Assets and Receivables, the Froese Supplementary Productions also included: (i) a Factoring Agreement dated December 28, 2016 as between Zomongo TV Holdings and the Factoring Fund; and (ii) a personal guarantee dated December 28, 2016 from each of Jeremy Ostrowski and Jocelyn Hughes-Ostrowski guaranteeing the debt owing by Zomongo TV Holdings to the Factoring Fund. The Froese Supplementary Productions also included the General Security Agreement dated January 25, 2017 from Zomongo TV Holdings in favour of the Hedge Fund and the Guarantee and Postponement of Claim dated January 25, 2017 which was provided by Zomongo TV Holdings in favour of the Hedge Fund, as referenced in paragraph 117 of the Second Report.
- 128 In other words, it appears to the Receiver that in exchange for the Factoring Fund’s agreement to execute the Zomongo TV Subordination Agreement, an effort was made to shift the liability for the Zomongo TV Balance from Zomongo TV to Zomongo TV Holdings, the latter of whom was not party to the TCA Loan Agreement between Zomongo TV (and its related entities) and TCA. In an email sent on January 10, 2017 by Gowling, the lawyers for the Zomongo Group of Companies, to Jonathan Dyck of Miller Thomson, the lawyer for the Company prior to the Receiver’s appointment, Gowling indicated, in an apparent effort to have the Company execute the Zomongo TV Subordination Agreement, “we have been advised by [Zomongo] that market value of the additional security [provided to the Company by Zomongo TV Holdings] is \$4,065,550. This email is attached hereto as **Appendix “51”**.
- 129 The Company thereafter executed the Zomongo TV Subordination Agreement.
- 130 The Receiver is further investigating Zomongo TV Holdings in light of these developments.

Advanced Metal

- 131 As outlined in the Second Report, the Factoring Fund entered into a Factoring Agreement with Advanced Metal dated September 21, 2015 for the purchase of a list of approved receivables from Advanced Metal up to a maximum of \$600,000 (the “**Advanced Metal Factoring Agreement**”). The Factoring Fund also entered into a security agreement with Advanced Metal dated September 15, 2015 which granted the Factoring Fund a general continuing security interest over all present and after acquired undertaking, property and assets of Advanced Metal on a first secured basis (the “**Advanced Metal Security Agreement**”).
- 132 In addition to the Advanced Metal Security Agreement, the Factoring Fund has a limited personal guarantee from certain principals of Advanced Metal, being Jason Johansen (“**Johansen**”) (previously the President of Advanced Metal) and Jason Parks (“**Parks**”), as well as from Kareem Louisy, Motola Omobamidum, and Vikas Arora (the foregoing five individuals being collectively referred to as the “**Advanced Metal Personal Guarantors**”). The latter three individuals are shareholders of Lotus Environmental Inc. (“**Lotus**”), one of Advanced Metal’s major customers whose invoices Advanced Metal was factoring under the Advanced Metal Factoring Agreement (the foregoing personal guarantees being collectively referred to as the “**Advanced Metal Personal Guarantees**”).
- 133 Each of the Advanced Metal Personal Guarantees provided by the Lotus shareholders provides that the liability of the Advanced Metal Personal Guarantors was to be secured and limited by mortgage security registered on the personal residences of the respective guarantors. The Receiver conducted searches of the properties listed in those Advanced Metal Personal Guarantees, and confirmed that neither the Factoring Fund (nor any Crystal Wealth entity) has a mortgage registered on the properties. With the exception of one property owned by Vikas Arora, nor are the registered owners of any of the properties the Lotus shareholders’ Advanced Metal Personal Guarantors, although in one instance, it appears that family members related to Kareem Louisy – which family members did not provide a personal guarantee – are the registered owner of a property referenced in Kareem Louisy’s Advanced Metal Personal Guarantee as 151 Scenic Way, NW, Calgary.
- 134 On December 16, 2016, the Factoring Fund executed a postponement and subordination of security interest agreement (the “**Advanced Metal Subordination Agreement**”). The

Advanced Metal Subordination Agreement purportedly resulted in the Factoring Fund becoming a subordinated creditor to the Bank of Montreal (i.e. giving up its first position security to the Bank of Montreal).

- 135 Pursuant to the table in paragraph 82 above, as at October 27, 2018, the total indebtedness owed to the Factoring Fund from Advanced Metal was \$1,504,340 (the “**Advanced Metal Indebtedness**”), consisting of principal and interest of \$1,256,311 and \$248,029, respectively.

Update Subsequent to the Second Report

- 136 On January 8, 2018, pursuant to the December 11 2017 Order, the Receiver received \$53,094 of the Advanced Metal Payments (\$138,044) received by Frontline, as described at paragraph 195 of the Second Report.
- 137 On February 3, 2018, A&B sent an email to Johansen requesting that a call be conducted with the Receiver and its counsel on February 5, 2018 or February 6, 2018. Neither the Receiver nor A&B received a response from Johansen.
- 138 On February 20, 2018, the Receiver received an email from Frontline (the “**February 2018 Frontline Email**”) stating he was contacted by Dave Mullen (“**Mullen**”), a representative of Advanced Metal, and that:

“Advanced Metals is insolvent. The information that they have been providing has not been accurate. All the potential projects do not seem to be valid, tanks that they provided pictures of are taken as security by another company, and equipment that they have provided to Frontline to try to get a lease is not owned by Advanced Metals. Jason Johansen has been removed from the company and Dave Mullen is looking at taking over...”

Furthermore Frontline stated that he was further contacted by Ron Burke (“**Burke**”), the contracted accountant for Mullen, who advised, among other things, that:

“the previously prepared financial statements had false information in them and have been recalled.”

- 139 On March 2, 2018, after receiving certain without prejudice correspondence from Mullen, the Receiver and Mullen agreed to a meeting at the Receiver’s offices on March 5, 2018.

On March 4, 2018, Mullen advised the Receiver that he would be unable to attend the scheduled meeting and that he would propose a revised date in due course.

140 On March 5, 2018, Froese's counsel provided the Receiver with the following information:

- a) numerous pictures of items located at Advanced Metal's premises;
- b) an accounts receivable subledger for Advanced Metal as at February 23, 2018 showing outstanding accounts receivable of approximately \$530,000;
- c) an electronic printout of Advanced Metal's line of credit balance with the Bank of Montreal which outlined a balance of \$986,737 as at February 22, 2018;
- d) a letter from the CRA dated December 15, 2017 stating that unremitted source deductions of \$668,238 remained outstanding; and
- e) a summary listing of equipment and machinery with limited details of same.

The Receiver has confirmed that a writ of enforcement was filed on February 15, 2017 in favour of Her Majesty the Queen in Right of Canada in the amount of \$641,351.40.

141 On March 21, 2018, Mullen contacted the Receiver and requested that a call be convened. On March 26, 2018, the Receiver and Mullen conducted a call whereby the Receiver reiterated its previous communication to Frontline; that, prior to considering any offer, the Receiver required a complete set of externally and/or internally prepared financial statements for the past two (2) years and a complete list of Advanced Metal's assets and liabilities. In addition, the Receiver expressed its concern as to why Advanced Metal was paying unsecured creditors ahead of the Advanced Metal Indebtedness.

142 On April 23, 2018 and April 24, 2018, Burke requested that the Receiver provide a list of information required to evaluate a potential settlement offer.

143 On April 24, 2018, the Receiver reiterated the instructions provided to Mullen on its call with him on March 26, 2018 to provide certain information (as noted in paragraph 141 above). A copy of the Receiver's correspondence with Burke is attached hereto as **Appendix "52"**. None of the information requested of Burke and Mullen has been provided to the Receiver as at the date of this Fourth Report.

- 144 On June 16, 2018, Mullen sent an email to the Receiver which, among other things, stated that KPMG had been engaged to evaluate Advanced Metal (and its affiliated entities) and had prepared a report (the “**KPMG Report**”) that could be made available to the Receiver. The Receiver requested that the KPMG Report be provided to the Receiver for its review. On June 29, 2018, the Receiver was provided with a copy of the KPMG Report.
- 145 On July 4, 2018, the Receiver put forth certain questions to KPMG, Mullen and Burke regarding the contents of the KPMG Report. KPMG indicated it would provide responses to the Receiver’s questions in due course. On July 13, 2018, KPMG responded to the Receiver’s questions, which response the Receiver is currently reviewing and assessing.

Examination of Froese

- 146 Froese testified that Advanced Metal was Frontline’s first customer upon starting its business and that Froese was introduced to the factoring industry by Johansen, who was Froese’s point of contact at Advanced Metal. Froese further indicated that the Advanced Metal arrangement with the Factoring Fund was entered into when Johansen approached Froese about Advanced Metal’s need for financing to complete a large project with its major customer, Lotus.
- 147 It also appears that Froese performed little to no due diligence on the value of the Advanced Metal Personal Guarantees (i.e. whether the underlying individuals giving the guarantees had the assets to fulfill same), as when he was asked during his examination “what due diligence did you do to see what, if any, ability there was to recover from [the Advanced Metal Personal Guarantors]”, Froese responded “*personal guarantees was more so to protect from fraudulent behaviour. It wasn’t meant as an avenue to...as...it wasn’t meant as an avenue to pursue as much as it was that they were going to...it would prevent people from doing fraud. I mean, if they were going to do fraud they...I mean, we had an avenue to make them pay for it*”. As indicated, it does not appear that mortgages were obtained from the Lotus shareholders as security for their Advanced Metal Personal Guarantees.

Restoration Energy

- 148 Information concerning the Restoration Energy Factoring Arrangements, and the Receiver’s enforcement efforts up to November 24, 2017, was detailed in paragraphs 152

to 179 of the Second Report, a summary of which is provided immediately below for ease of reference.

- 149 As noted in the Second Report, on behalf of the Receiver, A&B issued a demand letter to Restoration Energy on November 7, 2017, and a subsequent demand letter to 131 Alberta on November 13, 2017, each of which enclosed a NITES delivered pursuant to subsection 244(1) of the BIA. A&B also issued demand letters to each of the guarantors, DDI Distribution Corp. and Dionne Design Inc., pursuant to the Additional Restoration Guarantees on November 14, 2017.

Updates Subsequent to the Second Report

- 150 On December 12, 2017, Yvonne Martin-Morrison ("**Martin-Morrison**"), the principal of Restoration Energy, delivered to the Receiver a letter dated December 10, 2017 (the "**Martin-Morrison December 2017 Letter**") acknowledging the demand letters issued by the Receiver on November 7, 2017 and November 13, 2017 outlined above. In addition, the Martin-Morrison December 2017 Letter, among other things, stated that:

- a) the product sold under the Restoration Energy Purchased Invoices was never delivered to the customers as there were issues identified with the product whereby re-engineering was required;
- b) Restoration Energy was not in a position to repay the Restoration Energy Balance (\$2,072,291 as at October 26, 2017) as it currently had no available funding;
- c) Restoration Energy had no physical assets that can be realized upon nor does it have any intellectual property or patents available to be sold;
- d) Martin-Morrison was not in a position to repay the Restoration Energy Balance as she had no assets or available cash to settle same; and
- e) Martin-Morrison's personal finances were in terrible shape and as a result, she was required to file a consumer proposal under the BIA in Alberta.

A copy of the Martin-Morrison December 2017 Letter is attached hereto as **Appendix "53"**.

- 151 On December 14, 2017, A&B advised Martin-Morrison that before the Receiver could consider whether it should forbear on proceeding with enforcement steps, it required certain supporting documentation including: (i) financial statements for Restoration Energy; (ii) materials regarding the consumer proposal filed; and (iii) any and all materials and correspondence with respect to the Convertible Restoration Debenture.
- 152 On December 20, 2017, Martin-Morrison provided draft unaudited financial statements for Restoration Energy for the year ending August 31, 2016 (the “**REI Financials**”) and various prescribed BIA forms demonstrating that a consumer proposal was made by Martin-Morrison and her husband on August 24, 2015 (the “**Consumer Proposal Documents**”). The REI Financials and the Consumer Proposal Documents are attached hereto as **Appendix “54”** and “**55**”, respectively.
- 153 On January 10, 2018, the Receiver and A&B attended a call with Martin-Morrison. On the call, Martin-Morrison reiterated that neither she nor Restoration Energy was able to repay the Restoration Energy Balance and that the only way that a full repayment could occur would be to convert the debt into an equity position in REI. Martin-Morrison advised that the only way the “fuel generator” could be re-engineered was to obtain additional financing and that such financing could be obtained through federal and provincial grants (the “**Grant Funding**”). However, Martin-Morrison stated that such financing could only be obtained once the Restoration Energy Balance was converted via the Convertible Restoration Debenture. When asked, Martin-Morrison indicated the re-engineering process would be lengthy in that it would likely take 3 to 4 years to complete.
- 154 Upon conclusion of the call, the Receiver requested that certain additional information be provided to allow the Receiver to better evaluate the viability of the project and, more specifically, the likelihood of REI receiving any Grant Funding. Between January 28, 2018 and February 26, 2018, Martin-Morrison provided certain information to the Receiver in response.
- 155 Included in the information was an internally prepared balance sheet of Restoration Energy as at January 31, 2018 (the “**REI January 2018 Balance Sheet**”). The REI January 2018 Balance Sheet reflected that the total assets of Restoration Energy amount to a book value of \$58,884, comprised of:
- a) property and equipment – \$44,428;

- b) inventory – \$13,605;
- c) cash – \$805; and
- d) GST receivable – \$46.

A copy of the REI January 2018 Balance Sheet is attached hereto as **Appendix “56”**.

- 156 On June 25, 2018, A&B sent an email to Martin-Morrison inquiring as to the status of the intellectual property owned by any of Restoration Energy, or the guarantors pursuant to the Additional Restoration Guarantees, being Dionne Design Inc. (“**DDI**”) and DDI Distribution Corp (“**DDI Corp**”). In response, via email, Martin-Morrison advised the Receiver that Restoration Energy does not own any intellectual property as no value has been created by it up to this point that would qualify as intellectual property. With respect to intellectual property held by DDI and DDI Corp, Martin-Morrison could not provide a response. A copy of the correspondence sent by the Receiver on June 25, 2018 and Martin-Morrison’s response to same is attached hereto as **Appendix “57”**.
- 157 The Receiver is evaluating its options in light of Martin-Morrison’s response that Restoration Energy does not hold any intellectual property, which contradicts a September 30, 2016 engagement letter disclosed by Froese to the Receiver following his Examination pursuant to which Miller Thomson LLP wrote to Martin-Morrison confirming “that Restoration Energy Inc. has engaged our firm, Miller Thomson LLP, for Intellectual Property legal services...and will continue to advise Restoration on their valuable patentable technology”. The September 30, 2016 engagement letter sent by Miller Thomson LLP to Restoration Energy is attached hereto as **Appendix “58”**.

Update on DDI and DDI Corp Corporate Guarantees

- 158 After obtaining the updated contact information for Deborah Dionne (“**Dionne**”), the principal of DDI and DDI Corp, from Martin-Morrison, A&B, on February 20, 2018, successfully delivered the Additional Restoration Guarantor Demands to DDI and DDI Corp. A copy of the DDI Corporate Guarantees are collectively attached hereto as **Appendix “59”**.
- 159 In response, Dionne claimed that: (i) she and her husband filed for bankruptcy in 2014 and as a result DDI and DDI Corp were seized by the trustee in bankruptcy; (ii) DDI Corp

and DDI also filed for bankruptcy; and (iii) she had never seen nor had she ever signed guarantees for Restoration Energy on behalf of DDI or DDI Corp.

- 160 In subsequent correspondence, A&B directed Dionne to the fact that the signatures in the DDI Corporate Guarantees were notarized by a notary, Shannon Wilson ("**Wilson**") of Shea Nerland LLP, and that the purpose of the notarization was to verify that the person signing the DDI Corporate Guarantees was in fact Dionne. Upon subsequent correspondence, Dionne insisted that the Additional Restoration Guarantees executed by DDI and DDI Corp (together, the "**DDI Corporate Guarantees**") were never delivered to her nor were they executed by her.
- 161 On February 23, 2018, A&B contacted the trustee in bankruptcy, Hudson Inc., provided by Dionne. Hudson Inc. confirmed that Dionne filed for personal bankruptcy on May 15, 2014, however, they had no record of acting in any capacity for DDI Corp and DDI. A&B also performed bankruptcy searches on DDI Corp and DDI which confirmed that neither company had filed for bankruptcy.
- 162 Also on February 23, 2018, A&B sent correspondence to Dionne indicating that it had received confirmation from Hudson Inc. that she had personally filed for bankruptcy, however, that neither DDI Corp nor DDI had filed for bankruptcy. In response, Dionne insisted that she had not executed the DDI Corporate Guarantees and requested that she be provided with the individual's name who provided same to the Receiver. A&B advised Dionne that Darren Smits ("**Smits**"), at that time of Miller Thomson LLP in Calgary, Alberta (now of Regent Law Professional Corporation), had provided the DDI Corporate Guarantees to the Receiver and that Wilson was counsel to the specific transaction. A&B further requested that the Receiver be included on all future correspondence between Smits and Dionne.
- 163 The complete correspondence between the A&B and Dionne is collectively attached hereto as **Appendix "60"**.

Froese Examination

- 164 Froese testified during his examination that the potential investment in Restoration Energy through a Factoring Agreement was initially put forth by Smits, who is Frontline's lawyer, and was also the lawyer to Restoration Energy, which Smits confirmed to the Receiver.

Recently, the Receiver learned that Smits has left Miller Thomson LLP, and is now practicing at Regent Law Professional Corporation in Calgary.

- 165 Froese testified that it was Smits who “*brought in*” Martin-Morrison to run Restoration Energy.
- 166 Froese stated that, prior to entering into the Restoration Energy Factoring Agreements, Smits had indicated that Restoration Energy “[*was*] going to be a billion dollar company” and asked if Froese would like to engage in providing a factoring facility. In addition, Froese testified that Smits was interested in participating in the arrangement by providing mortgage security through a company in which he invested, 131 Alberta⁵, which would provide 131 Alberta with cash flow by receiving monthly payments in exchange for the mortgage; it was Froese’s understanding that 131 Alberta required funding. In exchange for providing the mortgage security, Frontline paid 131 Alberta 1% of the balance outstanding per month as payment, based on the amounts earned by Frontline from the Company on the advances made to Restoration Energy.
- 167 Froese confirmed during his examination that he did not obtain an up-to-date appraisal or information concerning the value or status of the 131 Alberta Property, which the Receiver noted at paragraphs 155 to 158 of the Second Report appears to have limited equity to satisfy the Collateral Mortgage provided by 131 Alberta. Froese indicated during his examination that he received an updated appraisal “*just a couple of days ago*”, but that undertaking, along with the majority of undertakings given during Froese’s examination, has yet to be answered.
- 168 Following his examination, Froese provided the Receiver with the Froese Supplementary Productions, which included an email from Smith to Froese and Housego dated March 24, 2017, attached hereto as **Appendix “61”**. In the email, Smith notes that he had just gotten off the phone with Jonathan Dyck, a lawyer at Miller Thomson LLP and counsel to the Company, who had spoken with Smits, and that Smits:

“agreed there was a conflict issue on his end because of his personal involvement in the companies and they are going to farm out the legal work to another law firm”.

⁵ The Receiver noted at paragraph 159 of the Second Report that Smits had provided personal guarantees to support the obligations of 131 Alberta under its senior mortgages in respect of the Pine Lake Lands.

- 169 The Factoring Fund is the only secured party of Restoration Energy under the PPSA. There are no Canadian Intellectual Property Office (“**CIPO**”) registrations against Restoration Energy. While the Factoring Agreements entered into by REI specifically indicate that intellectual property is included in the collateral, it is unclear as to what, if any, intellectual property actually exists (and if it exists, what value it has, if any).

Single Source

- 170 As indicated in paragraphs 180 to 183 of the Second Report, the Factoring Fund entered into a Factoring Agreement with Single Source dated August 9, 2016 (the “**Single Source Factoring Agreement**”) and also entered into a security agreement with Single Source dated August 9, 2016 granting the Factoring Fund a general continuing security interest over all present and future property and assets of Single Source (the “**Single Source Security Agreement**”). In addition, Tanya McCrary-Singh (“**McCrary-Singh**”), the Chief Financial Officer of Single Source, provided a personal guarantee (the “**McCrary-Singh Guarantee**”) in favour of the Factoring Fund dated August 9, 2016, guaranteeing the obligations of Single Source to the Factoring Fund.
- 171 By letter dated November 22, 2017 (the “**Single Source Demand Letter**”), the Receiver demanded immediate payment from Single Source pursuant to the Single Source Factoring Agreement. As at October 26, 2017, principal was outstanding under a single invoice factored by the Factoring Fund from Single Source in the sum of \$93,985, with accrued interest owing of \$20,206. The Receiver confirmed that the letter was successfully delivered to McCrary-Singh on behalf of Single Source.

Updates Subsequent to the Second Report

- 172 On November 29, 2017, A&B, on behalf of the Receiver, issued a default and demand letter to Single Source (the “**Single Source Default and Demand Letter**”): (i) advising Single Source of its failure to remit payment as demanded in the Single Source Demand Letter; and (ii) making formal demand on the entire indebtedness outstanding, as at November 17, 2017, under the Single Source Factoring Agreement, and enclosing a NITES pursuant to the BIA. A copy of the Single Source Default and Demand Letter is attached hereto as **Appendix “62”**.
- 173 A demand letter was also issued to McCrary-Singh dated November 29, 2017, in her personal capacity as guarantor of the indebtedness under the Single Source Factoring

Agreement (the “**McCrary-Singh Demand Letter**”). A copy of the McCrary-Singh Demand Letter is attached hereto as **Appendix “63”**.

- 174 The Receiver and its counsel have made multiple requests that a call be convened between Single Source, the Receiver, and A&B to discuss the current status of Single Source and its business. As at the date of this Fourth Report, neither the Receiver nor A&B has received any response from McCrary-Singh or Single Source.
- 175 Pursuant to the table in paragraph 82 above, as at October 27, 2018, the total indebtedness owed to the Factoring Fund from Single Source was \$114,191 (the “**Single Source Indebtedness**”) consisting of principal and interest of \$93,985 and \$20,206, respectively.

GOLD LOANS

- 176 The Factoring Fund, Hedge Fund, and Bullion Fund are parties to a total of 11 Gold Loans consisting of: (i) four (4) Gold Certificate Subscription Agreements (the “**Subscription Agreements**”) ⁶ with Onstar Exploration Ltd. (“**Onstar**”) and; (ii) seven (7) Gold Sale / Purchase Agreements (the “**Settlement Loans**”) ⁷ with three (3) entities, 611802 B.C. Ltd. (“**611 BC**”), Inca One Gold Corp. (“**Inca**”), and Solid Holdings Ltd. (“**Solid Holdings**”), as follows:

- a) **Factoring Fund** – five (5) Gold Loans with a Recorded Value of \$2,207,280 and US \$3,552,684 consisting of:
- i) three (3) Subscription Agreements with Onstar dated August 12, 2016, November 27, 2016, and September 25, 2016 for a total of 3,800 ounces of Gold;
 - ii) one (1) Settlement Loan with Solid Holdings (the “**Solid Holdings Loan**”) expiring February 13, 2017 whereby \$300,306 was advanced to Solid Holdings; and

⁶ Under the Subscription Agreements, the Factoring Fund and the Hedge Fund purchased gold certificates for certain multiples of 1,000 ounces of Gold per certificate (the “**Gold Certificates**”) which cumulatively totaled 4,000 ounces of Gold.

⁷ Under the Settlement Loans, the agreement is completed either through: (i) the delivery of the Gold; or (ii) a cash settlement.

- iii) one (1) Settlement Loan with 611 BC expiring February 2, 2018 whereby \$500,405 was advanced to 611 (the “**611/Factoring Loan**”).
 - b) **Bullion Fund** – two (2) Gold Loans with a Recorded Value of \$763,006 consisting of:
 - i) one (1) Settlement Loan with Inca consisting of three tranches of funding – expiring January 1, 2017, April 1, 2017, and June 1, 2017 whereby \$584,533 was advanced under same (the “**Inca 1 Loan**”); and
 - ii) one (1) Settlement Loan with 611 BC expiring on November 28, 2017 whereby \$124,657 was advanced to 611 BC (the “**611/Bullion Loan**”).
 - c) **Hedge Fund** – four (4) Gold Loans with a Recorded Value of \$896,367 and US \$251,766 consisting of:
 - i) one (1) Subscription Agreement with Onstar dated September 25, 2016 for a total of 200 ounces of Gold;
 - ii) two (2) Settlement Loans with 611 BC, one (1) expiring November 28, 2017 and one (1) expiring January 16, 2018 whereby a total of \$409,995 was advanced to 611 (collectively the “**611/Hedge Loans**”); and
 - iii) one (1) Settlement Loan with Inca expiring on December 1, 2017 (the “**Inca 2 Loan**”, and together, the “**Inca Loans**”) whereby the Hedge Fund advanced \$354,895 to Inca.
- 177 As outlined in the Second Report, the Subscription Agreements and the Settlement Loans are, in substance, term loans to Onstar, 611 BC, Inca, and Solid Holdings (collectively, the “**Gold Sellers**”) and are therefore referred to as the “**Gold Loans**”. The Gold Loans are to be repaid upon maturity in either Gold or cash.
- 178 As outlined in the Second Report, under the Gold Loans, the Crystal Wealth Funds are unsecured creditors. The Receiver has concerns over the ultimate collectability of the Gold Loans. As at the date of this Fourth Report, the Crystal Wealth Funds have not received any repayment (in Gold or cash) for any of the Gold Loans.

Solid Holdings

179 As outlined in the Second Report, Stan Spletzer (“**Spletzer**”), the principal of Solid Holdings, indicated that Solid Holdings was experiencing financial difficulties and as a result, the Receiver requested certain information to verify such claims which had not been delivered as at the date of the Second Report.

Updates Subsequent to the Second Report

180 On December 7, 2017, in response to being served with the Receiver’s motion record containing the Second Report, Spletzer sent an email to A&B that, among other things, stated that he would have the complete amount to repay the principal and interest under the Solid Holdings Loan. A copy of the correspondence from Spletzer, and A&B’s response, is attached hereto as **Appendix “64”**.

181 The December 11 2017 Order subsequently obtained by the Receiver required that Spletzer provide to the Receiver information previously sought from him but which remained outstanding. On December 13, 2017, the Receiver sent an email to Spletzer inquiring as to when the information originally requested on October 30, 2017 would be provided.

182 On December 27, 2017, Spletzer delivered to the Receiver an email, a copy of which is attached hereto as **Appendix “65”** (the “**December 27 Spletzer Email**”), that included various pictures of equipment and other items; however, the email provided no indication as to whether such equipment/items were owned by Spletzer or Solid Holdings. The December 27 Spletzer Email also included a letter addressed to the Receiver dated December 27, 2017 (the “**First Spletzer Letter**”). The First Spletzer Letter was an incoherent document that included a number of what seemed like unrelated and unsubstantiated claims and conspiracy theories, including but not limited to the following:

“Fraudulent certificates were apparently manufactured and presented to Crystal Wealth, and approximately 4-5 million dollars was paid out based on Mr. Lopehandia’s Juneau gold, and my Juneau report, without our consent or authority to do so. Crystal wealth owes Mr. Jorge Lopehandia 4-5 million dollars. Crystal Wealth gave money to the fraudsters without doing there [sic] due diligence.”

“The receiver is over reaching with non-applicable requests for certain information. ...My silence to Grant Thornton does not mean I am “hiding something” as the good Judge has indicated, rather it indicates CAUTION as it opens a huge can of worms, as you soon will see.”

The First Spletzer Letter also made reference to Jorge Lopehandia (“**Lopehandia**”), who Spletzer claimed was his business associate and partner. In conclusion, Spletzer advised that he wished to cancel the Solid Holdings Loan. A copy of the First Spletzer Letter is attached hereto as **Appendix “66”**.

183 In addition to the First Spletzer Letter, the December 27 Spletzer Email included a second undated letter addressed to Spletzer from Lopehandia (the “**First Lopehandia Letter**”). The First Lopehandia Letter was even more incoherent than the First Spletzer Letter whereby it also made various accusations against individuals and companies with no relation to the Crystal Wealth Group and laid out even further conspiracy theories involving the Receiver, the Crystal Wealth Group, Housego, the BSCS, and the OSC. The First Lopehandia Letter is attached hereto as **Appendix “67”**.

184 In response, the Receiver delivered to Spletzer a letter dated January 8, 2018 (the “**Receiver’s Response to the First Spletzer Letter**”) that, among other things:

- a) notified Spletzer of his failure to provide the Receiver with the information requested on October 30, 2017 and demanded that the information be provided immediately;
- b) outlined that the failure to provide the information requested was in contravention of the December 11 2017 Order, and specifically paragraphs 11 and 12 thereof; and
- c) advised Spletzer of Solid Holdings’ outstanding obligation as at December 13, 2017 (\$367,676) should it wish to terminate the Solid Holdings Loan.

A copy of the Receiver’s Response to the First Spletzer Letter, without enclosures, is attached hereto as **Appendix “68”**.

185 On January 25, 2018, the Receiver received a second letter from Spletzer dated January 25, 2018 addressed to the Receiver and the Honourable Justice Myers who had issued the December 11, 2017 Order (the “**Second Spletzer Letter**”). Similar to the First Spletzer Letter and First Lopehandia Letter, the Second Spletzer Letter presented an incoherent

rambling of various accusations against various parties. Among other items, the Second Spletzer Letter stated that:

- a) the Gold properties owned by Lopehandia and Spletzer were worth billions and millions of dollars respectively;
- b) the amount owing under the Solid Holdings Loan:

“is a result of foul play that shorted us of money (approx. \$4,500,000) that would have been paid to us by Crystal Wealth...yet was paid to other parties instead, who used unauthorized incomplete gold certificates based on [Lopehandia’s] Gold in Juneau Alaska”

- c) as of November 20, 2017, Lopehandia and Spletzer had received more than sufficient funds to pay the Solid Holdings Loan; and
- d) the Receiver, A&B, the OSC, the BCSC, and Barrick Gold were somehow in a collectively conspiracy to deceive and “thieve” Lopehandia and Spletzer.

A copy of the Second Spletzer Letter is attached hereto as **Appendix “69”**.

- 186 On February 15, 2018, upon expiry of the Solid Holdings Loan (i.e. February 13, 2018), the Receiver sent an email to Spletzer advising him that the Solid Holdings Loan had matured and requested that Spletzer put forth a proposal to repay the amount owing under the Solid Holdings Loan. The Receiver did not entertain the various incoherent accusations and statements contained in the Second Spletzer Letter.
- 187 On April 16, 2018, after not hearing a response from Spletzer, A&B, on behalf of the Receiver, delivered to Spletzer a demand letter (the “**Solid Holdings Demand Letter**”) that, among other things, demanded the amount owed by Solid Holdings to the Factoring Fund as at April 15, 2018 (\$422,173) be remitted to the Receiver on or before April 30, 2018. A copy of the Solid Holdings Demand Letter, without enclosures, is attached hereto as **Appendix “70”**.
- 188 On April 30, 2018, Spletzer delivered to A&B a third nonsensical letter (the “**Third Spletzer Letter**”) containing yet additional accusations against various parties, including baseless accusations against the Receiver. A copy of the Third Spletzer Letter is attached hereto

as **Appendix “71”**. In response to the Third Spletzer Letter, the Receiver requested that a conference call be convened between Lopehandia, Spletzer, A&B, and the Receiver.

189 On May 2, 2018, the Receiver, A&B, Lopehandia, and Spletzer convened for a conference call to discuss the status of the repayment of the Solid Holdings Loan. During the call, Spletzer and Lopehandia failed to provide any repayment proposal, while reiterating many of the incoherent statements contained in the prior correspondence delivered. Due to its unproductive nature, the Receiver ended the call. Subsequent to the call, A&B, on behalf of the Receiver, sent correspondence, attached hereto as **Appendix “72”**, to Spletzer and Lopehandia recapping the conference call, and specifically, that:

- a) Spletzer and Lopehandia acknowledged the indebtedness owing under the Solid Holdings Loan and that they have refused to make payment of same to the Receiver on the basis that they have a claim against the Crystal Wealth Group; and
- b) no claims were submitted by Solid Holdings., or by any entities with which Lopehandia or Spletzer were affiliated with, as was required by the Creditor Claims Procedure Order and as such, any such claim, if it exists, is barred.

190 On June 1, 2018, Spletzer delivered a further nonsensical letter, a copy of which is attached hereto as **Appendix “73”**, and which advised that Solid Holdings would not be remitting payment for the Solid Holdings Loan.

Onstar

191 As outlined in the Second Report, in response to the Onstar Default Letter, Onstar advised the Receiver that it would honour the Subscription Agreements and Gold Certificates. Onstar advised that it was completing separate funding to fulfill the requirements of the Gold Certificates and that such funding would be in place in the month of November to early December 2017.

Updates Subsequent to the Second Report

192 On February 14, 2018, and June 22, 2018, the Receiver sent follow-up correspondence to Braun inquiring as to when the Receiver should expect to receive the first payment(s) with respect to the Subscription Agreements. The Receiver also requested the most recent financial statements of Onstar.

- 193 On July 5, 2018, Braun emailed the Receiver indicating that he believed Onstar could honour a cash payment. Braun requested that the Receiver send to him an email of its expected cash payout amount.
- 194 On July 6, 2018, the Receiver responded to Braun reiterating that the Receiver requires delivery of funds equivalent to the spot price of the gold required to be delivered in accordance with the Subscription Agreements.
- 195 As at the date of this Fourth Report, Onstar has not advised the Receiver if the additional funding as described above was obtained by Onstar and when the payments to the Receiver will commence.

Examination of Housego

- 196 During the Receiver's examination of Housego, Housego confirmed that his introduction to Braun was through an individual named Taz Farad ("**Farad**"), a British Columbia real estate agent Housego met in the spring of 2016. Housego advised that subsequent to meeting Farad, Housego became interested in pursuing investments in Gold and related products.
- 197 As outlined in the Second Report, the initial meeting with Braun was held in August 2016, which included a number of other individuals, including Lopehandia. Housego advised that the nature of the meeting was to discuss a tailings deposit in Juneau, Alaska (the "**Juneau Mine**").
- 198 When pressed for what due diligence was done prior to advancing the funds to Onstar, Housego advised that he was provided with a:

"...43-101 report, another independent geological geologist report, a document that gave Alan Braun authority to make the deal".

None of the above documentation was provided by Housego following his Examination, with the exception of Housego's production of a Technical Report on the Juneau Gold Project dated March 16, 2011 which was prepared by a Consulting Geologist in Surrey, British Columbia.

- 199 When pressed during his Examination as to why USD \$2 million of investor monies was advanced to Onstar a mere four days after meeting Braun, Housego advised that the deal

was “*time sensitive*”. Housego further advised that Braun had advised him of a “*European group that was coming in to buy up all of the [Gold Certificates]*” and as a result, Housego quickly purchased four (4) Gold Certificates. Housego stated that this seemed like a good opportunity so he wanted to get ahead of it.

- 200 When questioned about the use of the funds advanced to Onstar by the Factoring Fund and Hedge Fund, Housego advised that he was unsure what the funding was used for, but rather, he stated he was:

“under the impression that [the funding] would go towards machinery to develop or run the [Juneau Mine]”.

- 201 As outlined above, the Receiver has not received any financial statements nor source and use of fund statements from Onstar or Housego, or any documentation in connection with the current operations, if any, at the Juneau Mine.

Solid Holdings and Onstar Relationship

- 202 As outlined in the Second Report, the Receiver had suspected that there was a correlated involvement and relationship between Solid Holdings and Onstar. During his examination, Housego confirmed that such was true in that Braun, Lopehandia, and Spletzer were involved in the development of the Juneau Mine. Housego testified that Spletzer’s role in the Juneau Mine was to perform tests and evaluate the quality of the Juneau Mine. With respect to Lopehandia, Housego advised that Lopehandia had some sort of ownership rights to the Juneau Mine, more specifically, Housego stated that:

“I think Onstar had -- was involved, but I believe Mountainstar Resources had some ownership, and Jorge Lopehandia gave or sold his rights to Mountainstar”.

- 203 Furthermore, at question 1110 of Housego’s Examination, Housego advised that:

“[Lopehandia and Spletzer] think that Alan Braun defrauded [Crystal Wealth] and didn’t have the authority to sell the ounces [in the Subscription Agreements]...because [Lopehandia] didn’t sign off on the [Gold Certificates]”.

611 BC and Onstar Relationship

204 During Housego's Examination, the Receiver inquired as to whether Pinnell received any payments out of the funds advanced to Onstar. In response, Housego stated that Pinnell received a commission of approximately one (1) million dollars which was paid by Onstar to Pinnell from the funds which Onstar received from the Factoring Fund and Hedge Fund.

205 The following exchange from the Housego Examination illustrates Housego's view with respect to the Gold Loans and ensuring investors monies advanced to third parties for investments purposes were protected and used to generate returns:

MVZ *"So you meet Alan Braun for the first time in August 2016. Within a week you advance the initial of the 4 million and yet Chuck gets a million of that?"*

AH *"Well, he went in and negotiated with them. The deal was the same for Crystal Wealth. We got the same amount of ounces for the same cost, and then he negotiated that."*

MVZ *"During that one-week period?"*

AH *"Yeah."*

MVZ *"And was paid \$1 million for it?"*

AH *"Yeah, I didn't know how much it was at the time. I didn't find out until after."*

MVZ *"But now you know?"*

AH *"Now I know, yeah. It's a significant amount."*

611 BC

206 As outlined in the Second Report, unlike the other Gold Sellers, 611 BC is a holding company that does not engage in any mining activity directly nor does it hold any assets other than investments and receivables owing from other companies. More specifically,

the advances made by the Factoring Fund, Bullion Fund, and Hedge Fund were advanced as follows:

- a) proceeds obtained from the 611/Bullion Loan and one of the 611/Hedge Loans totaling approximately \$325,325, due on November 28, 2017 (collectively the “**November 28 Gold Loans**”), were advanced to a third party, Placer 1 Mining Inc. (“**Placer 1**”), who entered into agreements with two other parties, Blacksand Gold Inc. (“**BGI**”), and New North Construction Ltd (“**New North**”), for the development of a Gold mine near Mason Creek, British Columbia (known as the “**20 Mile Project**”);
- b) proceeds obtained from the second 611/Hedge Loan totaling approximately \$209,327 were advanced to a third party, Petra Capital Corporation (“**Petra**”) and its principal, Rob Jupe (“**Jupe**”), for the delivery of Gold from a Gold mine in Columbia (the “**Columbia Mine**”); and
- c) proceeds obtained from the 611/Factoring Loan of \$500,405 were advanced to a third party, Black Gold Exploration and Production LLC (“**Black Gold**”) and its principal, Nic Boatright (“**Boatright**”), to develop a revenue interest in certain oil wells located in Louisiana, USA (the “**USA Oil Wells**”)

(collectively, the “**611 BC Investments**”). The Columbia Gold Mine and the USA Oil Wells appear to be connected as both 611 BC and Petra entered into agreements with Black Gold and Boatright as well as parties with which Boatright is affiliated.

Updates Subsequent to the Second Report

- 207 On December 12, 2017, the Receiver received from Pinnell certain requested information with respect to the 611 BC Investments. A summary of the documents provided is included below.

20 Mile Project

- 208 On November 26, 2016, 611 BC entered into a loan agreement between Placer 1 (as borrower) and an individual, Tom Hughes (“**Hughes**”) (as guarantor), dated November 26, 2016 (the “**Placer 1 Loan Agreement**”) whereby:
 - a) 611 BC agreed to lend Placer 1 \$325,000 for 30 days (the “**Placer 1 Loan**”) with an agreed bonus of \$50,000 to be secured personally and guaranteed by Hughes;

- b) \$125,000 of the Placer 1 Loan was to be used for the equipment purchases and setup of a processing plant owned and run by Placer 1 and the principal of same, Brian Walker ("**Walker**"), located in Richmond, British Columbia (the "**Richmond Facility**");
- c) \$200,000 of the Placer 1 Loan was to secure a black sand supply agreement with Mike McKone ("**McKone**"), a miner on the 20 Mile Project; the payments to McKone were as follows:
 - i) \$100,000 upon securing an agreement with McKone; and
 - ii) \$100,000 when black sand concentrate ("**Black Sand**") of 32 tons or more is delivered to the Richmond Facility;
- d) the first shipment of Black Sand to the Richmond Facility was to occur on or before December 10, 2016 whereby the processing of same by Placer 1 was to be completed by December 12, 2016;
- e) Placer 1 was to deliver cleaned Gold to 611 BC by December 30, 2016, to which the proceeds of the sale of same would satisfy the Placer 1 Loan; and
- f) in the absence of Gold being delivered by December 30, 2016, the Placer 1 Loan was to be paid by Hughes on or before January 28, 2016.

A personal guarantee was executed by Hughes on November 29, 2016 (the "**Hughes Personal Guarantee**") in favour of 611 BC as required by the Placer 1 Loan Agreement. Pinnell advised the Receiver that Hughes was a business partner of Braun. The Placer 1 Loan Agreement, and the Hughes Personal Guarantee are collectively attached hereto as **Appendix "74"**.

209 In addition to the above documents, Pinnell delivered to the Receiver a letter dated December 8, 2017, that addressed the 611/Bullion Loan and one of the 611/Hedge Loans, both of which matured on November 28, 2017 and collectively totaled \$325,000 of funds advanced to 611 BC (the "**November 28 Gold Loans**"). In the letter Pinnell, among other things:

- a) acknowledged the November 28 Gold Loans were in default;

- b) advised that all efforts to collect the amounts owing under the Placer 1 Loan Agreement from Placer 1 and Hughes had been exhausted as representatives from Placer 1 and Hughes had ceased responding to Pinnell; and
- c) stated that 611 BC does not have the funds to engage counsel to pursue collection of the Placer 1 Loan through legal means.

A copy of the December 8, 2017 letter sent by Pinnell regarding the November 28 Gold Loans is attached hereto as **Appendix “75”**.

- 210 On July 1, 2018, Pinnell sent an email (the “**Pinnell July 1, 2018 Email**”) to the Receiver advising, among other things, that “zero progress” had been made to Pinnell’s knowledge with the 20 Mile Project. The Pinnell July 1, 2018 Email is attached hereto as **Appendix “76”**.

Columbia Mine

- 211 On September 28, 2016, 611 BC entered into a loan agreement with Petra (the “**Petra Loan Agreement**”) whereby 611 BC loaned Petra \$200,000 (the “**Petra Loan**”) to: (i) acquire the shares of a Colombian company, Mineros Sistemas Eticos S.A. (“**Mineros**”); and (ii) purchase a farm of approximately 10 acres and the necessary equipment to process Gold bearing tailings (the “**Gold Tailings**”) into Gold bars (the “**Processed Gold**”) to be shipped to a refinery in Miami, USA. The Petra Loan Agreement states that Mineros will be jointly owned by 611 BC and Petra.
- 212 The Petra Loan Agreement further states that, among other things:
- a) the Gold Tailings are to be acquired at a price of US \$1 per ton whereby it is expected that each ton will contain 21 grams of Processed Gold;
 - b) Boatright will oversee the operations of the processing;
 - c) the Miami refinery will pay Petra for the Processed Gold at the spot price less 1%; the proceeds of which will be distributed as follows: (i) 25% to Boatright; and (ii) 75% to 611 BC until the Petra Loan is repaid in full, after which the 75% will be split 50%-50% between 611 BC and Petra.

A copy of the Petra Loan Agreement is attached hereto as **Appendix “77”**.

- 213 On November 10, 2016, Petra, 611 BC, and Mineros entered into a memorandum of understanding (the “**Columbia MOU**”), attached hereto as **Appendix “78”**, with Seminole Enterprises Group, Inc. / Seminole Group Columbia CI, SAS (collectively, “**Seminole**”), a producer of metallic ore minerals in Columbia and USA (collectively, 611 BC, Petra, Mineros, and Seminole are referred to as the “**Columbia Parties**”). The intent of the Columbia MOU was to develop a profitable, equitable business relationship through acquisition, processing, and marketing of natural resources obtained from mining activities primarily located in Columbia. The Columbia MOU further states that, among other things:
- a) Seminole owns and controls 27 mineral claims in the Guiana Shield near Puerto Carreno, Columbia;
 - b) 611 BC is to provide to Seminole, sophisticated equipment for the mutual benefit of the Columbia Parties;
 - c) Mineros (611 BC and Petra) will advance the funds necessary to establish: (i) a trading post in Puerto Carreno, Columbia; (ii) a processing plant in Andes, Columbia; and (iii) a warehouse / office in Bogota, Columbia; and
 - d) Seminole and Mineros will share profits from the activities equally after the costs of start-up put forth by Mineros, 611 BC, and Petra have been recovered.
- 214 At the time that Mineros was establishing the processing plant in Andes, Columbia, tin ore was made available. As a result, on January 1, 2017, Seminole entered into an agreement with Malaysia Smelting Company (“**MSC**”) for the processing of tin ore (the “**MSC Tin Agreement**”). A partial copy of the MSC Tin Agreement was provided by Pinnell, however, the contents provided did not outline the substantial terms of the MSC Tin Agreement.
- 215 In an email dated November 27, 2017, from Robert Jupe (“**Jupe**”), the principal of Petra (the “**November 27, 2017 Jupe Email**”), Jupe provided an update on the activities regarding the Columbia Mine Project. Among other things, the November 27, 2017 Jupe Email stated that:
- a) The Columbia Parties’ attempts to sell the Processed Gold from the Gold Tailings failed as the quality of same could not be verified by third parties and that to remedy

this issue, the Columbia Parties required an additional US \$12 million of capital to construct a small refinery; and

- b) the Colombia Parties do not have the capital to secure the tin ore required to ship to MSC for processing to fulfill the MSC Tin Agreement.

A copy of the November 27, 2017 Jupe Email is attached hereto as **Appendix “79”**.

- 216 The Pinnell July 1, 2018 Email further advised that ongoing efforts to secure additional funding are needed. Accordingly, it appears that the Columbia Parties do not have the necessary capital to continue profitable operations.

USA Oil Wells

- 217 On February 18, 2017, 611 BC entered into a memorandum of understanding with Black Gold and Boatright (the “**Black Gold MOU**”) whereby Black Gold, Boatright, and 611 BC entered into a joint venture (the “**Black Gold JV**”). Under the Black Gold MOU:

- a) 611 BC was to raise the funds required for the USA Oil Wells; and
- b) Black Gold was to use the funds to execute various methods of oil-well remediation with the ultimate responsibility of performing all aspects required to start the USA Oil Wells;

A copy of the Black Gold MOU is attached hereto as **Appendix “80”**.

- 218 In an email dated November 27, 2017, a copy of which is attached hereto as **Appendix “81”**, Jupe advised 611 BC that, among other things, the USA Oil Wells will require additional funding of US \$895,000 to begin production.
- 219 In the Pinnell July 1, 2018 Email, Pinnell advised the Receiver that “*a large funding that we had worked on for months fell apart in late May*” and that 611 BC, while optimistic, has no timelines on production with respect to the US Oil Wells.

Inca

- 220 As outlined in the Second Report, under the Inca Loans, the Hedge Fund and Bullion Fund are both unsecured creditors. Accordingly, if Inca does not deliver payment in accordance

with the Inca Loans, or if a satisfactory alternative arrangement cannot be agreed upon, the Receiver's enforcement options as against Inca are limited.

- 221 After determining that no management takeover offers would be accepted through the Sales Process, the Receiver inquired as to Inca's financial position and ability to repay the Inca Loans. Inca advised that it did not have the financial resources to repay the Inca Loans in full, however, stated that it would put forth a payment proposal in short order.
- 222 On November 9, 2017, the Receiver sent follow-up email correspondence to Inca advising that a proposal had not been received. The Receiver had not received a payment proposal as at the date of the Second Report.

Updates Subsequent to the Second Report

- 223 On December 13, 2017, the Receiver inquired as to when it should expect to receive a repayment proposal from Inca. In response, Inca stated that it was still in the process of raising funds to be able to satisfy secured and unsecured creditors of Inca. Inca further advised that once the funding was completed, Inca would be in a better position to provide a payment plan to the Receiver.
- 224 On February 7, 2018, the Receiver sent an email to Inca, a copy of which is attached as **Appendix "82"**, that, among other things:
- a) advised Inca that the Inca Loans had all matured whereby a cash settlement was required to be received from Inca to satisfy same;
 - b) stated that the Receiver had not received any payments with respect to the Inca Loans;
 - c) stated that Inca had failed to deliver to the Receiver a proposal outlining how Inca will be repaying the amounts owing under the Inca Loans;
 - d) requested that Inca deliver to the Receiver such a proposal by no later than 5:00 pm EST on Friday, February 9, 2018; and
 - e) advised Inca that if it failed to deliver a proposal to the Receiver by the above mentioned date, the Receiver would take whatever steps it considered necessary or appropriate to collect and recover the amounts owing under the Inca Loans.

225 In response to the Receiver's email on February 7, 2018, Inca advised the Receiver:

"[Inca] just closed a financing last week that will allow us to buy enough mineral to fill our plant. It will probably take 3 months to get up to full capacity and put us in a position whereby we can start covering our monthly bills and start considering a plan for repayment of all the various components of our outstanding debts."

226 On February 26, 2018, the Receiver received an email from Inca that, among other things:

- a) advised the Receiver that Inca's secured debentures of \$2.7 million were due on September 1, 2018 and that Inca's cash flow model predicted that it would be approximately \$2 million short in fulfilling the payment of same;
- b) stated that Inca was working to restructure the secured debentures and, if required, find new holders for the secured debentures; and
- c) based on certain assumptions, outlined to the Receiver that Inca could possibly begin the repayment of the Inca Loans on August 1, 2018 at \$50,000 per month.

227 On March 5, 2018, the Receiver and Inca attended a meeting at the Receiver's office to discuss, among other things, the items raised in Inca's email to the Receiver dated February 26, 2018. During the meeting, the Receiver advised that it was unlikely to convert the Inca Loans into equity as Inca had proposed, as the Receiver was unwilling to give up its rights as a creditor, albeit unsecured, should Inca become insolvent. The Receiver requested that Inca continue to keep it apprised of the developments and negotiations with respect to the restructuring of the secured debentures.

228 On March 16, 2018, Inca's most recent interim consolidated financial statements for the three and nine month ended January 31, 2018 ("**Inca's Jan 31 Statements**") were approved by the board of directors. Inca's Jan 31 Statements demonstrate that for the nine months ending January 31, 2018, Inca incurred a net loss of \$2,630,717 and had **negative** cash flow from operations of \$1,391,023. As at January 31, 2018, Inca had total liabilities of approximately \$7,172,054 (\$2.7 million of which were the secured debentures), and a reported cash balance of \$2,226,817 (obtained from a private placement completed for shares of Inca). Although the financial results were somewhat improved, Inca's Jan 31 Statements still contained the Going Concern Note (as detailed

at paragraph 257 of the Second Report), putting into question Inca's ability to continue operations.

229 Based on the above, it is clear that Inca's distressed financial position and its ability to continue as a going concern puts into question Inca's ability to repay the Inca Loans and thus the Bullion/Hedge Fund's ultimate value and recoverability of same.

230 On June 21, 2018, the Receiver received an email from Inca (the "**Inca June 2018 Update**") that, among other things:

- a) advised the Receiver that Inca had restructured \$1.1 million of the \$2.7 million in secured debentures by converting same into equity and had extended the repayment of the remaining \$1.6 million until September 2021;
- b) stated that Inca had achieved record throughput during May 2018; and
- c) advised the Receiver that Inca was approximately 12 months away from being able to consider a payment plan on the Inca Loans.

COMMERCIAL LOANS

231 As outlined in the Second Report, the Company and/or the Crystal Wealth Funds entered into Commercial Loans which included:

- a) a loan agreement with Pond dated December 15, 2015 (as amended, the "**Pond Loan Agreement**") with a principal value of \$4,500,000, at an interest rate of 12% payable quarterly in arrears, maturing on February 2, 2018 (the "**Pond Loan**");
- b) loan agreements (collectively, the "**OOM Energy Loans**") with the following entities (all of which are under the control of a common individual, Clydesdale, and are collectively referred to as the "**OOM Energy Group**"):
 - i) Magnitude CS Energy Inc. (formerly, 2445958 Ontario Inc.) ("**Magnitude**");
 - ii) 2441472 Ontario Inc. ("**244 Ontario**"), as guaranteed by 2404783 Ontario Corp. ("**240 Ontario**");
 - iii) MCSnoxrecovery Inc. ("**MCSnox**"); and

iv) MCSAB10 Inc. ("**MCSAB**"), as guaranteed by 4873 Ontario,

which, based on the Company's books and records, the April 20th Package, and the information obtained by the Receiver thus far, collectively appear to have had a cumulative principal balance of approximately \$12,535,270 as at April 20, 2017, plus outstanding interest of approximately \$478,794, totaling \$13,014,064 (the "**OOM Energy Balance**");

c) a promissory note between 109 BC, as borrower, and the Company, as lender, dated November 4, 2016, for a principal balance of US \$125,000, which has matured (the "**109 BC Promissory Note**");

d) a promissory note issued by Cinnos Mission Critical Incorporated ("**Cinnos**") in favour of the Infrastructure Fund dated September 30, 2016, for a principal balance of \$300,000, which matures on September 28, 2018 (the "**Cinnos Promissory Note**"); and

e) a participation interest in a mortgage issued to Kanwal Investments Inc. ("**Kanwal**") by Liberty Mortgage Services Inc. (the "**Kanwal Mortgage**").

232 The Receiver is of the view that the OOM Energy Loans, the 109 BC Promissory Note, and the Kanwal Mortgage, with a cumulative Recorded Value of \$13,242,761 and US \$155,514 are impaired, but intends to continue realization efforts for the benefit of investors.

Pond Loan

233 As outlined in the Second Report, due to Pond's inability to repay the Pond Loan in accordance with the original terms of same, the Receiver and Pond entered into the Pond Amendment which, among other things, extended the maturity of the Pond Loan and restructured the timing of the required principal and interest payments. The terms of the Pond Amendment are outlined in detail in the Second Report.

Updates Subsequent to the Second Report

234 During a meeting at the Receiver's office on November 2, 2017, Pond advised the Receiver that it would be unable to make the first interest payment of \$581,398 due on November 30, 2017 (the "**First Interest Payment**") pursuant to the Pond Amendment. In

response, the Receiver and Pond entered into an amendment to the Pond Amendment dated November 16, 2017 (the “**November Amending Agreement**”), which extended the date of the First Interest Payment to December 21, 2017, and required Pond to remit to the Receiver a \$10,000 extension fee (the “**First Extension Fee**”) alongside the First Interest Payment. A copy of the November Amending Agreement is attached hereto as **Appendix “83”**.

235 On December 16, 2017, counsel to Pond further advised the Receiver that due to certain delays in completing the RTO with Ironhorse (as detailed in the Second Report), Pond would be unable to remit to the Receiver both the first principal payment of \$1,000,000 (the “**First Principal Payment**”) due on December 31, 2017 pursuant to the Pond Amendment, and the First Interest Payment on December 21, 2017. As a result, the Receiver and Pond entered into an amendment to the Pond Amendment dated December 19, 2017 (the “**December Amending Agreement**”) which, among other things:

- a) extended the date of the First Principal Payment to January 31, 2018;
- b) extended the date of the First Interest Payment, due on December 21, 2017, pursuant to the November Amending Agreement, to January 31, 2018; and
- c) required Pond to remit to the Receiver a \$10,000 extension fee (the “**Second Extension Fee**”) upon execution of the December Amending Agreement.

A copy of the December Amending Agreement is attached hereto as **Appendix “84”**.

236 As required, Pond paid the Second Extension Fee on December 20, 2017.

237 On December 15, 2017, the shareholders of Pond approved the amalgamation of Pond with 2597905 Ontario Inc., a wholly-owned subsidiary of Ironhorse, in connection with the proposed completion of the business combination with Ironhorse.

238 On December 18, 2017, Ironhorse shareholders voted at the annual and special meeting of shareholders to approve the business combination of Ironhorse and Pond by way of a "three-cornered amalgamation". At this meeting, Ironhorse also received shareholder approval for the related share consolidation and name change of Ironhorse to Pond Technologies Holdings Inc.

- 239 On February 5, 2018, trading of the newly amalgamated company, Pond Technologies Holdings Inc., resumed on the TSX Venture Exchange under the ticker “POND”.
- 240 As at the date of this Fourth Report, the Receiver has received from Pond payments totaling \$1,770,359, made up of the following:
- a) December 20, 2017 – a payment of \$10,000 consisting of the Second Extension Fee;
 - b) December 29, 2017 – a payment in the amount of \$611,890 consisting of: (i) the First Interest Payment (\$581,398); and (ii) the December 31, 2017 Quarterly Interest Payment of \$30,492;
 - c) January 31, 2018 – a payment of \$1,010,000 consisting of the First Principal Payment and the First Extension Fee;
 - d) April 5, 2018 – a payment of \$68,852 consisting of the March 31, 2018 Quarterly Interest Payment of \$68,852 pursuant to the Pond Amendment; and
 - e) June 28, 2018 – a payment of \$69,617 consisting of the June 30, 2018 Quarterly Interest Payment of \$69,617 pursuant to the Pond Amendment.

Receiver's Next Steps

- 241 The Receiver has and will continue to monitor and correspond with Pond to ensure the required payments under the Pond Amendment will be made on time and in full.

OOM Energy Loans

- 242 On October 26, 2017, as outlined in the Second Report, A&B, on behalf of the Receiver, issued default notices in respect of the OOM Energy Loans (the “**OOM Default Notices**”) to the OOM Energy Group, Clydesdale, and Clydesdale’s counsel, Bill McKenzie (“**McKenzie**”). The OOM Default Notices:
- a) advised certain OOM Energy Group entities that their failure to make the required interest payments when due under the terms of the applicable loan agreement(s) triggered an Event of Default under the applicable loan agreement(s);
 - b) advised all OOM Energy Group entities that their failure to provide the information requested by the Receiver on May 18, 2017 and June 6, 2017 in connection with the

various loan agreements is an Event of Default under the applicable loan agreement(s);

- c) requested the most recent review engagement report for each of the OOM Energy Group companies, as provided for in their respective loan agreements; and
- d) made formal demand for payment of interest or principal owing under certain of the OOM Energy Loans, to the extent that such amounts were payable on demand without a default notice.

243 Following the issuance of the OOM Default Notices, the applicable cure periods provided under the OOM Energy Loans expired without a response from any of the OOM Energy Group, Clydesdale, or McKenzie.

244 On November 13, 2017, A&B, on behalf of the Receiver, issued demand letters and notices of intention to enforce security pursuant to subsection 244(1) of the BIA to the OOM Energy Group, together with Clydesdale (in his personal capacity, as a guarantor of certain arrangements with Magnitude) (the “**OOM Demand Letters**”).

245 On November 28, 2017, after being served with the Receiver’s Motion Record returnable December 11, 2017, McKenzie requested that the Receiver adjourn the scheduled motion date as McKenzie was not available on that date to make submissions to the Court. In response, on November 29, 2017, A&B advised McKenzie that the Receiver would not agree to an adjournment. Moreover, A&B reiterated to McKenzie that the Receiver had made extensive efforts to receive information from Clydesdale and McKenzie regarding the OOM Energy Loans, to no avail. McKenzie made further requests to adjourn, which were denied by A&B. Correspondence between A&B and McKenzie regarding the requested adjournment (in reverse chronological order) is attached hereto as **Appendix “85”**.

246 As detailed throughout this section of this Fourth Report, McKenzie’s actions since the commencement of the receivership have obstructed the Receiver’s investigation and enforcement efforts.

247 When Clayton Smith was questioned during his examination by A&B concerning the Company’s failure to obtain security instruments prior to advancing loan monies, which

instruments, according to loan documentation, ought to have been obtained in connection with the OOM Energy Loans, Smith responded as follows:

CS *“...I was overwhelmed. I mean, there is no excuse. I am just trying to explain the state of mind at the time. That is why the oversight wasn’t sufficient on a lot of these things. I was working with Jonathan Dyck [of Miller Thomson LLP] to try and get a lot of these agreements in place, and as you have now experienced, Mr. Clydesdale, with Mr. McKenzie, there was some resistance, delays, obstruction. We were getting on with running other stuff at Crystal Wealth. So, time would go by. It is not an excuse, but that is simple fact, so.”*

MVZ *“So, why advance the money without that protection in hand to secure the investment?”*

CS *“In hindsight, it was a bad idea....”*

244 Ontario Loan – Updates Subsequent to the Second Report

248 As outlined in the Second Report, the Company entered into a loan agreement with 244 Ontario (as borrower) and 240 Ontario (as guarantor) dated November 7, 2014 (the “**244 Ontario Loan Agreement**”), whereby the Mortgage Fund advanced \$1,800,000 at 13% to finance the installation of a MCS COGEN MARK 6 CoEnergyPoD (the “**MCS PoD**”), to be deployed at the premises of St. Mary’s Cement Inc. (Canada) (“**SMC**”) located at 55 Industrial St., Toronto, Ontario (the “**244 Ontario Loan**”). The 244 Ontario Loan was assigned to the Mortgage Fund on November 2, 2016.

249 Prior to the Company entering into the 244 Ontario Loan Agreement, 2363265 Ontario Inc. (the “**Original Supplier**”), another company controlled by Clydesdale, and SMC had entered into an Energy Services Agreement dated November 27, 2013 (as was subsequently amended on July 17, 2014, and September 22, 2014, the “**SMC ESA**”). The Original Supplier, with the consent of SMC pursuant to a consent letter dated November 20, 2014 (the “**Consent Letter**”), assigned the SMC ESA to 244 Ontario by way of an Assignment of Energy Services Agreement dated November 20, 2014.

250 The 244 Ontario Loan was secured by, among other things: (i) a general security agreement dated November 20, 2014, by which 244 Ontario granted the Mortgage Fund

a security interest in all of 244 Ontario's present and after-acquired property (which included the MCS PoD); and (ii) a further Assignment of the SMC ESA made between the Supplier and the Mortgage Fund on November 20, 2014 (the "**Assignment of ESA**").

251 Pursuant to the Consent Letter, SMC is required to remit all payments due to 244 Ontario under the SMC ESA into a segregated account. The amount required to be remitted pursuant to the SMC ESA is \$38,895 per month (excluding HST) (the "**ESA Payments**" and individually, an "**ESA Payment**").

252 On December 12, 2017, A&B, on behalf of the Receiver, delivered to SMC a letter (the "**First Letter to SMC**") that, among other things:

- a) provided background to the Receiver's appointment and 244 Ontario's default under the 244 Ontario Loan Agreement;
- b) inquired if SMC had been sending the ESA Payments due under the SMC ESA to 244 Ontario; and
- c) provided notice to SMC that 244 Ontario had defaulted on the 244 Ontario Loan and that the Receiver was in a position to enforce its security.

A copy of the First Letter to SMC is attached hereto as **Appendix "86"**. A courtesy copy of the First Letter to SMC was sent to McKenzie.

253 On December 14, 2017, in response to an email from McKenzie criticizing the Receiver for allegedly being uncooperative, A&B delivered to McKenzie an email, a copy of which is attached hereto as **Appendix "87"**, that, among other things:

- a) advised that an in-person meeting between Clydesdale, McKenzie, the Receiver, and A&B (which had been requested by McKenzie) would be one step in a settlement process, however, prior to such a meeting taking place, a call must be convened to ensure such a meeting was productive;
- b) reminded McKenzie that in the December 11, 2017 Endorsement of the Honourable Justice Myers, His Honour stated that:

“third parties that dealt with Crystal Wealth who should be quickly and completely transparent to establish their innocence are attracting attention and suspicion by their dilatory, unhelpful responses”; and

- c) advised McKenzie that the December 11 2017 Order specifically directed Mr. Clydesdale to provide the Receiver and its counsel with all previously requested information, including but not limited to: (i) the documents and information requested in writing by the Receiver on June 8, 2017; and (ii) the financial statements for each of Magnitude, MCSnox, 244 Ontario, MCSAB, and 240 Ontario, which had been previously requested by the Receiver on October 26, 2017.
- 254 On December 15, 2017, the Receiver received a letter from WeirFoulds LLP (“**WeirFoulds**”) that advised the Receiver that it currently represented SMC and that it was in the process of reviewing the First Letter to SMC to be able to provide a substantive response. Furthermore, WeirFoulds advised that it would commence depositing the ESA Payments into a segregated trust account until a determination as to whom such payments belong could be made. For greater clarity, the ESA Payments would no longer be issued to 244 Ontario until a resolution between the Receiver and 244 Ontario materialized. A copy of the letter received from WeirFoulds is attached hereto as **Appendix “88”**.
- 255 Between December 20, 2017, and February 28, 2018, various correspondence was exchanged by McKenzie, the Receiver, A&B on the Receiver’s behalf, and WeirFoulds, some of which was of a without prejudice nature.
- 256 On February 28, 2018, WeirFoulds delivered an email to McKenzie that followed up on a request by WeirFoulds for a meeting with Clydesdale, McKenzie, the Receiver, and SMC to discuss a potential agreement to determine the allocation of the ESA Payments for January, February, and March 2018 totaling \$135,244.50 (inclusive of HST) (the “**Q1 ESA Payments**”) among the parties.
- 257 On March 19, 2018, the Receiver received an email from WeirFoulds (the “**March 2018 WeirFoulds Email**”) that, among other things, outlined a plan (agreeable to SMC and 244 Ontario) to distribute the Q1 ESA Payments amongst SMC, 244 Ontario, and the Receiver as follows:

- a) SMC – \$61,587.04, including: (i) \$24,474.79 to pay for amounts owed to Enbridge as a result of 244 Ontario’s failures under the SMC ESA; and (ii) \$37,112.25 for hydro costs required to be paid by SMC;
- b) Receiver – \$37,112.25 to be applied against interest owing on the 244 Ontario Loan; and
- c) 244 Ontario – \$36,545.21 to service and operate the MCS PoD.

258 On March 21, 2018, A&B, on behalf of the Receiver, notified WeirFoulds that, in order to not delay the release of the Q1 ESA Payments, the Receiver agreed to proceed with the payment scheme outlined in the March 2018 WeirFoulds Email. Notwithstanding the Receiver’s acceptance to the terms, A&B requested, among other things:

- a) documentation supporting the amounts that were/are required to be paid to Enbridge and Hydro One;
- b) confirmation that OOM Energy would be taking steps to refinance its obligations to the Crystal Wealth Funds;
- c) confirmation that SMC would be taking steps to purchase the MCS PoD; and
- d) confirmation from OOM Energy of the ownership of the intellectual property or technology required to operate the generator and documentation to substantiate same.

259 On March 27, 2018, the Receiver received the allocated payment of \$37,112.25. The March 2018 WeirFoulds Email and the Receiver’s response to same are collectively attached hereto (in reverse chronological order) as **Appendix “89”**.

260 Since March 2018, the Receiver has continued to receive a monthly payment of \$12,370.75 from SMC on account of the monthly ESA Payment.

MCSAB Loan – Updates Subsequent to the Second Report

261 As outlined in the Second Report, the Company entered into a loan agreement among MCSAB (as borrower) and 4873 Ontario Corp (as guarantor), dated November 28, 2016 (the “**MCSAB Loan Agreement**”) whereby the Sustainable Property Fund advanced

\$2,000,000 at 13% to finance the installation of a MCS PoD, to be deployed at the premises of Imaginea Energy Corp. ("**Imaginea**") located in Jenner, Alberta (the "**MCSAB Loan**"). The MCSAB Loan was assigned to the Sustainable Property Fund on December 9, 2016.

262 Prior to the Company entering into the MCSAB Loan Agreement, MCSAB and Imaginea entered into an Energy Services Agreement dated June 20, 2016 (as may have been amended from time to time, the "**Imaginea ESA**").

263 The MCSAB Loan was secured by, among other things: (i) a general security agreement by which the MCSAB granted the Sustainable Property Fund a security interest in all of MCSAB's present and after-acquired property (which included the MCS PoD); and (ii) an Assignment of the Imaginea ESA made between MCSAB and the Sustainable Property Fund on November 28, 2016 (the "**Imaginea ESA Assignment**").

264 Pursuant to the Imaginea ESA, Imaginea is required to remit all payments due to MCSAB under same into a segregated account. The amount required to be remitted pursuant to the Imaginea ESA is \$39,550 per month (excluding HST) (the "**Imaginea ESA Payments**").

265 On December 15, 2017, Imaginea formally changed its name to Cor4 Oil Corp. ("**Cor4**").

266 On December 12, 2017, A&B, on behalf of the Receiver, delivered to Cor4 a letter dated December 12, 2017 (the "**First Letter to Cor4**") that, among other things:

- a) provided background to the Receiver's appointment and MCSAB's default under the MCSAB Loan Agreement;
- b) inquired if the MCS PoD had been installed and if so, if Cor4 had been sending the Imaginea ESA Payments to MCSAB; and
- c) provided notice to Cor4 that MCSAB had defaulted and that the Receiver is in a position to enforce its security.

A copy of the First Letter to Cor4 is attached hereto as **Appendix "90"**. A courtesy copy of the First Letter to Cor4 was sent to McKenzie.

- 267 On December 20, 2017, Cor4 advised the Receiver that the MCS PoD was neither delivered nor installed at Cor4's facility in Jenner, Alberta.
- 268 On February 13, 2018, A&B delivered a letter to Lindsay Goos ("**Goos**"), a listed director of Imaginea, requesting that Goos and/or the previous president of Imaginea, Suzanne West, ("**West**"), attend a call with the Receiver to discuss, among other things, the background with respect to the MCS PoD and Imaginea's relationship with MCSAB. Goos advised the Receiver that she and West were no longer directors of Imaginea and that the correspondence would be sent to Cor4. Notwithstanding follow-up requests for a call, the Receiver has not received a response from Goos. A copy of the letter sent to Goos on February 13, 2018 is attached hereto as **Appendix "91"**.
- 269 The Receiver has since learned that West passed away on or about March 6, 2018.

MCSnox and Magnitude Loans – Updates Subsequent to the Second Report

- 270 Aside from the examination described below, the Receiver has not received any additional information regarding the MCSnox and Magnitude Loans since the date of the Second Report.

Examination of Clydesdale

- 271 On March 12 and 13, 2018, A&B conducted an examination of Clydesdale in accordance with the December 11, 2017 Order and Endorsement (the "**Clydesdale Examination**"). Clydesdale was represented at the examination by McKenzie.
- 272 The Clydesdale Examination was largely unhelpful. A&B and the Receiver confirmed that, aside from the MCS PoD installation located at the SMC facility in Leaside, none of the OOM Energy Group's projects have been completed, and they are not generating any funds. Accordingly, the OOM Energy Group does not hold assets which can be readily enforced against.
- 273 Clydesdale gave a number of undertakings relating to the flow of the funds received from Crystal Wealth, the status of the applicable projects, and any refinancing efforts that the OOM Energy Group was undertaking in order to obtain funds to complete the projects. To date, Clydesdale has not answered any of the undertakings.
- 274 A&B continues to follow up with McKenzie regarding the answers to undertakings.

275 A copy of the transcript of the Clydesdale Examination has been posted to the Receiver's website.

109 BC

276 As outlined in the Second Report, by letter dated October 26, 2017, the Receiver issued to 109 BC a demand for repayment of the 109 BC Promissory Note (the "**109 BC Demand Letter**"). Since the issuance of the 109 BC Demand Letter, the Receiver and A&B have had various correspondence with the principal of 109 BC, Marcel Rada ("**Rada**"), whom the Receiver previously noted in the Second Report has a history of engaging in similarly structured transactions in which investors are not repaid in full.

277 On November 22, 2017, Mr. Rada sent an email to A&B advising that 109 BC was insolvent, that it had a large amount of debt, and that there was no guarantee that certain mining permits would be granted in a timely manner. 109 BC required the mining permits to carry out the project in respect of which the Company had entered into the 109 BC Promissory Note. Mr. Rada proposed to settle the 109 BC Promissory Note by way of one of the following payment options:

a) US \$12,500 on or before January 30, 2018;

b) US \$25,000 on or before April 30, 2018; or

c) US \$37,500 on or before July 31, 2018

(collectively, the "**Rada Proposal**").

278 In addition, Mr. Rada stated that:

"If one of [the above three options] options is not acceptable 1092545 BC Ltd will be forced into dissolution. It has no cash or assets. Only debt."

Updates Subsequent to the Second Report

279 On November 24, 2017, in response to a previous request by the Receiver for cash flow documentation and financial statements to evaluate the Rada Proposal, Rada delivered to the Receiver an email that stated that:

- a) 109 BC did not have any financial statements prepared as it is a *“shell [company] that was setup for the transaction”*; and
 - b) 109 BC had approximately \$700,000 in senior secured debt.
- 280 On November 27, 2017, A&B, on behalf of the Receiver, sent an email to Rada that, among other things:
- a) requested certain information be provided by 109 BC to validate certain claims made by Rada;
 - b) inquired as to who is holding the trust account deposit of US \$250,000 that is noted in the 109 BC Promissory Note to be held in trust at Morton Law LLC (Morton Law LLC confirmed to the Receiver that 109 BC was never its client and that these funds were never held by it in trust); and
 - c) the source of the funds used to put forth an offer to the Receiver for the repayment of the 109 BC Promissory Note.
- 281 On November 29, 2017, A&B conducted a phone call with Rada. On the call, Rada refused to provide the names of 109 BC’s secured creditors for reasons of purported confidentiality; the Receiver stated that this was unacceptable due to its role as a Court officer. With respect to the US \$250,000 deposit, Rada acknowledged that the 109 BC Promissory Note was misleading to the extent that it provides that the trust account deposit is in 109 BC’s name, however, the intention was for it to be secured by a trust deposit in Century Energy Ltd.’s name, which funds, to his knowledge, were no longer in this account. At the conclusion of the call, Rada agreed to provide the Receiver with certain information in due course. A summary of this telephone conversation is set out in an email dated November 29, 2017 from A&B to Rada, which is attached hereto as **Appendix “92”**.
- 282 Rada did not provide the requested information, despite numerous follow-up emails from A&B.
- 283 After extensive correspondence and negotiations between Rada and the Receiver, the parties agreed to settle the 109 BC Promissory Note for US \$50,000, to be paid on or before February 15, 2018. The Receiver and 109 BC entered into a settlement agreement dated December 20, 2017 (the **“109 BC Settlement Agreement”**) to document the terms

of the settlement between the parties. A copy of the 109 BC Settlement Agreement is attached hereto as **Appendix “93”**.

- 284 On February 20, 2018, after not receiving the US \$50,000 by February 15, 2018, A&B sent an email to Rada indicating that the payment had not been received by the Receiver. Rada in correspondence dated February 23, 2018 indicated that the payment would be made the following week.
- 285 Despite repeated follow-up correspondence, the Receiver has not received payment in the amount of US \$50,000 pursuant to the 109 BC Settlement Agreement from Rada or 109 BC.
- 286 Accordingly, the Receiver requests that judgment be issued against 109 BC for the agreed upon sum of USD \$50,000.

Cinnos Debenture

- 287 The Cinnos Promissory Note principal and interest is repayable on maturity, or convertible into preferred shares of Cinnos in the event of a qualified financing. The Receiver has and continues to monitor (through the issuance of investor updates prepared and released by Cinnos) the performance of this investment until its stated maturity date, being September 28, 2018.

US REAL ESTATE LP

- 288 As outlined in previous reports, through subscription agreements (the “**Subscription Agreements**”), from June 6, 2016 to March 14, 2017, the Hedge Fund and Factoring Fund respectively purchased US \$5,750,000 and US \$2,150,000 of preferred share units in 107 LP, an entity that has an indirect ownership interest in the US Properties together with corporate and individual partners. The Hedge Fund and Factoring Fund cumulatively own 99.99% of 107 LP and act as limited partners (the “**Limited Partners**”) in the US Real Estate LP.
- 289 The remaining 0.01% ownership of 107 LP is held by 1076874 B.C. Ltd., an entity listed as the general partner which is owned by the following individuals: (i) Alberto Storelli (Canadian) (“**Storelli**”) – 51.0%; (ii) Brian Peoples (USA) (“**Peoples**”) – 24.5%; and (iii) Joe Harker (USA) (“**Harker**”) – 24.5% (collectively the “**General Partners**”). The Receiver

understands that Storelli is the directing mind of the US Real Estate LP and is a personal friend of Housego.

- 290 The Limited Partners own a minority interest in the US Real Estate LP. In addition, as preferred shareholders, it appears that the Limited Partners have no security over the assets of 107 LP and/or the various US Real Estate LP entities.

The Receiver's Continued Dealings with Storelli and the US Real Estate LP

- 291 As at the date of this Fourth Report, the Receiver had not been able to make direct contact with Storelli; however, it has had limited discussions with Storelli's counsel, Sean O'Neill ("O'Neill"), as detailed below.
- 292 As outlined in the Second Report, the Receiver had made requests for financial information for the various entities included in the US Real Estate LP but had not received such information as at the date of same.
- 293 Despite repeated follow-up requests on February 22, 2018, March 13, 2018, April 5, 2018, April 17, 2018, and June 18, 2018, the Receiver has not received any requested financial information nor any updates on the status of the US Properties since the initial updates provided by O'Neill, outlined in the Second Report.
- 294 As outlined in the Second Report, O'Neill indicated that the other owners of the US Properties were potentially interested in acquiring 107 LP's interests in same for cash and/or units of a different limited partnership which intends to become listed on the TSX Venture Exchange by June 30, 2018; Housego further reiterated this intent during the Receiver's Examination of him.
- 295 On June 28, 2018, in response to A&B's requests to provide an update as to the status of the proposal to purchase the Receiver's interest in the US Real Estate LP, Housego's counsel advised that:

"[Housego] has made inquiries and apparently an offer is forthcoming. [Housego] could not get any details beyond that (timing or specifics). I will advise if we have any further information."

296 As at the date of this Fourth Report, the Receiver has not received any further correspondence regarding the potential purchase.

MEDICAL FACTORING CONTRACTS

297 As outlined in the Receiver's previous reports, the Medical Fund invested in, among other things, Medical Factoring Contracts (as defined below) which were administered by Xynergy Medical Capital LLC ("**Xynergy**"). In these arrangements, Xynergy would enter into contracts (the "**Medical Factoring Contracts**") to purchase healthcare receivables (after purchase, invoices are referred to as "**Purchased Medical Receivables**") from operating businesses in the United States and Puerto Rico (the "**Clients**") for a discount and service fees.

298 Pursuant to a Master Medical Receivables Purchase and Administration Agreement dated March 31, 2016 (defined in the First Report as the "**MMRPAA**"), the Medical Fund entered into participation agreements (the "**Participation Agreements**") with Xynergy whereby it purchased a stated interest in certain of the Medical Factoring Contracts (the "**Participation**") as follows:

- a) a Participation Agreement dated March 31, 2016 between the Medical Fund and Xynergy for a Participation in GeodataPR International, Inc.'s ("**Geodata**") accounts receivable and 72% of the factoring fees (the "**Geodata Participation**");
- b) a Participation Agreement dated March 31, 2016 between the Medical Fund and Xynergy for a Participation in Servicios de Salud Integrada, CSP's ("**SSI**") accounts receivable and 70% of the factoring fees (the "**SSI Participation**"); and
- c) a Participation Agreement dated August 22, 2014 between the Medical Fund and Xynergy for a Participation in Unlimited Prosthetics, Inc.'s ("**UPI**") accounts receivable and 33.94% of the factoring fees (the "**UPI Participation**").

Sale of the Geodata Participation and SSI Participation

299 As outlined in the First Report, Second Report, Third Report, and Third Report Supplement, the Receiver and Xynergy executed bills of sale whereby Xynergy repurchased the Geodata Participation and SSI Participation for US \$684,313 (the "**Geodata Purchase Price**") and US \$222,291 (the "**SSI Purchase Price**") respectively;

both transactions were approved by the Court pursuant to vesting orders issued May 15, 2018, attached hereto at **Appendix “94”** and **Appendix “95”**.

- 300 The Receiver received the Geodata Purchase Price on July 12, 2017, and received the SSI Purchase Price and US \$103,885 from Xynergy on January 30, 2018.

Settlement of the UPI Participation

- 301 As outlined in the Second Report, as part of the UPI Settlement Agreement, the account balance with same was settled for US \$215,000 to be paid in a series of instalments. As at the date of the Second Report, there had been a total of 21 payments totaling US \$147,000 (the “**UPI Proceeds**”). As a result, the account balance for UPI was US \$68,000, consisting of nine (9) payments to be received. Xynergy has concerns if the remaining payments will be received.
- 302 Subsequent to the Second Report, Xynergy advised that it had not received any further payments as UPI’s financial situation had deteriorated as a result of Hurricane Harvey and the impact same had on its facilities and its ability to manufacture the prosthetics the business sells.
- 303 As at the date of the UPI Settlement Agreement, the UPI account balance totaled \$257,534 whereby Xynergy and the Medical Fund were owed the following:
- a) Medical Fund – US \$216,064 (84.29% of the total balance); and
 - b) Xynergy – US \$40,471 (15.71% of the total balance).
- 304 On December 13, 2017, the Receiver sent an email to Xynergy (the “**UPI Email**”) whereby it agreed to split the UPI Payments based on the pro-rata amount outstanding from UPI as at the date of the UPI Settlement Agreement as outlined above; more specifically, the Medical Fund and Xynergy would receive US \$123,995 and US \$23,005 of the UPI Proceeds respectively. The Receiver indicated that its agreement to the allocation of the UPI Payments did not prejudice its entitlement to any further amounts collected from UPI under the UPI Settlement Agreement. A copy of the UPI Email is attached hereto as **Appendix “96”**.

- 305 On December 19, 2017, Xynergy agreed to the Receiver's terms contained in the UPI Email.
- 306 On January 30, 2018, the Receiver received US \$123,995, reflecting the Medical Fund's allocated portion of the UPI Payments. Should further payments be received under the UPI Settlement Agreement, the Receiver will update the Court and investors accordingly.

NFL PARTICIPATION AGREEMENTS

- 307 As detailed in the Second Report, in March 2016, under the MMRPAA, the Medical Fund began entering into Participation Agreements to purchase a stated percentage in the NFL Funding Agreements between certain NFL Players and KrunchCash LLC (an entity associated with Xynergy) ("**KrunchCash**") (the "**NFL Participation Agreements**"), which participations were effected through the execution of assignment agreements. Under the NFL Participation Agreements, the Medical Fund advanced funds toward the participation and would earn a stated factoring fee. The factoring fee and initial advance under each NFL Participation Agreement is to be repaid to the Medical Fund as each claim made by NFL Players is paid by the NFL pursuant to its agreement to pay \$765 million to settle a lawsuit brought by more than 4,500 NFL Players and their families to provide medical help to more than 18,000 former NFL Players suffering from severe neurological conditions, or who could potentially suffer from such conditions in the future. After subsequent hearings and appeals, the Settlement became effective on January 7, 2017 (the "**NFL Settlement Agreement**").
- 308 As at the date of the Receiver's appointment, the Medical Fund entered into a total of 26 NFL Participation Agreements totaling US \$4,318,359 consisting of principal advances of US \$3,824,240 and accrued fees owed to the Medical Fund of US \$247,060.
- 309 In July 2017, four (4) of the NFL Participation Agreements totaling US \$662,500 in principal and US \$104,374 in accrued fees (half of the accrued fees were owed to Xynergy), were paid out through refinancing obtained by the respective NFL Players. The total amount remitted to the Medical Fund was US \$714,687 (i.e. US \$662,500 in principal plus US \$52,187 in accrued fees)

310 As at June 30, 2018, there are currently 22 NFL Participation Agreements outstanding with a total value of US \$3,908,286 consisting of principal advances of US \$3,161,740 and accrued fees owed to the Medical Fund of US \$373,273.

NFL Litigation

311 As noted in the Second Report, on November 10, 2017, Xynergy advised that it was served with a subpoena from a New York court regarding complaints made by NFL Players for bad practices of financial institutions with respect to the purchase of all or a portion of NFL Player Claims (i.e. charging egregious fees to NFL Players). At the time, Xynergy advised that this was currently being handled by its legal counsel who advised Xynergy that nothing significant should come of the subpoena as Xynergy's fees are fair.

312 On December 11, 2017, Xynergy made the Receiver aware of an order issued by the Honourable Anita B. Brody of the United States District Court for the Eastern District of Pennsylvania regarding the NFL Players' Concussion Injury Litigation dated December 8, 2017 (the "**December 8 2017 NFL Order**"), a copy of which is attached hereto as **Appendix "97"**. The December 8 2017 NFL Order, among other things, concludes that:

"To the extent that any Class Member has entered into an agreement that assigned or attempted to assign any monetary claims, that agreement is void, invalid and of no force and effect. Class Members receiving awards are, by definition, cognitively impaired [emphasis added]."

Furthermore, the December 8 2017 NFL Order states that:

"...under the principle of rescission, Class Members should return to the Third-Party Funder the amount already paid to them."

313 On March 16, 2018, Xynergy provided the Receiver with an order issued by the Honourable Anita B. Brody of the United States District Court for the Eastern District of Pennsylvania regarding the NFL Players' Concussion Injury Litigation dated February 20, 2018 (the "**February 20 2018 NFL Order**", together with the December 8 2018 NFL Order, the "**NFL Litigation Orders**") ordering that the Claims Administrator under the NFL Settlement Agreement pay any Monetary Awards (as defined in the NFL Settlement Agreement) directly to the NFL Player in cases where an improper assignment has

occurred. A copy of the February 20 2018 NFL Order is attached hereto as **Appendix “98”**.

314 In summary, it is the Receiver’s understanding that the NFL Litigation Orders void the Medical Fund’s entitlement to receive any amounts owing to it other than those amounts advanced directly to an NFL Player (the “**Direct Advances**”). Based on this definition, the following would appear to be excluded from the definition of “principal” under the NFL Litigation Orders:

- a) any interest or accrued fees earned pursuant to the individual funding arrangements (collectively, “**Accrued Fees**”);
- b) any amounts advanced on behalf of NFL Players, including but not limited to:
 - i) payments made directly to any creditor to which an NFL Player owed an outstanding obligation;
 - ii) monies paid to professionals and advisors acting on behalf of NFL Players with respect to obtaining financing; and
 - iii) monies paid directly to underwriters on behalf of NFL Players with respect to financing
 (collectively, the “**Indirect Advances**”).

315 As at May 31, 2018, the Medical Fund’s total investment in the NFL Participation Agreements amounts to US \$3,680,866 consisting of:

- a) Direct Advances – US \$2,004,342;
- b) Indirect Advances – US \$1,157,398; and
- c) Accrued Fees – US \$519,126.

316 As a result, depending on the US court’s definition of “principal”, the Indirect Advances and Accrued Fees, totaling US \$1,676,524, are in jeopardy of being collected.

Receiver's Next Steps

- 317 Xynergy has continued to keep the Receiver apprised of any developments with respect to the NFL Litigation. Xynergy has advised that, to its knowledge, no lender has yet decided to accept the payment of only Direct Advances as "principal" and waive any Indirect Advances and Accrued Fees. Furthermore, Xynergy has advised that certain larger lenders have filed formal appeals disputing the ruling.
- 318 The Receiver will continue to update the Court and investors as new information is received with respect to the NFL Litigation and the NFL Participation Agreements.

RESIDENTIAL MORTGAGES

- 319 As outlined in the Receiver's previous reports, as at the date of the Appointment Order, the Mortgage Fund, High Yield Mortgage Fund, and Sustainable Property Fund collectively held a total of 191 investments in first, second, or third ranking non-conventional residential mortgages administered by third parties ("**Residential Mortgages**"). Of the Residential Mortgages, 189 (\$18,813,884) were administered by a third-party, Spectrum Canada Mortgage Services Inc. ("**Spectrum**") (the "**Spectrum Mortgages**"), while the remaining two (2) Residential Mortgages (\$196,000) were administered by Squire Management Inc. ("**Squire**") (the "**Squire Mortgages**").
- 320 On June 23, 2017, the Receiver accepted Squire's offer to acquire the Squire Mortgages for proceeds of \$197,526. The proceeds included the entire principal value of the Squire Mortgages in the sum of \$196,000, plus accrued interest of \$1,526 to June 23, 2017.
- 321 Most of the Residential Mortgages are performing as the underlying mortgagors continue to remit their required payments. As at May 31, 2018, a total of two (2) Residential Mortgages totaling approximately \$662,150 in balances owing were in a default position and are currently undergoing foreclosure proceedings (the "**Non-Performing Mortgages**"). Spectrum has continued to keep the Receiver apprised of the actions taken by Spectrum or its agents in each case. Based on the information currently available, Spectrum has advised that a portion of these balances is expected to not be collected.
- 322 As at May 31, 2018, the number of Spectrum Mortgages has reduced to 98 with a cumulative balance owing of \$9,241,572 held in the following Funds:

Fund	Number of Mortgages	Remaining Recorded Value
Mortgage Fund	75	\$ 8,036,851
High Yield Mortgage Fund	21	814,720
Sustainable Property Fund	2	390,000
Total	98	\$ 9,241,572

- 323 The Receiver has continued to instruct Spectrum to encourage the pay-out of Spectrum Mortgages upon renewal to avoid the continued renewal of same. If pay-out is not possible, the Residential Mortgages are being renewed on a six month basis at a modestly higher interest rate with the goal of a payout being made at the end of such renewal term(s).
- 324 As at the date of this Fourth Report, the Receiver is of the view that a continued orderly wind-down of the Residential Mortgage portfolio with the assistance of Spectrum will yield the best recovery for a majority of the Residential Mortgage investments. As the Residential Mortgages continue to expire, the Receiver expects that most mortgagors will be able to obtain refinancing to payout their balances owing; similar to what has been occurring since the Appointment Order. Notwithstanding the above, the Receiver expects that there will be a small number of mortgagors who cannot obtain refinancing and therefore may possibly require short-term renewal(s) until such refinancing can be obtained.

THE BDO ACTIONS AND ACTION AGAINST MCCREADY

THE PROPOSED CLASS ACTION UPDATE

325 As outlined in paragraphs 412b) and 419 to 422 of the Second Report, Whitehouse, an investor in certain of the Crystal Wealth Funds, issued an action against BDO Canada LLP (“**BDO**”), who was the auditor of the Company and the Crystal Wealth Funds prior to the Receiver’s appointment. The Statement of Claim issued by Whitehouse outlines that Whitehouse is claiming, among other relief:

- a) an order certifying the Class Action Proceeding (as defined in the Statement of Claim) and appointing Whitehouse as representative Plaintiff on his own behalf and on behalf of the Class (as defined in the Statement of Claim);
- b) a declaration that BDO had a duty of care to the Class which it breached by negligently performing its professional services, causing damages (as described in the Statement of Claim);
- c) damages for negligence in the sum of \$150,000,000; and
- d) punitive damages of \$25,000,000.

326 Whitehouse is represented by Adair Goldblatt Bieber LLP (“**AGB LLP**”) in the Proposed Class Action.

327 On June 15, 2018, AGB LLP served BDO with a 20 volume motion record in support the Whitehouse’s motion to certify the Proposed Class Action as a class proceeding. Materials filed with respect to the Proposed Class Action are available on the Receiver’s Case Website. A date for the motion has yet to be scheduled.

THE RECEIVER’S ACTION AND PROPOSED ENGAGEMENT OF AGB LLP

328 The Receiver has executed an engagement letter with AGB LLP (the “**AGB LLP Engagement Letter**”), which is subject to approval of this Court and is attached hereto as **Confidential Appendix “1”**, to represent the Receiver as its lawyer of record in an action commenced by the Receiver against BDO in the Ontario Superior Court of Justice (Commercial List) (CV-18-595063-00CL) (the “**Receiver’s Action**”).

- 329 Specifically, on behalf of the Company and the Crystal Wealth Funds, the Receiver issued a Notice of Action against BDO (the “**Receiver’s Notice of Action**”) to ensure that the Receiver’s legal rights remain preserved. A statement of claim (the “**Receiver’s Statement of Claim**”) was subsequently filed by the Receiver. A copy of the Receiver’s Notice of Action and Statement of Claim in the Receiver’s Action is attached hereto as **Confidential Appendix “2”**. To date, neither the Notice of Action nor the Statement of Claim have been served upon BDO, pending the Court’s approval of the Receiver’s engagement of AGB LLP.
- 330 Similar to the Proposed Class Action, the Receiver’s Action pertains to the audit services provided by BDO to the Company and the Crystal Wealth Funds prior to the Appointment Order, albeit it is being advanced by the Company and the Crystal Wealth Funds as opposed to the investors directly. In other words, while the substance of the allegations against BDO is similar in both the Receiver’s Action and the Proposed Class Action, the Receiver’s Action concerns alleged duties owed by BDO to the Company and the Crystal Wealth Funds, whereas the Proposed Class Action concerns alleged duties owed by BDO to Crystal Wealth Fund investors.
- 331 The Receiver recommends that this Honourable Court approve the Receiver’s engagement of AGB LLP pursuant to the AGB LLP Engagement Letter given that: (i) the Receiver’s counsel, A&B, is unable to act for the Receiver in the Receiver’s Action; (ii) the AGB LLP team, led by Simon Bieber, who will be involved in representing the Receiver, are qualified and accomplished litigators, as reflected in the team member biographies attached hereto as **Appendix “99”**; (iii) the Proposed Class Action and the Receiver’s Action have questions of law and fact in common, and both claim relief arising out of the same transaction or occurrence or series of transactions; (iv) AGB LLP is already counsel to Whitehouse in the Proposed Class Action, and accordingly, can minimize the current legal costs to the estate of the Company and Crystal Wealth Funds by similarly acting for the Receiver on a contingency fee basis, and as a result of having access to the Class Proceeding Fund in the Proposed Class Action with respect to certain costs and disbursements which may be duplicative in both proceedings; and (v) the Receiver will be considered to fulfill the role as the administrator of the claims process in the Proposed Class Action, and would consequently be tasked with issuing distributions to investors arising from any recovery in the Proposed Class Action, in addition to any recovery obtained in the Receiver’s Action.

THE ACTION AGAINST MARTIN MCCREADY

- 332 On July 5, 2018, the Receiver commenced a further action in the Ontario Superior Court of Justice (Commercial List) (CV-18-601019-00CL) against Martin McCready (“**McCready**”), claiming damages for breach of contract in the sum of \$1,250,000, along with additional damages with respect to the carrying and miscellaneous costs incurred by the Receiver, including the Receiver’s fees, in connection with the Mount Nemo Property, from April 28, 2017 through to May 18, 2018.
- 333 As is detailed in the Receiver’s prior reports, on April 26, 2017, in addition to issuing the Appointment Order, the Honourable Justice Newbould issued an Order (the “**Vesting Order**”) that, among other things, authorized the Receiver to complete, on behalf of CLJ Everest, the sale of the Mount Nemo Property to McCready for the purchase price of \$3,350,000 (the “**McCready Purchase Price**”) pursuant to and in accordance with an Agreement of Purchase and Sale dated April 12, 2017 which was entered into by CLJ Everest and McCready (the “**McCready APS**”).
- 334 The Mount Nemo Sale Agreement contained a completion date for the underlying transaction (the “**McCready Mount Nemo Sale Transaction**”) of April 28, 2017. In breach of the McCready APS, McCready failed to complete the transaction.
- 335 After an extensive sales and marketing process, the Receiver, as vendor on behalf of CLJ Everest, entered into an Agreement of Purchase and Sale dated April 11, 2018, as amended by an amendment thereto dated April 17, 2018, with Daniel Palmer (“**Palmer**”), as purchaser, regarding the sale of the Mount Nemo Property (the “**Palmer APS**”) to Palmer for a purchase price of \$2.1 million (the “**Palmer Purchase Price**”).
- 336 On May 3, 2018, the Receiver served a motion record, including a notice of motion dated May 3, 2018 (the “**Notice of Motion**”) and the Third Report, on McCready personally. The Notice of Motion sought, among other relief, an Order: (i) approving the Palmer APS; (ii) authorizing the Receiver to complete the transaction contemplated thereby (the “**Palmer Sale Transaction**”); and (iii) vesting title in the Mount Nemo Property to Palmer free and clear of any liens, claims, and encumbrances (the “**Proposed Approval and Vesting Order**”).

- 337 On May 15, 2018, this Honourable Court issued the Proposed Approval and Vesting Order as requested by the Receiver in its Notice of Motion.
- 338 On May 18, 2018, the Palmer Sale Transaction was completed.
- 339 The Receiver has accordingly commenced the McCready Action to obtain judgment as against McCready for the difference between the McCready Purchase Price and the Palmer Purchase Price, along with the carrying and miscellaneous costs incurred by the Receiver in connection with the Mount Nemo Property from April 28, 2017 through to May 18, 2018.

THE SETTLEMENT ENTERED INTO BY SMITH AND OSC STAFF

340 As indicated at paragraph 10 above, Staff of the OSC (“**Staff**”) and Clayton Smith executed a Settlement Agreement dated May 28, 2018 (**Appendix “3”**). On June 14, 2018, the OSC issued an Order approving the Settlement Agreement (the “**Order Approving Settlement**”), and released Oral Reasons for Approval of Settlement (both attached as **Appendix “4”**).⁸ The Receiver was not involved in connection with the negotiation of the Settlement Agreement, or the OSC hearing in which it was approved, but has provided a summary below of the details contained in the Settlement Agreement and Order Approving Settlement.

THE SETTLEMENT AGREEMENT

341 Part III and IV of the Settlement Agreement contain facts and conclusions which were agreed to by Smith for the purposes of the proceedings initiated against him by the OSC (and any other proceeding commenced against him by a securities regulatory body). Such facts which were acknowledged and agreed to by Smith include, but are not limited to:

- a) Smith, the Company, and Smith’s holding companies engaged in fraud involving two Crystal Wealth Funds – the Mortgage Fund and the Media Fund. Smith caused monies to be advanced from the Mortgage Fund and Media Funds, purportedly in connection with the purchase of investments for the Funds. In fact, at Smith’s direction, certain of the monies were transferred to Smith’s holding company, 115 Ontario, and to the Respondents, Chrysalis Yoga, CLJ Everest, or to Smith himself. With respect to other monies, Smith instructed the third-party recipients to transfer the funds to Smith, his holding company, or a related company.
- b) As an example of the foregoing, on November 2, 2016, Smith caused the Mortgage Fund to advance \$2 million to MCSnox, an OOM Energy Group entity controlled by Clydesdale, which was recorded as a loan in the Mortgage Fund’s financial statements. On November 7, 2016, MCSnox advanced \$1.75 million to CLJ Everest, substantially funded with the monies which MCSnox received from the Mortgage Fund.

⁸ The Settlement Agreement, the OSC’s Order, and the OSC’s Oral Reasons for Approval and Settlement are available on the OSC’s website: <http://www.osc.gov.on.ca>

The day after MCSnox advanced the \$1.75 million to CLJ Everest, Smith caused CLJ Everest to use \$1,586,277 of it to buy the shares in the Company which were held by Scott Whale;

- c) Smith arranged to personally receive payments from an entity (Media House Capital (Canada) Corp. – hereinafter, “**Media House**”) that sold investments to the Media Fund, creating a material conflict of interest that the Company neither responded to nor disclosed. From August 2014 to February 2015, Media House and Bron Management Ltd., another company associated with Aaron Gilbert, paid Crystal Wealth Marketing Inc., a company of which Smith was a 50% shareholder, officer, and director, approximately 30% of the loan facilitation fee (totaling approximately \$622,780) which Media House received to source and administer Media Loans for the Media Fund, with respect to Media Loans acquired by the Media Fund during that period. Smith received \$323,000 of this amount;
- d) By engaging in fraud and failing to respond to or disclose a material conflict, the Company breached its obligation to discharge its duties honestly, in good faith, and in the best interest of the Mortgage and Media Funds. Smith and the Company continued to cause clients to be invested in the Mortgage and Media Funds and in so doing, they failed to deal fairly, honestly, and in good faith with clients;
- e) As the Company’s Chief Compliance Officer and Ultimate Designated Person, Smith failed to discharge his obligations to ensure, promote, and monitor compliance with securities legislation by the Company and individuals acting on its behalf. He also misled OSC Staff during his examination under oath about his relationship to one of the corporate entities involved in the fraud;
- f) By engaging in the conduct set out in the Settlement Agreement:
 - i) Smith, Crystal Wealth, CLJ Everest, and 115 Ontario engaged or participated in acts, practices, or courses of conduct relating to the Mortgage and Media Funds that Smith, the Company, CLJ Everest, and 115 Ontario knew, or reasonably ought to have known, perpetrated a fraud on investors, in breach of subsection 126.1(1)(b) of the Ontario *Securities Act*;

- ii) the Company failed to respond to or disclose a conflict of interest to investors, contrary to subsections 13.4(2) and (3) of National Instrument 31-103 – *Registration Requirements, Exemptions, and Ongoing Registrant Obligations* (“**NI 31-103**”);
- iii) Smith and the Company breached their obligation to deal fairly, honestly, and in good faith with clients, contrary to section 2.1 of OSC Rule 31-505 – *Conditions of Registration*;
- iv) Smith failed to fulfil his obligation as CCO and UDP to ensure, promote, and monitor compliance with securities legislation by the Company and individuals acting on its behalf, contrary to sections 5.1 and 5.2 of NI 31-103; and
- v) the Company breached its fiduciary duty and failed to discharge its duties honestly, in good faith and in the best interests of the Mortgage and Media Funds, contrary to subsection 116(a) of the Ontario *Securities Act*.

342 The foregoing is a summary only of the facts and conclusions acknowledged and agreed to by Smith as part of the Settlement Agreement. The Receiver was not privy to the details, or breadth, of the OSC investigation of Smith. The Receiver encourages all readers of this Fourth Report to read, in their entirety, the Settlement Agreement, Order Approving Settlement, and Oral Reasons for Approval of Settlement, for further details.

THE ORDER APPROVING SETTLEMENT

343 As indicated, based on the facts set out in the Settlement Agreement, Smith consented to the Order Approving Settlement which was issued by the OSC on June 14, 2018. The OSC also released its Oral Reasons for Approval of Settlement on the same date.

344 Pursuant to the Order Approving Settlement, Smith was ordered to pay an administrative penalty in the sum of \$250,000, and costs in the amount of \$50,000. As is set out in the Settlement Agreement, but for the appointment of the Receiver over Smith’s property in the Receivership Proceeding, OSC Staff would have sought significantly greater monetary sanctions than the \$250,000 administrative penalty and \$50,000 in costs which Smith was ordered to pay pursuant to the Order Approving Settlement.

345 In addition to the foregoing monetary sanctions against Smith, the Order Approving Settlement includes additional sanctions against Smith, including the following:

- a) the registrations granted to Smith under Ontario securities law were terminated;
- b) trading in any securities or derivatives by Smith were ordered to permanently cease;
- c) the acquisition of any securities by Smith is prohibited permanently;
- d) any exemptions contained in Ontario securities law shall not apply to Smith permanently;
- e) Smith is reprimanded;
- f) Smith shall immediately resign any position that he holds as a director or officer of an issuer or a registrant, including an investment fund manager;
- g) Smith is permanently prohibited from becoming or acting as a director or officer of any issuer or registrant, including an investment fund manager; and
- h) Smith is permanently prohibited from becoming or acting as a registrant, including an investment fund manager, or a promoter.

346 In its Oral Reasons for Approval of Settlement, the OSC noted that the conduct of Smith, as detailed in the Settlement Agreement,

“...provides an illustration of the potential for abuse when unchecked authority is conferred on a single individual”.

The OSC further noted that the conduct admitted by Smith in the Settlement Agreement

“...demonstrates a conscious disregard by Smith and [the Company], under Smith's direction, of their fiduciary responsibilities to, and their obligations to act honestly, in good faith and in the best interests of, mutual funds they managed and clients who invested in those funds”.

RECEIPTS AND DISBURSEMENTS OF THE RECEIVERSHIP

- 347 Attached hereto as **Appendix “25”** is the Receiver's Interim Statement of Receipts and Disbursements for the period April 26, 2017 to May 31, 2018 which outlines the cash balances of the Company and the Crystal Wealth Funds. From April 26, 2017 to May 31, 2018, cash receipts totaled \$62 million while disbursements before the first interim distribution were \$5 million. The ending cash balances as at May 31 were \$30,924,244.
- 348 Cash receipts to the Crystal Wealth Funds were generated from the following significant receipts, among others:
- a) the monetization of Equities held by the Funds and those obtained through Warrants being exercised – \$9,535,760 and US \$4,228,221;
 - b) the sale of certain Media Loans pursuant to the APA between Bron Releasing Inc. and the Receiver (as detailed in the Second Report Supplement) – \$14,375,000;
 - c) collection of interest and principal with respect to the Residential Mortgages – \$11,095,979;
 - d) collection of Media Loan principal and interest payments – \$6,879,130 and US \$229,690;
 - e) the monetization of External Mutual Funds – \$5,095,907;
 - f) the sale of the Mount Nemo Property (detailed in the Third Report and Third Report Supplement) – \$2,100,000;
 - g) the collection of principal and interest owed under certain Commercial Loans – \$1,761,789 (\$1,700,742 of which relates to the Pond Loan); and
 - h) the sale and settlement of the Medical Factoring Contracts (detailed in the Third Report and Third Report Supplement) – US \$1,134,313.
- 349 Cash disbursements from the Crystal Wealth Funds relate to, among other things, the following significant disbursements:

- a) the interim distribution pursuant to the December 11, 2017 Order – \$31,407,010;
- b) payment of the first secured mortgage on the Mount Nemo Property – \$1,394,080;
- c) consulting fees paid to Quiver regarding its administration of the Media Fund – \$1,023,114; and
- d) payment of the Court approved Receiver and legal fees – \$1,322,741.

OTHER ACTIVITIES OF THE RECEIVER SINCE THE APPOINTMENT ORDER

350 Upon its appointment, the Receiver took immediate steps to secure and preserve the Property of the Crystal Wealth Group, communicate with stakeholders, and deal with other operational and administrative tasks. The Receiver has conducted the following key activities in relation to its appointment:

- a) attended and participated in the Examinations as outlined in this Fourth Report;
- b) investigated the conduct of various participants and traced the flow of funds;
- c) corresponded with Smith regarding the delivery of a revised statutory declaration and an estimate of current income and expenses;
- d) responded to numerous calls and emails from Crystal Wealth Group investors and other stakeholders;
- e) distributed notices from the Receiver to all investors, which were also posted to the Receiver's Case Website, from November 1, 2017 to June 30, 2018, updating them on the receivership as events unfolded;
- f) created and maintained a listing of investors with holdings, accounts, and contact information including email addresses;
- g) held meetings and corresponded with NBCN on a number of investor matters, including the on-going management of the securities, records and monetization of assets within the Crystal Wealth Funds;
- h) prepared the financial statements for the 2017 taxation year for each of the Crystal Wealth Funds and compiled the supporting information for same;
- i) prepared the necessary taxation reporting and filings for each of the Crystal Wealth Funds;
- j) issued tax receipts to investors in connection with the 2017 tax year, and engaged SS&C Fund Administration Company in connection with same in accordance with the engagement letter attached hereto as **Confidential Appendix "3"**;

- k) corresponded with various third-parties involved in administering certain Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors;
- l) collected monthly payments and funds held by third-parties administering certain Crystal Wealth Funds and/or their assets;
- m) corresponded with borrowers and debtors of the Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors and entered into settlement negotiations for amounts owing;
- n) conducted meetings with certain third-parties and borrowers/debtors, as appropriate;
- o) corresponded and held numerous discussions with various stakeholders, providers and/or their legal counsel;
- p) corresponded and held various discussions with the Receiver's counsel concerning enforcement and recovery initiatives; and
- q) maintained a public website for the Receivership Proceedings in accordance with the Commercial List E-Service Protocol.

RECEIVER'S FEES AND DISBURSEMENTS

- 351 Pursuant to paragraph 23 of the Appointment Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Appointment Order. Pursuant to paragraph 24 of the Appointment Order, the Receiver and its counsel shall pass their accounts.
- 352 The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court for the period beginning October 1, 2017 and ending May 31, 2018, and seeks approval of the allocation methodology described in paragraphs 43 to 45 above. The Receiver and its counsel have maintained detailed records of their professional time and costs.
- 353 The total fees for the Receiver for the period October 1, 2017 to May 31, 2018, were \$701,068.99, plus disbursements of \$10,101.96, plus HST of \$92,452.23, for a total of \$803,623.18. The time spent by the Receiver is more particularly described in the Affidavit of Bruce Bando sworn July 19, 2018 (the “**Bando Affidavit**”), which is attached hereto as **Appendix “100”** and contains copies of invoices that set out the services provided during this time period.
- 354 The total fees of A&B, as counsel to the Receiver, for the period of October 1, 2017 to May 31, 2018, were \$591,449, plus disbursements of \$38,602.21, plus HST of \$81,341.74, for a total of \$711,442.95. The time spent by A&B is more particularly described in the Affidavit of Mark van Zandvoort sworn July 10, 2018 (the “**van Zandvoort Affidavit**”), which is attached as **Appendix “101”** and contains, among other things, copies of invoices that set out the services provided during this period of time.⁹
- 355 It is the Receiver’s opinion that the fees and disbursements of the Receiver and A&B accurately reflect the work done by the Receiver and on behalf of the Receiver by A&B in connection with the receivership and the administration of the Property of the Crystal Wealth Group from October 1, 2017 to May 31, 2018.

⁹ The foregoing figures include some fees prior to October 1, 2017, as detailed in the van Zandvoort Affidavit and the accounts appended at Exhibit A thereto.

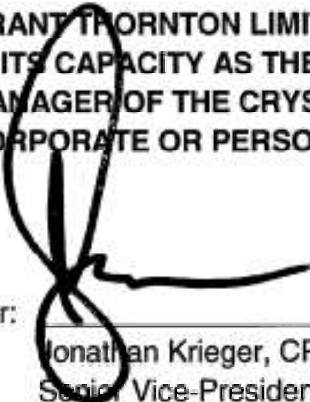
356 It is the Receiver's opinion that the fees and disbursements of A&B are fair and reasonable and justified in the circumstances. The Receiver recommends approval of A&B's accounts by this Honourable Court.

CONCLUSION

357 For the reasons set out in this Second Report, the Receiver respectfully requests the relief and approval requested in the Receiver's Notice of Motion dated July 20, 2018.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 20th day of July, 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**

Per: 

Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 15

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

JUSTICE

CONWAY

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MONDAY, THE 20th DAY

OF AUGUST, 2018

**BETWEEN:****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**"), without security, of all of the assets, undertakings and properties of 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**"), for an Order, *inter alia*, approving the Fourth Report of the Receiver dated July 20, 2018 (the "**Fourth Report**") and the activities of the Receiver set out in the Fourth Report, and for other relief requested by the

Receiver in its Notice of Motion dated July 20, 2018, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fourth Report, including the affidavit of Bruce Bando sworn July 19, 2018 (the "**Bando Affidavit**"), and the affidavit of Mark van Zandvoort sworn July 10, 2018 (the "**van Zandvoort Affidavit**"), the factum of Craig Clydesdale served August 13, 2018, and on hearing the submissions of counsel for the Receiver and such other counsel who were present, no one appearing for any other person on the service list, although duly served as appears from the affidavits of service of Miranda Spence sworn July 23, 2018 and August 16, 2018, filed,

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the Receiver's motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that the Fourth Report and the activities of the Receiver described therein be and are hereby approved.
3. **THIS COURT ORDERS** that Confidential Appendix 1 and Confidential Appendix 3 (as defined in the Fourth Report) be and are hereby sealed until further Order of the Court.
4. **THIS COURT ORDERS** that the Receiver's methodology and proposal to make an interim distribution to investors of certain Crystal Wealth Funds, as set out in the Fourth Report, be and is hereby approved, and that the Receiver is hereby authorized to make such interim distribution to such investors.
5. **THIS COURT ORDERS** that Alberto Storelli, Brian Peoples, and Joe Harker are in contempt as a result of their failure to comply with the Order issued by this Court on December 11, 2017 (the "**December 11, 2017 Order**"), which Order required that each of them provide the Receiver and its lawyers, Aird & Berlis LLP, with certain requested but still outstanding information required by the Receiver for a proper account reconciliation and assessment of the US Real Estate LP (as defined in the Fourth Report).
6. **THIS COURT ORDERS** that, as a result of their failure to comply with the December 11, 2017 Order and the finding of contempt against them as set out in paragraph 5 above, Alberto Storelli, Brian Peoples, and Joe Harker are forthwith ordered to comply with the December 11, 2017 Order, and to pay to the Receiver costs in the sum of \$10,000.

7. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts and Disbursements through to May 31, 2018, as appended to the Fourth Report, be and is hereby approved.

8. **THIS COURT ORDERS** that the Receiver's engagement of Adair Goldblatt Bieber LLP ("**AGB LLP**") pursuant to an engagement letter dated June 11, 2018, attached as Confidential Appendix 1 to the Fourth Report, be and is hereby approved.

9. **THIS COURT ORDERS** that each of Clayton Smith, Darcy Pahl, David DenHollander, Robert Maljaars, Jeffrey Maljaars, Al Housego, and Jerry Froese be and are hereby ordered to answer the undertakings given, and the questions which were taken under advisement and which were refused, during their respective examinations by the Receiver, as follows:

- (a) Clayton Smith shall forthwith answer the outstanding undertaking given, and shall answer the questions refused during his examination out of court, as set out in the charts appended as Appendix 17 to the Fourth Report;
- (b) Darcy Pahl shall forthwith answer the questions refused during his examination out of court, as set out in the chart appended as Appendix 19 to the Fourth Report;
- (c) David DenHollander shall forthwith answer the questions refused during his examination out of court, as set out in the chart appended as Appendix 21 to the Fourth Report;
- (d) Robert Maljaars shall forthwith answer the questions refused during his examination out of court, as set out in the chart appended as Appendix 20 to the Fourth Report;
- (e) Jeffrey Maljaars shall forthwith answer the questions refused during his examination out of court, as set out in the chart appended as Appendix 22 to the Fourth Report;
- (f) Al Housego shall forthwith answer the outstanding undertaking given during his examination out of court, as set out in the chart appended as Appendix 23 to the Fourth Report; and

- (g) on the consent of Jerry Froese and the Receiver, Jerry Froese shall forthwith answer: (i) the outstanding undertakings given during his examination out of court, being nos. 13, 18, 19, 20, 31 [production of a USB drive with the actual/native data as saved in the software], 34 [missing enclosures], 36, 41, and 42, as set out in the charts appended at Appendix 24 of the Fourth Report; and (ii) the questions taken under advisement and which were refused during his examination out of court, as set out in the charts appended as Appendix 24 to the Fourth Report.

10. **THIS COURT ORDERS** that, on the consent of the Receiver at the request of Regent Law Professional Corporation, paragraphs 162 and 164 of the Fourth Report be and are hereby amended as set out in Schedule "A" to this Order.

11. **THIS COURT ORDERS** that Craig Clydesdale be and is hereby ordered to answer the undertakings given, and the questions which were taken under advisement and which were refused at his examination held March 12 and 13, 2018, as set out at Appendix 18 to the Fourth Report, by no later than September 20, 2018, subject to the following:

- (a) Mr. Clydesdale's answer to Refusal #1 shall be kept confidential by the Receiver and counsel to the Receiver, and not posted on the Receiver's website or filed with the Court; and
- (b) Mr. Clydesdale shall not be required to answer Refusal #3 pending further Order of the Court.

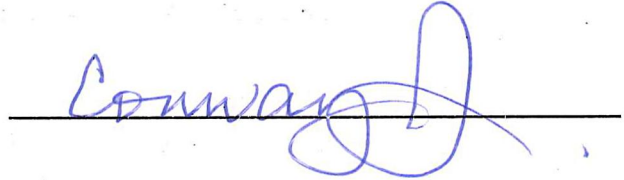
12. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period October 1, 2017 to May 31, 2018, as described in the Fourth Report and as set out in the Bando Affidavit, be and are hereby approved, and that the allocation of the Receiver's fees and disbursements from October 1, 2018 to May 31, 2018, as described and detailed in the Fourth Report, be and is hereby approved.

13. **THIS COURT ORDERS** that the fees and disbursements of Aird & Berlis LLP, counsel to the Receiver, for the period April 7, 2017 to May 31, 2018, as described in the Fourth Report and as set out in the van Zandvoort Affidavit, be and are hereby approved, and that the allocation of A&B's fees and disbursements in this regard, as described and detailed in the Fourth Report, be and is hereby approved.

14. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

16. **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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

AUG 20 2018

PER / PAR:



SCHEDULE A

Paragraph 162 of the Fourth Report shall be deemed to have been amended as follows (underlined portion reflecting amendment made to existing paragraph):

162 Also on February 23, 2018, A&B sent correspondence to Dionne indicating that it had received confirmation from Hudson Inc. that she had personally filed for bankruptcy, however, that neither DDI Corp nor DDI had filed for bankruptcy. In response, Dionne insisted that she had not executed the DDI Corporate Guarantees and requested that she be provided with the individual's name who provided same to the Receiver. A&B advised Dionne that Darren Smits ("**Smits**"), at that time of Miller Thomson LLP in Calgary, Alberta (now a lawyer of Burstall LLP), had provided the DDI Corporate Guarantees to the Receiver and that Wilson was counsel to the specific transaction. A&B further requested that the Receiver be included on all future correspondence between Smits and Dionne.

Paragraph 164 of the Fourth Report shall be deemed to have been amended as follows (underlined portion reflecting amendment made to existing paragraph):

164 Froese testified during his examination that the potential investment in Restoration Energy through a Factoring Agreement was initially put forth by Smits, who is Frontline's lawyer, and was also the lawyer to Restoration Energy, which Smits confirmed to the Receiver. Recently, the Receiver learned that Smits has left Miller Thomson LLP, and is now practicing at Burstall LLP in Calgary.

Applicant

Respondents

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings 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, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited

APPENDIX 16

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**FIFTH REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER**

MAY 19, 2020



**Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4**

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Appendix 3	OSC Order dated June 14, 2018
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Appendix 8	Order and Endorsement issued by Justice Myers dated December 11, 2017
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Appendix 10	Order and Endorsement issued by Justice Dunphy dated February 20, 2018
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CONFIDENTIAL APPENDICES

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Confidential Appendix 3	Distribution Proposal Rider to the Fifth Report
Confidential Appendix 4	Amended Fee Agreement with AGB LLP

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**FIFTH REPORT TO THE COURT SUBMITTED BY GRANT THORNTON LIMITED
IN ITS CAPACITY AS RECEIVER OF THE RESPONDENTS**

MAY 19, 2020

BACKGROUND AND INTRODUCTION

THE OSC APPLICATION AND APPOINTMENT ORDER

- 1 The Ontario Securities Commission (the “**OSC**”) issued a temporary order on April 7, 2017 (as extended by the OSC on April 13, 2017 and April 28, 2017 (the “**Temporary Order**”)), providing that the trading of units of all of the Crystal Wealth Funds cease, that trading in securities held by the Crystal Wealth Funds cease, and prohibiting the trading in or acquisition of securities by Clayton Smith (“**Smith**”) and Crystal Wealth Management System Limited (the “**Company**”), with limited exception that permitted Smith and the Company to liquidate exchange-traded securities in the Crystal Wealth Funds with such proceeds being deposited into the bank account of the relevant Crystal Wealth Fund. On October 2, 2017, the OSC extended the Temporary Order to April 10, 2018 (the “**First Extension Order**”), while modifying the Temporary Order issued April 7, 2017 to remove the portions of paragraphs 4 and 5 thereof referring to Smith in his capacity as advising representative, given that Smith’s registration was automatically suspended when he was terminated by the Receiver. On April 9, 2018, the OSC further extended the Temporary Order to July 5, 2018 (the “**Second Extension Order**”). The Temporary Order issued April 7, 2017, the First Extension Order and the Second Extension Order are attached hereto as **Appendix “1”** to this Fifth Report of the Receiver (the “**Fifth Report**”).

- 2 On April 26, 2017, on application of the OSC to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), the Honourable Justice Newbould issued an Order (the “**Appointment Order**”) appointing Grant Thornton Limited as: (i) receiver and manager (in such capacities, the “**Receiver**”), without security, of all of the assets, undertakings and properties (collectively, the “**Property**”) of 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**”), and of all contents, including funds, contained in the Chrysalis Account. The proceedings were commenced by way of application made by the OSC (the “**OSC Application**”) under section 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”). The said receivership proceedings shall be referred to herein as the “**Receivership Proceedings**”. Copies of the Appointment

Order and the Endorsement of the Honourable Justice Newbould are attached hereto as **Appendix “2”**.

- 3 Staff of the OSC and Clayton Smith executed a Settlement Agreement dated May 28, 2018 (the “**Smith Settlement Agreement**”), a copy of which was included in the Receiver’s Fourth Report to Court dated July 20, 2018 (the “**Fourth Report**”). On June 14, 2018, the OSC issued an Order approving the Smith Settlement Agreement, and released Oral Reasons for Approval of Settlement, copies of which were also included in the Fourth Report. The Receiver was not involved in connection with the negotiation of the Smith Settlement Agreement, or the OSC hearing in which it was approved, but a discussion of this matter was included in the Fourth Report.
- 4 As a consequence of the foregoing, the July 4, 2018 hearing date to further extend the Temporary Order was vacated by Order of the Commission issued June 14, 2018, attached hereto as **Appendix “3”**.
- 5 A summary of the circumstances leading to the appointment of the Receiver is outlined in the Receiver’s First Report to Court dated June 22, 2017 (the “**First Report**”), which is attached hereto, without appendices, as **Appendix “4”**. The complete OSC Application can be found on the Receiver’s case website at www.GrantThornton.ca/CrystalWealth (the “**Case Website**”).

THE FIRST REPORT APPROVAL MOTION – JUNE 30, 2017

- 6 On June 22, 2017, the Receiver provided the Court with its First Report and served a motion record in support of a motion to, among other things, approve a proposed Sales Process (as defined and described in the First Report) to be conducted by the Receiver, by which prospective purchasers and managers could submit bids to the Receiver to either purchase the assets of certain Crystal Wealth Funds (as defined below), or to take over the management of certain Crystal Wealth Funds. On June 29, 2017, the Receiver provided the Court with its Supplement to the First Report dated June 29, 2017 (the “**First Report Supplement**”) which is attached hereto, without appendices, as **Appendix “5”**.
- 7 On June 30, 2017, the Honourable Justice Hailey issued an Order and Endorsement (the “**June 30 2017 Order and Endorsement**”) and a Creditor Claims Procedure Order (the “**Creditor Claims Procedure Order**”) that, among other things, approved:

- a) the Receiver's First Report and the activities of the Receiver set out therein;
- b) the Sales Process; and
- c) a Creditor Claims Procedure for non-investor claims against the Crystal Wealth Group.

Copies of the June 30th Order and Endorsement and the Creditor Claims Procedure Order are attached hereto as **Appendix "6"**.

THE SECOND REPORT APPROVAL MOTION – DECEMBER 11, 2017

- 8 On November 24, 2017, the Receiver provided the Court with its Second Report to Court dated November 24, 2017 (the "**Second Report**") and served a motion record (the "**November 24, 2017 Motion**") in support of a motion to, among other things: (i) approve the Receiver's methodology and proposal to make an interim distribution to the investors in certain Crystal Wealth Funds, and authorize the Receiver to make such interim distribution; (ii) direct certain entities and/or individuals to provide the Receiver and its counsel with certain requested but still outstanding information required by the Receiver for a proper account reconciliation and assessment of the Crystal Wealth Group; and (iii) authorize the Receiver to examine certain individuals. A copy of the Second Report, without appendices, is attached hereto as **Appendix "7"**.
- 9 The Second Report detailed the Receiver's significant concerns over the quality and ultimate collectability of many of the recorded investments of the Crystal Wealth Funds.
- 10 On December 11, 2017, the Honourable Justice Myers issued an Order and Endorsement (the "**December 11, 2017 Order and Endorsement**") that approved, among other things, the Receiver's activities as set out in the Second Report, and which authorized the Receiver to proceed with its proposed interim distribution to the investors of certain Crystal Wealth Funds. Copies of the December 11, 2017 Order and Endorsement are attached hereto as **Appendix "8"**.

THE SECOND REPORT SUPPLEMENT APPROVAL MOTION – FEBRUARY 20, 2018

- 11 On February 8, 2018, the Receiver provided the Court with a Supplement to the Second Report to Court dated February 8, 2018 (the "**Second Report Supplement**") and served a motion record (the "**February 8, 2018 Motion**") in support of a motion for, among other

things, approval by the Court of: (i) an Asset Purchase Agreement dated February 2, 2018 entered into between the Receiver and Bron Releasing Inc. (the “**APA**”) pursuant to which Media Loan assets of the Media Fund would be sold to Bron Releasing Inc.; and (ii) an Assignment Agreement entered into between the Receiver, as assignee, and Bron Studios Inc. and Bron Animation Inc., each as assignors, (the “**Assignment Agreement**”), which Assignment Agreement was conditional upon the completion of the transaction set out in the APA. A copy of the Second Report Supplement, without appendices, is attached hereto as **Appendix “9”**.

- 12 On February 20, 2018, the Honourable Justice Dunphy issued an Order and Endorsement (the “**February 20, 2018 Order and Endorsement**”) that, among other things, approved the relief as sought in the February 8, 2018 Motion. Copies of the February 20, 2018 Order and Endorsement are attached hereto as **Appendix “10”**.
- 13 On March 23, 2018, the transaction subject of the APA was completed. On March 26, 2018, the Receiver’s Certificate was filed with this Honourable Court confirming that the APA transaction had been completed to the satisfaction of the Receiver.

THE THIRD REPORT AND THIRD SUPPLEMENT APPROVAL MOTION – MAY 15, 2018

- 14 On May 3, 2018, the Receiver served its Third Report to Court dated May 3, 2018 (the “**Third Report**”) and served a motion record (the “**May 3, 2018 Motion**”) in support of a motion to, among other things, obtain an order: (i) approving an Agreement of Purchase and Sale dated April 11, 2018 and the amendment thereto dated April 17, 2018 (the “**Palmer APS**”) entered into by the Receiver, as vendor on behalf of CLJ Everest Ltd., and Daniel Palmer, as purchaser, regarding the sale of a property municipally known as 5043 Mount Nemo Crescent, Burlington, Ontario (the “**Mount Nemo Property**”); (ii) vesting title in the Mount Nemo Property to Daniel Palmer free and clear of any liens, claims, and encumbrances; and (iii) vesting in Xynergy Medical Capital LLC all of the rights, title and interests in the Geodata Participation (as defined in the Second Report) and the SSI Participation (as defined in the Third Report), being assets of the Medical Fund. A copy of the Third Report, without appendices, is attached hereto as **Appendix “11”**.
- 15 On May 14, 2018, the Receiver served and filed with the Court a Supplement to the Third Report to Court dated May 14, 2018 (the “**Third Report Supplement**”) in support of the

May 3, 2018 Motion. A copy of the Third Report Supplement, without appendices, is attached hereto as **Appendix “12”**.

- 16 On May 15, 2018, the Honourable Justice Pattillo issued an Order and Endorsement (the **“May 15, 2018 Order and Endorsement”**) that approved, among other things, the relief as sought in the May 3, 2018 Motion. Copies of the May 15, 2018 Order and Endorsement are attached hereto as **Appendix “13”**.
- 17 On May 18, 2018, the transaction subject to the Palmer APS was completed.

THE FOURTH REPORT APPROVAL MOTION – AUGUST 20, 2018

- 18 On July 20, 2018, the Receiver served its Fourth Report and served a motion record (the **“July 20, 2018 Motion”**) in support of a motion to, among other things, obtain an order: (i) approving the Receiver’s methodology and proposal to make a further interim distribution to the investors of certain Crystal Wealth Funds, and authorizing the Receiver to make such interim distribution; (ii) directing the people identified below to answer the outstanding undertakings and the questions taken under advisement (which were refused at the Smith Examination, Clydesdale Examination, DenHollander Examination, Pahl Examination, Bob Maljaars Examination, Jeffrey Maljaars Examination, Housego Examination, and the Froese Examination) by Smith, Clydesdale, DenHollander, Pahl, Bob Maljaars, Jeffrey Maljaars, Housego, and Froese; and (iii) approving the Receiver’s engagement of Adair Goldblatt Bieber LLP (**“AGB LLP”**) as the Receiver’s lawyer of record in an Ontario Superior Court of Justice (Commercial List) action (CV-18-595063-00CL) against BDO Canada LLP (**“BDO”**) (the action herein referred to as the **“Receiver’s Action”**). A copy of the Fourth Report, without appendices, is attached hereto as **Appendix “14”**.
- 19 On August 20, 2018, the Honourable Justice Conway issued an Order and Endorsement (the **“August 20, 2018 Order and Endorsement”**) that approved, among other things, the relief as sought in the July 20, 2018 Motion. Copies of the August 20, 2018 Order and Endorsement are attached hereto as **Appendix “15”**.

PURPOSE OF THE FIFTH REPORT

- 20 The purpose of this Fifth Report is to inform the Court of the Receiver’s activities regarding the Receiver’s Action and to support the Receiver’s request for an order, among other things:

- a) approving this Fifth Report, including the actions and activities of the Receiver as described in this Fifth Report;
- b) approving the settlement of the Receiver's Action, on the terms set out in the Settlement Agreement entered into between BDO and the Receiver dated January 14, 2020 (the "**Settlement Agreement**"), on a contingent basis subject to the AMP Contingency (as defined below), and authorizing and directing the Receiver to consummate and carry out and complete the terms of the Settlement Agreement;
- c) sealing the Settlement Agreement, being **Confidential Appendix "1"** to the Fifth Report, until further Order of the Court;
- d) approving the Receiver's methodology and proposal to make an interim distribution to the investors of certain Crystal Wealth Funds, including the proceeds of funds which the Receiver will receive pursuant to and arising from the Settlement Agreement, and authorizing the Receiver to make such interim distribution;
- e) approving the fee resolution entered into by the Receiver and AGB LLP in settlement of any and all claims to compensation or payment otherwise that AGB LLP has pursuant to the AGB LLP Engagement Letter attached as Confidential Appendix "1" to the Fourth Report;
- f) approving the Receiver's Interim Statement of Receipts and Disbursements for the period ending February 29, 2020;
- g) approving the fees and disbursements of the Receiver and its counsel, Aird & Berlis LLP ("**A&B**"), for the period of June 1, 2018 to February 29, 2020 and for the period of April 24, 2018 to February 28, 2020, respectively, and the allocation of the fees and disbursements of the Receiver and its counsel, as described and detailed in the Fifth Report and in the Bando and John Affidavits (as defined below); and
- h) sealing the **Confidential Appendices** to this Fifth Report until further Order of the Court.

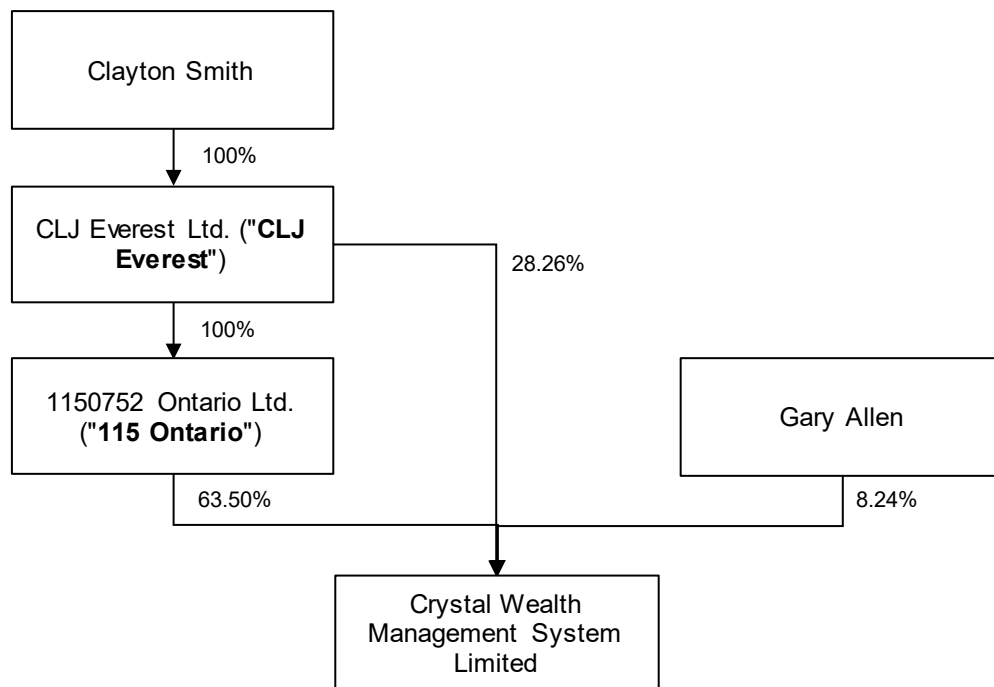
RESTRICTIONS AND TERMS OF REFERENCE

- 21 In preparing this Fifth Report, the Receiver has relied upon unaudited and certain audited financial information, the Crystal Wealth Group's books and records, certain financial information obtained by third parties, and discussions with and examinations of various individuals (collectively, the "**Information**"). Except as described in this Fifth Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
- 22 This Fifth Report has been prepared for the use of this Court to provide general information and an update relating to the Receivership Proceedings for the purpose of assisting the Court in making a determination as to whether to approve the relief sought in the Receiver's Notice of Motion dated May 19, 2020. This Fifth Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction or use of this Fifth Report contrary to the provisions of this paragraph.
- 23 Capitalized terms not defined in this Fifth Report are as defined in the First Report, the First Report Supplement, the Second Report, the Second Report Supplement, the Third Report, the Third Report Supplement and the Fourth Report. All references to dollars are in Canadian currency unless otherwise noted.
- 24 Copies of materials filed in these Receivership Proceedings are available on the Receiver's Case Website at: www.GrantThornton.ca/CrystalWealth.

CORPORATE STRUCTURE

25 At the time of the Appointment Order, the Company was a corporation registered with the OSC in the categories of: “Exempt Market Dealer”, “Investment Fund Manager”, “Portfolio Manager”, and “Commodity Trading Manager”.

26 At the time of the Appointment Order, Smith was the controlling mind of the Company, was listed as the sole director and officer, and held a controlling interest of 91.76% in the Company. The ownership structure of the Company was as follows:



27 At the time of the Appointment Order, Smith was registered in Ontario with the OSC as a dealing representative, an advising representative in the category of “Portfolio Manager”, and an advising representative in the category of “Commodity Trading Manager”. Smith was also registered as the Company’s chief executive officer, chief compliance officer and ultimate designated person. Moreover, Smith held the position of chief financial officer.

28 The Company created and managed the following 15 proprietary investment funds:

- a) Crystal Wealth Mortgage Strategy (the “**Mortgage Fund**”);
- b) Crystal Enlightened Resource and Precious Metals Fund (the “**Resource Fund**”);
- c) Crystal Wealth Enlightened Factoring Strategy (the “**Factoring Fund**”);
- d) Crystal Wealth Medical Strategy (the “**Medical Fund**”);
- e) Crystal Enlightened Bullion Fund (the “**Bullion Fund**”);
- f) Crystal Wealth Media Strategy (the “**Media Fund**”);
- g) Crystal Wealth High Yield Mortgage Strategy (the “**High Yield Mortgage Fund**”);
- h) Crystal Wealth Infrastructure Strategy (the “**Infrastructure Fund**”);
- i) Crystal Wealth Enlightened Hedge Fund (the “**Hedge Fund**”);
- j) Crystal Wealth Conscious Capital Strategy (the “**Conscious Capital Fund**”);
- k) ACM Income Fund;
- l) ACM Growth Fund;
- m) Absolute Sustainable Dividend Fund (the “**Sustainable Dividend Fund**”);
- n) Absolute Sustainable Property Fund (the “**Sustainable Property Fund**”); and
- o) Crystal Wealth Retirement One Fund (the “**Retirement Fund**”);

(collectively, the “**Crystal Wealth Funds**”, and individually, a “**Fund**”).

A detailed description of the Crystal Wealth Funds and the investments contained therein are outlined in the First Report and Second Report.

- 29 The Crystal Wealth Funds were structured as open-ended mutual fund trusts. Units in each of the Crystal Wealth Funds were distributed to investors on an exempt basis, pursuant to offering memoranda (“**OMs**”). The Company managed the day-to-day business of the Crystal Wealth Funds and was required to make investment decisions consistent with each of the Crystal Wealth Funds’ investment objectives.

SUMMARY OF THE RECEIVER’S CONCERNS AND RELATED ACTIONS

- 30 The Executive Summary of the Second Report summarized the significant concerns of the Receiver over the quality and ultimate collectability of approximately 60% of the valuation package, dated April 20, 2017 (the “**April 20th Package**”), which valuations were reflected in the Company’s Books and Records at the time of the Receiver’s appointment, and which outlined the investments in, and the purported values of, each investment for each of the Crystal Wealth Funds. The April 20th Package indicated a total net asset value of \$193,198,912.

- 31 To summarize, the concerns of the Receiver included the following:

- a) The investments contained within the Crystal Wealth Funds were largely unconventional, whereby the Receiver has had to spend a significant amount of time, together with its advisors, to understand and assess the underlying investments, and the quality and realizable value of same. Furthermore, the significant deficiencies in the Company’s books and records with respect to the documentation (or lack thereof) associated with such investments, and the refusal by certain individuals to provide required information to the Receiver to properly conduct its mandate, created additional complexities for the Receiver and its counsel in understanding and supporting the investments and their respective values.
- b) The Receiver’s investigation of the Company’s affairs also identified serious concerns around the conduct of certain parties associated with the Crystal Wealth Funds and the underlying investments therein.
- c) The Receiver had drawn the following conclusions:
 - i) the lack of segregation of duties in performing the day to day operations and governance thereof (e.g. Smith was the controlling mind, sole director, and Chief Compliance Officer, among others) resulted in the Company not having

an effective organizational structure to ensure proper oversight and governance of the Crystal Wealth Funds;

- ii) the decisions of the Company and specific individuals to cause certain of the Crystal Wealth Funds to advance monies to third parties, purportedly on account of investments, which investments had questionable return and recovery prospects, were inconsistent with the Crystal Wealth Funds' investment objectives as set out in the OMs, and/or lacked the security which was to be provided by third parties to the Crystal Wealth Funds in connection with such investments;
- iii) the Receiver expressed concern with the relationships between Smith, Al Housego ("**Housego**"), administrators of certain investments in the Crystal Wealth Funds, and the principals of the companies in which certain of the Crystal Wealth Funds advanced monies purportedly on account of investments;
- iv) certain Crystal Wealth Funds' exposure was concentrated within a few companies who received substantial monies from the Crystal Wealth Funds;
- v) the Receiver was concerned as to the ultimate use and lack of accountability for the investors' monies once such investments were made by the Company, Smith, and/or Housego on behalf of the Crystal Wealth Funds;
- vi) the Company transferred significant money between Crystal Wealth Funds which may have been used to falsely create liquidity to meet investor distributions and/or redemptions;
- vii) the Company made payment of distributions to investors in Crystal Wealth Funds, which Funds had no sources of income, or cash flow. Such payments appear to have been only supportable by Inter-fund Investments or advances; and
- viii) the Company disclosed false or manipulated net asset values ("**NAVs**") of the Crystal Wealth Funds, causing the NAVs of certain Crystal Wealth Funds to be materially overstated.

- 32 In the Executive Summary of the Fourth Report, the Receiver cautioned that there were challenging circumstances surrounding the large majority of the remaining assets in the Crystal Wealth Funds. Although significant work remained and continues to remain ahead in respect of the Receiver's realization efforts, the Receiver believes that the cost of pursuing recoveries on the remaining assets may be disproportionately high compared to the ultimate recovery. However, as set out by the Receiver in certain of its' previous reports, the Receiver believes that in the absence of taking further aggressive recovery efforts, including litigation, the recoveries will be minimal.
- 33 Although the Receiver will be providing a fulsome update and analysis of the remaining assets in the Crystal Wealth Funds in future reporting to the Court, such remaining assets include:
- a) Factoring Contracts;
 - b) Certain Commercial Loans;
 - c) Gold Loans;
 - d) US Real Estate LP; and
 - e) NFL Participation Agreements.
- 34 On December 20, 2019, the Receiver issued its twenty-sixth Notice to Investors (the "**December 20, 2019 Notice to Investors**") which provided an update regarding the investigations and realizations with respect to the foregoing remaining assets, otherwise known as Off-Book Investments. Such efforts have included, among other things, issuing demands for payment, commencing litigation and commencing bankruptcy proceedings against over 20 specific companies and individuals. A copy of the December 20, 2019 Notice to Investors is attached hereto as **Appendix "16"**.
- 35 An updated chart concerning the status of the Receiver's efforts in this regard as of March 16, 2020 is attached hereto as **Appendix "17"**.

THE BDO ACTIONS – THE PROPOSED CLASS ACTION

Pleadings and the Certification Motion

36 As outlined in paragraphs 412b) and 419 to 422 of the Second Report, Anthony Whitehouse (“**Whitehouse**”), an investor in certain of the Crystal Wealth Funds, issued an action on July 20, 2017 against BDO (the “**Whitehouse July 20, 2017 Statement of Claim**”). BDO was the auditor of the Company and the BDO Audited Funds (as defined below) prior to the Receiver’s appointment. The Whitehouse July 20, 2017 Statement of Claim outlined Whitehouse’s claim for, among other relief:

- a) an order certifying the Class Action Proceeding (as defined in the Whitehouse July 20, 2017 Statement of Claim) (the “**Proposed Class Action**”) and appointing Whitehouse as Representative Plaintiff on his own behalf and on behalf of the Class (as defined in the Whitehouse July 20, 2017 Statement of Claim);
- b) a declaration that BDO had a duty of care to the Class which it breached by negligently performing its professional services, causing damages (as described in the Whitehouse July 20, 2017 Statement of Claim);
- c) damages for negligence in the sum of \$150,000,000; and
- d) punitive damages of \$25,000,000.

37 In essence, the Whitehouse July 20, 2017 Statement of Claim argued that BDO owed a duty to the Class, that it breached its duty to the Class by not conducting audits of the BDO Audited Funds in accordance with established auditing standards, and that it was negligent in the performance of its duties.

38 Although the Company operated 15 Crystal Wealth Funds, BDO audited the following funds (the “**BDO Audited Funds**”):

- a) Mortgage Fund;
- b) Resource Fund;
- c) Factoring Fund;

- d) Medical Fund;
- e) Bullion Fund;
- f) Media Fund;
- g) High Yield Mortgage Fund;
- h) ACM Income Fund;
- i) ACM Growth Fund; and
- j) Retirement Fund.

- 39 Whitehouse is represented by AGB LLP in the Proposed Class Action. All materials filed with respect to the Proposed Class Action (and which are referred to in the Fifth Report) are available on the AGB LLP's Case Website: <http://www.agblp.com/class-actions.html>. Due to the large volume of materials relating to the Proposed Class Action, such documents are not attached as appendices to this Fifth Report.
- 40 On June 15, 2018, AGB LLP served BDO with a motion record (the "**June 15, 2018 Motion Record**") in support of a motion to certify the Proposed Class Action as a class proceeding pursuant to the *Class Proceedings Act, 1992*, S.O. 1992, c. 6; 1 -2- (b) (the "**CPA**").
- 41 On August 30, 2019, BDO filed a Responding Motion Record (the "**August 30, 2019 Responding Motion Record**"), in opposition to the request that the Proposed Class Action be certified by the Court. The August 30, 2019 Responding Motion Record included an opinion report of a Senior Managing Director in the turnaround & restructuring practice of FTI Consulting Canada Inc., who was engaged to comment on the role, duties and powers of a court-appointed receiver. The Senior Managing Director concluded that the Receiver is an adequate representative of unitholders of the Crystal Wealth Funds such that unitholders do not require supplemental representation for the purposes of pursuing recoveries against third parties, including BDO, and that the Receiver has acted in a manner that is consistent with its duty to maximize recoveries for all stakeholders, including unitholders.
- 42 On September 13, 2019, BDO filed a Statement of Defence in the Proposed Class Action.

- 43 On September 30, 2019, AGB LLP served a Reply Motion in support of the motion to certify the Proposed Class Action.
- 44 On November 13, 2019, Whitehouse issued an Amended Statement of Claim (the **“Whitehouse November 13, 2019 Amended Statement of Claim”**) which, among other things:
- a) added two more investors as proposed Representative Plaintiffs;
 - b) defined the Class as being investors who made investments in the Crystal Wealth Funds during the period April 12, 2007 to April 7, 2017 and who retained investments of the Crystal Wealth Funds on April 7, 2017;
 - c) specified the audit opinions rendered by BDO with respect of the financial reporting of the Company to the BDO Audited Funds; and
 - d) Increased damages claimed from \$150,000,000 to \$250,000,000.
- 45 On November 15, 2019, AGB LLP served BDO with an amended motion record (the **“November 15, 2019 Motion Record”**) in support of Whitehouse’s motion to certify the Proposed Class Action as a class proceeding. The November 15, 2019 Motion Record includes the Whitehouse November 13, 2019 Amended Statement of Claim and other information and affidavits supporting the Proposed Class Action.
- 46 On November 15, 2019, AGB LLP served its Certification Factum and Book of Authorities (the **“November 15, 2019 Certification Factum”**). The purpose of the November 15, 2019 Certification Factum was to provide the Court the Plaintiffs’ summary of arguments for the Court to certify the Proposed Class Action.
- 47 On November 29, 2019, BDO served its Responding Factum and Book of Authorities (the **“November 29, 2019 Responding Factum”**) in opposition to the certification motion.
- 48 On December 5, 2019, AGB LLP served a Reply Certification Factum and Book of Authorities which responded to the November 29, 2019 Responding Factum.

Certification Hearing Results

- 49 The hearing for the certification of the Class was heard by the Honourable Mr. Justice

Perell of the Ontario Superior Court of Justice on December 9 -11, 2019.

- 50 On January 8, 2020, Justice Perell released a 28-page decision with respect to the motion for certification of the Proposed Class Action (the “**January 8, 2020 Order**”), a copy of which is attached hereto as **Appendix “18”**. Justice Perell dismissed the certification motion and declined to certify the Proposed Class Action.
- 51 Justice Perell found that the Plaintiffs satisfied the identifiable class and the common issues criteria for certification. However, there are three other criteria for certification, the first one being the cause of action criterion. In this regard, Justice Perell held that “*while BDO has potential contractual liability to Crystal Wealth for negligent auditing, it does not have a proximate duty of care to the Plaintiffs and the putative Class Members. Thus, in the case at bar, the cause of action criterion for certification is not satisfied and with its failure all other certification criteria fail. Had the Plaintiffs satisfied the cause of action criterion, with some qualifications, I would have certified their action as a class proceeding*”.
- 52 On January 30, 2020, AGB LLP served a Notice of Appeal (the “**January 30, 2020 Notice of Appeal**”) asking that the January 8, 2020 Order be set aside and requesting that an Order be granted to, among other things, set aside the January 8, 2020 Order and certify the Proposed Class Action as a class proceeding pursuant to the CPA.
- 53 Further updates concerning the status of the appeal of the January 8, 2020 Order will be made available on AGB LLP’s Case Website: <http://www.agblp.com/class-actions.html>.

THE BDO ACTIONS – THE RECEIVER’S ACTION

- 54 On April 3, 2018 and May 3, 2018, respectively, on behalf of the Company and the Crystal Wealth Funds, the Receiver issued a Notice of Action and Statement of Claim against BDO. A copy of the Receiver’s Notice of Action and Statement of Claim in the Receiver’s Action was attached as Confidential Appendix 2 to the Fourth Report.
- 55 In the Fourth Report, the Receiver outlined the basis for its request that the Court approve the Receiver’s engagement of AGB LLP as the Receiver’s lawyer of record in the Receiver’s Action pursuant to the AGB LLP Engagement Letter dated June 11, 2018, which was appended as Confidential Appendix 1 to the Fourth Report. The August 20, 2018 Order and Endorsement, attached above as Appendix “15”, approved AGB LLP’s

engagement pursuant to the AGB LLP Engagement Letter.

56 The Receiver's Action primarily pertains to the audit services provided by BDO to the Company and the Crystal Wealth Funds prior to the Appointment Order, and it is being advanced by the Receiver on behalf of the Company and the Crystal Wealth Funds as opposed to by the investors directly. In other words, while the substance of the allegations against BDO is similar in both the Receiver's Action and the Proposed Class Action, the Receiver's Action primarily concerns alleged duties owed by BDO to the Company and the Crystal Wealth Funds, whereas the Proposed Class Action concerns alleged duties owed by BDO to Crystal Wealth Fund investors.

57 The Receiver's Action claims, among others:

a) a declaration that the audit opinions and reporting delivered by BDO with respect to the financial reporting of the Crystal Wealth Group and all attestations delivered by BDO with respect to the Crystal Wealth Group's financial statements were given for the purpose of allowing the Company to continue to operate as an Exempt Market Dealer, Investment Fund Manager, Portfolio Manager, and Commodity Trading Manager registered in Ontario pursuant to the *Securities Act* and its Regulations and for the purpose, and with the expectation and knowledge, that:

- i) the OSC would rely on BDO's opinion and BDO's representations as the basis for: (i) Commission registration renewals; and (ii) continued, additional or new investment by existing or prospective investors of the Crystal Wealth Funds;
- ii) the Crystal Wealth Group would rely on the audit opinions and reporting to solicit investments for the Crystal Wealth Funds from investors and prospective investors; and
- iii) unitholders, shareholders, and management of the Crystal Wealth Group (as applicable) would rely on BDO's audit opinions and representations as the basis for making investment decisions, and management oversight, in connection with the Crystal Wealth Group (as applicable).

b) a declaration that BDO owed a duty of care to each of the Crystal Wealth Group entities;

- c) a declaration that BDO breached the duty of care it owed to the Crystal Wealth Group entities by its negligent performance of its audit services, negligent misrepresentations contained in its audit opinions and reporting, breach of contract, and/or gross negligence thereby causing the Crystal Wealth Group entities to suffer damages;
- d) damages for negligence, negligent performance of a service, negligent misrepresentation, breach of contract, and/or gross negligence in the amount of \$160,000,000, and as will be further quantified and particularized prior to trial; and
- e) punitive damages in the sum of \$1,000,000.

58 On September 13, 2019, BDO delivered its Statement of Defence in the Receiver's Action, which is attached hereto as **Appendix "19"**, whereby BDO alleged, among other things, that:

- a) the Company and Crystal Wealth Funds are unjustifiably seeking to hold BDO responsible as an "insurer" for the entirety of the losses sustained by them. In this case, any compensable losses by unitholders were not caused by BDO but by the intentionally deceptive conduct of the Company's founder and directing mind, and the fund manager of the Company, Smith;
- b) BDO is itself a victim of the "scheme" alleged in the Statement of Claim in the Receiver's Action, which was sophisticated and designed to evade detection by standard audit procedures. Smith employed several tactics, including forgery and outright lies, that were designed to mislead and did in fact mislead not only BDO but also staff of both the OSC and the B.C. Securities Commission;
- c) BDO denies that it was negligent in failing to detect Smith's carefully concealed misconduct or otherwise failing to prevent the losses alleged by the Crystal Wealth Funds and the Company;
- d) BDO denies liability in negligent misrepresentation. The Company and Smith, its directing mind, misled BDO. Neither negligent misrepresentation nor detrimental reliance can be established by the Company or the Crystal Wealth Funds in the circumstances; and

- e) the damages claimed by the Company and Crystal Wealth Funds are both premature and overstated. Among other factors: the claimed damages fail to account for the ongoing recoveries of the Receiver in the Receivership Proceedings; the misconduct, to the extent it occurred, was confined to a limited timeframe near the end of BDO's relationship with the Company and Crystal Wealth Funds; and inherent risks associated with many of the Crystal Wealth Funds "direct" investments, as is elaborated upon by BDO in its Statement of Defence.

THE STATEMENT OF ALLEGATIONS ISSUED BY THE OSC ENFORCEMENT BRANCH

59 On October 12, 2018, in connection with BDO's audit of certain Crystal Wealth Funds, a Statement of Allegations was issued against BDO by staff of the Enforcement Branch ("**Staff**") of the OSC under subsection 127(1) and section 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 (the "**Act**") (the "**Statement of Allegations**") (such proceedings being referred to herein as the "**OSC-BDO Proceedings**"), whereby Staff requested that the OSC make Orders:

- a) that BDO be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;
- b) that BDO pay an administrative penalty of not more than \$1 million for each failure by BDO to comply with Ontario securities law, pursuant to paragraph 9 of subsection 127(1) of the Act;
- c) that BDO disgorge to the OSC any amounts obtained as a result of the non-compliance with Ontario securities law, pursuant to paragraph 10 of subsection 127(1) of the Act;
- d) that BDO pay the costs of the OSC investigation and hearing, pursuant to section 127.1 of the Act; and
- e) such other order as the OSC considers appropriate in the public interest.

60 The Statement of Allegations was amended by Staff on September 16, 2019. Pursuant to an Order of the OSC issued on August 19, 2019, the hearing on the merits was scheduled to commence on March 2, 2020. Documentation and Orders concerning the OSC-BDO Proceedings can be found on the OSC's website at: <https://www.osc.gov.on.ca/en/58359.htm>.

THE SETTLEMENT OF THE OSC-BDO PROCEEDINGS AND THE RECEIVER'S ACTION

The September 20, 2018 and April 24, 2019 Mediations

- 61 A mediation of the Receiver's Action and the Proposed Class Action was held on September 20, 2018, but failed to result in a settlement being agreed upon with BDO.
- 62 Thereafter: (i) AGB LLP and the Receiver subsequently obtained and reviewed copies of BDO's audit working papers; and (ii) BDO requested and was provided access to the Company's files that the Receiver seized immediately upon the commencement of the Receivership Proceedings.
- 63 Following this exchange of information, the parties re-attended a mediation of the Receiver's Action and the Proposed Class Action on April 24, 2019. Terms of a resolution could not be agreed upon by the parties, and accordingly, the mediation concluded on that date.

The Mediation of the Receiver's Action and the OSC-BDO Proceedings – January 13 & 14, 2020

- 64 After the certification motion was held in the Proposed Class Action on December 9–11, 2019, the Receiver agreed to participate in a mediation on January 13 and 14, 2020, which included not only BDO, but also Staff of the OSC. As the issues in the OSC-BDO Proceedings are different than the issues in the Receiver's Action, despite the overlap in subject matter, the mediation between the OSC and BDO was conducted in parallel but formed part of the overall settlement between all the parties, as is further discussed below.
- 65 The Receiver understands that there were contribution issues between BDO and Media House Capital (Canada) Corp., Bron Capital Partners Corp., Bron Studios Inc., Bron Animation Inc., Bron Media Corp., Bron Developments Inc., Aaron Gilbert and Steven Thibault Media House (collectively, "**Media House**"). Media House attended the first mediation in order to explore the possibility of resolving the contribution issues. The Receiver further understands that the contribution issues remained outstanding at the time of the second mediation, and Media House requested to attend and participated in the second mediation.
- 66 As indicated above, the decision of Justice Perell dismissing the certification motion in the Proposed Class Action was released on January 8, 2020. The proposed Class was not

included in the January 13 and 14, 2020 mediation. As indicated, the Notice of Appeal of the January 8, 2020 Order was subsequently served on January 30, 2020.

- 67 On the second day of the mediation, a settlement of both the OSC-BDO Proceedings and of the Receiver's Action was reached, subject to OSC and Court approval. The Receiver understands that the contribution issues with respect to Media House were also resolved, but the Receiver is not aware, nor was it a party to, a settlement of same.
- 68 There are two components to the overall settlement that directly affect the investors of the BDO Audited Funds (with the exception of the Retirement Fund): (i) the settlement agreement between Staff and BDO (the "**OSC Settlement Agreement**"); and (ii) the Settlement Agreement between the Receiver and BDO. The OSC Settlement Agreement is attached hereto as **Appendix "20"**. The Settlement Agreement is attached hereto as **Confidential Appendix "1"**. A redacted version of the Settlement Agreement is attached hereto as **Appendix "21"**.

THE OSC SETTLEMENT AGREEMENT

- 69 The OSC Settlement Agreement was approved by an Order of the OSC issued on January 24, 2020 (the "**OSC Approval Order**"). The OSC Approval Order is attached hereto as **Appendix "22"**.
- 70 Pursuant to the terms of the OSC Settlement Agreement and the OSC Approval Order, BDO was required to pay an administrative penalty (an "**AMP Penalty**") in the amount of \$3,500,000, as well as costs in the amount of \$500,000.
- 71 Pursuant to the OSC Settlement Agreement, upon the Court's approval of the Settlement Agreement between the Receiver and BDO, Staff will recommend to the OSC that \$2,500,000 of the \$3,500,000 AMP Payment be allocated or used for the benefit of the unitholders of the Crystal Wealth Funds, provided such amounts are to go to the unitholders, without any deduction for legal fees or expenses, including any expenses related to the distribution of the amounts.

THE SETTLEMENT AGREEMENT CONCERNING THE RECEIVER'S ACTION

- 72 The Settlement Agreement between BDO and the Receiver provides that the existence of the settlement may be disclosed, but that the terms of the Settlement Agreement shall be

maintained by the parties in strict confidence pending the filing of motion materials by the Receiver in support of the required approval of the Settlement Agreement.

- 73 BDO has nevertheless consented to the redacted Settlement Agreement being attached hereto as Appendix 21, which reflects that the Receiver will receive total consideration of \$32.5 million under the terms of the Settlement Agreement with BDO, in addition to at least \$2.5 million of the \$3.5 million AMP Payment which BDO was required to pay to the OSC pursuant to the terms of the OSC Approval Order and OSC Settlement Agreement, as is explained in paragraph 72 above.

THE RECEIVER RECOMMENDS THE SETTLEMENT AGREEMENT BE APPROVED

- 74 The Receiver is of the view that the resolution of the Receiver's Action, on the terms set out in the Settlement Agreement, is in the best interests of the Crystal Wealth Group and its stakeholders. The Receiver makes this recommendation, which it believes to be reasonable and appropriate in the circumstances, while taking into account litigation risk, the time associated with prosecuting the Receiver's Action and any appeals arising therefrom, the Receiver's monetization efforts to date, the immediate value proposition offered by the Settlement Agreement, the monetary recoveries of the Receiver in the Receivership Proceedings, and in following the advice of its legal counsel. Attached hereto as **Confidential Appendix "2"** is the opinion letter (the "**AGB LLP Opinion Letter**") issued to the Receiver by its counsel in the Receiver's Action, AGB LLP, setting out AGB LLP's recommendation to the Receiver concerning the Settlement Agreement.
- 75 The Receiver's method and proposed distribution of the proceeds of the Settlement Agreement are outlined in the rider to the Fifth Report (the "**Distribution Rider**") attached hereto as **Confidential Appendix "3"**.
- 76 The net proceeds available to unitholders arising from the Settlement Agreement have been substantially increased as a result of the Receiver entering into a revised fee agreement with AGB LLP (the "**Amended Fee Agreement with AGB LLP**"), which, if approved by the Court, entitles AGB LLP to a lesser sum than it would have been otherwise entitled to receive from the proceeds of the Settlement Agreement under the AGB LLP Engagement Letter, which was previously approved by the Court as part of the August 20, 2018 Order and Endorsement. The Amended Fee Agreement with AGB LLP is attached hereto as **Confidential Appendix "4"**.

- 77 The Receiver and AGB LLP worked together to enter into the Amended Fee Agreement in order to permit a greater percentage of the proceeds of the Settlement Agreement to be distributed to unitholders. The Receiver recommends that the Court approve the Amended Fee Agreement.
- 78 It is the Receiver's opinion that the disclosure of the Receiver's detailed rationale for entering into the Settlement Agreement, including the AGB LLP Opinion Letter, and the disclosure of the Distribution Rider and the Amended Fee Agreement with AGB LLP, would be prejudicial to the Crystal Wealth Group and its stakeholders, in the event that the Settlement Agreement is not approved by the Court. Accordingly, a sealing order is requested in respect of such documents, and in respect of the unredacted version of the Settlement Agreement attached as Confidential Appendix "1", which contains commercially sensitive information which could prejudice the Receiver's monetization efforts if disclosed.

RECEIPTS AND DISBURSEMENTS OF THE RECEIVERSHIP

- 79 Attached hereto as **Appendix "23"** is the Receiver's Interim Statement of Receipts and Disbursements for the period April 26, 2017 to February 29, 2020 which outlines the cash balances of the Company and the Crystal Wealth Funds.

PROPOSED THIRD INTERIM DISTRIBUTION

- 80 Based on available cash balances as at February 29, 2020, and assuming the Settlement Agreement is approved by the Court and that the Receiver receives all payments contemplated thereunder, the following table demonstrates the calculated proposed per unit interim distribution to investors of certain of the Crystal Wealth Funds using the allocation methodology set out in the Distribution Rider contained at **Confidential Appendix "3"**.¹ The database of investors is that contained in the records of IFDS pursuant to the June 30, 2017 Order. Cash balances for each of the Crystal Wealth Funds are as at February 29, 2020. The total cash balance consists of all Canadian dollar denominated funds.

¹ The table calculations assume that the Receiver will receive the entirety of the \$3.5 million AMP Payment.

Fund	In 000's					Per Unit			
	Cash Balance Feb 29/20	Inter-fund Investment Proceeds	Gross Available Cash	Holdbacks	Available Proceeds for Third Distribution	Third Distribution	Second Distribution	First Distribution	Total Distributions Made by the Receiver
Mortgage Fund	\$ 9,973	\$ 527	\$ 10,500	\$ (786)	\$ 9,714	\$ 3.621	\$ 1.625	\$ 1.445	\$ 6.692
Resource Fund	98	75	173	(143)	30	\$ 0.050	\$ 1.944	\$ 2.931	\$ 4.924
Factoring Fund	16,908	0	16,909	(1,735)	15,174	\$ 4.205	\$ -	\$ -	\$ 4.205
Medical Fund	2,329	391	2,720	(441)	2,279	\$ 3.337	\$ 1.678	\$ 2.858	\$ 7.873
Bullion Fund	427	-	427	(133)	294	\$ 3.568	\$ -	\$ 2.021	\$ 5.589
Media Fund	14,886	-	14,886	(956)	13,930	\$ 2.577	\$ 2.479	\$ 1.181	\$ 6.237
High Yield Mortgage Fund	1,040	425	1,465	(195)	1,270	\$ 2.342	\$ 2.642	\$ 2.923	\$ 7.907
Infrastructure Fund	268	-	268	(567)	Nil	\$ -	\$ -	\$ 2.193	\$ 2.193
Hedge Fund	348	-	348	(1,082)	Nil	\$ -	\$ -	\$ 0.125	\$ 0.125
Conscious Capital Fund	15	-	15	(103)	Nil	\$ -	\$ -	\$ -	\$ -
ACM Income Fund	259	2,769	3,028	(269)	2,759	\$ 2.612	\$ 2.404	\$ 0.623	\$ 5.639
ACM Growth Fund	359	1,147	1,505	(282)	1,224	\$ 1.024	\$ 0.179	\$ 4.882	\$ 6.084
Sustainable Dividend Fund	103	3	107	(168)	Nil	\$ -	\$ -	\$ 10.761	\$ 10.761
Sustainable Property Fund	352	-	352	(158)	194	\$ 0.427	\$ 2.203	\$ 1.994	\$ 4.624
Total	\$ 47,366	\$ 5,337	\$ 52,703	\$ (7,018)	\$ 46,867	\$ 46,867	\$ 25,271	\$ 31,463	\$ 103,601

81 As the foregoing table suggests, the Receiver is recommending a per unit distribution for ten (10) of the Crystal Wealth Funds. Four (4) of the Crystal Wealth Funds do not have funds available for distribution, after certain holdbacks (as noted below), and as a result, the investors in same will not receive a per unit distribution at this stage.² For clarity, investors in these four funds will not be required to fund the noted shortfall in each of their Funds.

82 Holdbacks for actual and future estimated Receiver and legal fees are similarly tracked in the table above either by specific Crystal Wealth Fund, or if they represent time allocable

² Holdbacks include, among other things: (i) claims received from certain creditors of the Crystal Wealth Funds pursuant to the Creditor Claims Procedure; (ii) the contingent claim filed by BDO, as detailed in the Second Report and amended as set out in the Settlement Agreement; and (iii) an additional holdback for estimated Receiver and legal fees with respect to the continued administration of the receivership.

to all Crystal Wealth Funds, then such fees were allocated on the basis of effort and number of investors in each Fund.

- 83 As is indicated in the above table, if the proposed third interim distribution proceeds, then the Receiver will have distributed approximately \$103,601,000 to unitholders since its appointment.

OTHER ACTIVITIES OF THE RECEIVER SINCE THE FOURTH REPORT

- 84 Upon its appointment, the Receiver took immediate steps to secure and preserve the Property of the Crystal Wealth Group, communicate with stakeholders, and deal with other operational and administrative tasks. The Receiver has conducted the following key activities in relation to its appointment:
- a) Corresponded or met with borrowers and debtors of the Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors and entered into settlement negotiations for amounts owing or commenced litigation or bankruptcy proceedings, as considered appropriate;
 - b) conducted meetings and correspondence with certain third-parties, borrowers/debtors and their legal counsel, as appropriate;
 - c) corresponded and held numerous discussions with the Receiver's counsel concerning enforcement and recovery initiatives;
 - d) corresponded and held a number of discussions with NBCN on various fund administration matters related to the Crystal Wealth Funds;
 - e) corresponded with various third-parties involved in administering certain Crystal Wealth Funds, and, in some cases, their legal counsel and financial advisors;
 - f) collected monthly payments and funds held by third-parties administering certain Crystal Wealth Funds and/or their assets;
 - g) prepared the financial statements for the 2018 and 2019 taxation year for each of the Crystal Wealth Funds and compiled the supporting information for same;

- h) prepared the necessary taxation reporting and filings for each of the Crystal Wealth Funds;
- i) issued tax receipts to investors, and engaged SS&C Fund Administration Company in connection with same;
- j) responded to numerous calls and emails from Crystal Wealth Group investors and other stakeholders;
- k) distributed 9 notices to all investors, which were also posted to the Receiver's Case Website, from July 12, 2018 to March 18, 2020, updating them on the receivership as events have unfolded;
- l) maintained a listing of investors with holdings, accounts, and contact information including email addresses; and
- m) maintained a public website for the Receivership Proceedings in accordance with the Commercial List E-Service Protocol.

RECEIVER'S FEES AND DISBURSEMENTS

- 85 Pursuant to paragraph 23 of the Appointment Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Appointment Order. Pursuant to paragraph 24 of the Appointment Order, the Receiver and its counsel shall pass their accounts.
- 86 The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court for the period beginning April 24, 2018 and ending February 29, 2020. The Receiver and its counsel have maintained detailed records of their professional time and costs.
- 87 The total fees for the Receiver for the period June 1, 2018 to February 29, 2020, were \$684,024.34, plus disbursements of \$1,458.88, plus HST of \$89,112.82, for a total of \$774,596.04. The time spent by the Receiver is more particularly described in the Affidavit of Bruce Bando sworn March 27, 2020 (the "**Bando Affidavit**"), which is attached hereto

as **Appendix “24”** and contains copies of invoices that set out the services provided during this time period.

- 88 The total fees of A&B, as counsel to the Receiver, for the period of April 24, 2018 to February 28, 2020, were \$691,935.50, plus disbursements of \$39,429.78, plus HST of \$92,503.68, for a total of \$823,868.96. The time spent by A&B is more particularly described in the Affidavit of Shakaira John sworn March 19, 2020 (the “**John Affidavit**”), which is attached as **Appendix “25”** and contains, among other things, copies of invoices that set out the services provided during this period of time.
- 89 It is the Receiver’s opinion that the fees and disbursements of the Receiver and A&B accurately reflect the work done by the Receiver and on behalf of the Receiver by A&B in connection with the receivership and the administration of the Property of the Crystal Wealth Group from April 24, 2018 to February 29, 2020.
- 90 It is the Receiver’s opinion that the fees and disbursements of A&B are fair and reasonable and justified in the circumstances. The Receiver recommends approval of A&B’s accounts by this Honourable Court.

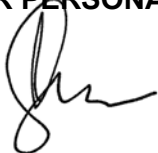
CONCLUSION

- 91 For the reasons set out in this Fifth Report, the Receiver respectfully requests the relief and approval requested in the Receiver’s Notice of Motion dated May 19, 2020.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 19th day of May, 2020.

**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**

Per:



Jonathan Krieger, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 17

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
JUSTICE KOEHNEN

)
)
)
)
)

TUESDAY, THE 2ND DAY
OF JUNE, 2020

BETWEEN:

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**”), without security, of all of the assets, undertakings and properties of 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**”), for an Order, *inter alia*, approving the Fifth Report of the Receiver dated May 19, 2020 (the “**Fifth Report**”) and the activities of the Receiver set out in the Fifth Report, approving the BDO Settlement Agreement (as defined in the Fifth Report), approving the Receiver’s proposed third interim distribution, and

for other relief requested by the Receiver in its Notice of Motion dated May 22, 2020, was heard this day by tele-conference at 330 University Avenue, Toronto, Ontario.

ON READING the Fifth Report, including the affidavit of Bruce Bando sworn March 27, 2020 (the “**Bando Affidavit**”), and the affidavit of Shakaira John sworn March 19, 2020 (the “**John Affidavit**”), and on hearing the submissions of counsel for the Receiver and such other counsel who were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Bradley Cook sworn May 22, 2020, filed,

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

2. **THIS COURT ORDERS** that the Fifth Report and the activities of the Receiver described therein be and are hereby approved.

3. **THIS COURT ORDERS** that the Settlement Agreement (as defined in the Fifth Report) entered into by the Receiver and BDO Canada LLP (“**BDO**”) be and is hereby approved on a contingent basis, subject to the following:

(a) the Ontario Securities Commission (“**OSC**”) approving that at least \$2,500,000.00 of an Administrative Monetary Penalty agreed to between the OSC and BDO be paid to the Receiver for the purposes of distribution to unitholders of the Crystal Wealth Funds (the “**AMP Payment**”); and

(b) the Receiver obtaining the AMP Payment.

4. **THIS COURT ORDERS** that the amount of the AMP Payment, as received by the Receiver, shall be distributed to the unitholders in accordance with paragraph 9 without any deduction for legal fees or expenses, including any expenses related to the distribution of the amounts (the “**AMP Contingency**”).

5. **THIS COURT ORDERS** that upon receipt of the AMP Payment by the Receiver, the Receiver shall provide written notice of such receipt to BDO, which written notice shall be made by email to the lawyer for BDO, Andrea Laing (andrea.laing@blakes.com) (the “**Written Notice**”).

6. **THIS COURT DECLARES** that the terms of the Settlement Agreement are fair and reasonable for the circumstances of this proceeding.

7. **THIS COURT ORDERS** that the Settlement Agreement – including, without limitation the Releases provided for therein – is approved by this Court on a final basis and that the Receiver is authorized and directed to comply with its obligations thereunder at the time of the Receiver or its lawyers sending the Written Notice referred to in paragraph 5 above, thereby constituting Final Commercial List Approval, as defined in sub-paragraph 1(b) of the Settlement Agreement.

8. **THIS COURT ORDERS** that the Amended Fee Agreement with AGB LLP (as defined in the Fifth Report) entered into by the Receiver and AGB LLP in settlement of any and all claims to compensation or payment otherwise that AGB LLP has pursuant to the AGB LLP Engagement Letter attached as Confidential Appendix “1” to the Fourth Report, be and is hereby approved.

9. **THIS COURT ORDERS** that the Receiver’s methodology and proposal to make an interim distribution to investors of certain Crystal Wealth Funds, as set out in the Fifth Report, be and is hereby approved, and that the Receiver is hereby authorized to make such interim distribution to such investors.

10. **THIS COURT ORDERS** that the Confidential Appendices to the Fifth Report be and are hereby sealed until further Order of the Court.

11. **THIS COURT ORDERS** that the Receiver’s Interim Statement of Receipts and Disbursements through to February 29, 2020, as appended to the Fifth Report, be and is hereby approved.

12. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period June 1, 2018 to February 29, 2020, as described in the Fifth Report and as set out in the Bando Affidavit, be and are hereby approved.

13. **THIS COURT ORDERS** that the fees and disbursements of Aird & Berlis LLP, the lawyers for the Receiver, for the period April 24, 2018 to February 28, 2020, as described in the Fifth Report and as set out in the John Affidavit, be and are hereby approved.

14. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

15. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

16. **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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

17. **THIS COURT ORDERS** that, this order is effective from today's date and is not required to be entered.



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

ORDER

AIRD & BERLIS LLP

Barristers and Solicitors
Brookfield Place
Suite 1800, 181 Bay Street
Toronto, ON M5J 2T9

Steven L. Graff (LSO # 31871V)

Tel: (416) 865-7726
Fax: (416) 863-1515
E-mail: sgraff@airdberlis.com

Mark van Zandvoort (LSO # 59120U)

Tel: (416) 865-4742
Fax: (416) 863-1515
E-mail: mvanzandvoort@airdberlis.com

Shakaira John (LSO # 72263D)

Tel: (416) 865-4637
Fax: (416) 863-1515
E-mail: sjohn@airdberlis.com

*Lawyers for Grant Thornton Limited, in its capacity as
Receiver and Manager of Crystal Wealth Management
System Limited, 1150752 Ontario Limited et. al*

APPENDIX 18

December 20, 2019

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

The purpose of this notice is to provide an update on the administration of the receivership proceedings with respect to the Crystal Wealth Funds.

2019 Income Tax Slips

As you are aware, the Receiver issued the First Interim Distribution and the Second Interim Distribution on January 18, 2018 and September 27, 2018, respectively, for which tax slips were provided to investors in early 2019. As there was no interim distribution in 2019, the Receiver will not be issuing tax slips for the 2019 tax year.

Update on the Receiver's Realization Actions

In our previous communications, Investors were advised that the Receiver would be making further efforts to advance its investigations and realizations regarding the Off-Book Investments. Such efforts would include, among other things, issuing demands, commencing litigation and commencing bankruptcy proceedings against certain companies and individuals, all in order to enhance investigative powers and/or determine the financial wherewithal of such companies and individuals for potential return to the Crystal Wealth Funds. The commencing of litigation or bankruptcy proceedings was determined on a case by case basis depending on our investigation into the merits of the claim, the financial situation of each person or entity and the level of cooperation from same. The Receiver's efforts to date are summarized in the table below.

In some cases, as noted below, the Receiver was able to avoid litigation or bankruptcy proceedings by negotiating settlements.

All of the following actions are on-going. The Receiver will provide a further update on such matters at an appropriate time.

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 was brought on behalf of the Company and the Crystal Wealth Funds (as opposed to the investors directly).

On December 9 and 10, 2019, the Honourable Justice Perell heard the certification motion in the Proposed Class Action. Justice Perell reserved his decision, and the outcome of the motion has therefore yet to be released.

Information regarding 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:

Nathaniel Read-Ellis
Adair Goldblatt Bieber LLP
T: (416) 351-2789
E: nreadellis@AGBLLP.com

Simon Bieber
Adair Goldblatt Bieber LLP
T: (416) 351-2781
E: sbieber@AGBLLP.com

Status of Litigation and Bankruptcy Proceedings

Debtor Entity/Entities or Defendant(s)	Crystal Wealth Group Claimant(s)	Court File No./Estate No.	Update
1566496 Alberta Ltd.	Crystal Wealth Enlightened Factoring Strategy (the “ Factoring Fund ”)	Court of Queen’s Bench of Alberta (“ ABQB ”) – Court File No. 1801-12360; Estate No. 094942	Bankruptcy Order obtained on application of the Receiver on September 14, 2018. The Bowra Group Inc. has been appointed as trustee of the bankrupt’s estate.
647497 B.C. Ltd.	Factoring Fund	Supreme Court of British Columbia – Court File No. VER-S-B-55205; Estate No. 11-2430287	Bankruptcy Order obtained on application of the Receiver on October 2, 2018. The Bowra Group Inc. has been appointed as trustee of the bankrupt’s estate.
Restoration Energy Inc.	Factoring Fund and Crystal Wealth Enlightened Hedge Fund (the “ Hedge Fund ”)	ABQB – Court File No. 1801-12359; Estate No. 094943	Bankruptcy Order obtained on application of the Receiver on September 14, 2018. The Bowra Group Inc. has been appointed as trustee of the bankrupt’s estate.
1092545 B.C. Ltd.	Factoring Fund	Ontario Superior Court of Justice (Commercial List) – Court File No. CV-17-11779-00CL; BCSC – Court File No. B-190369;	Judgment obtained by the Receiver against 1092545 B.C. Ltd. on August 20, 2018. Bankruptcy Order obtained on application of the Receiver on July 4, 2019. The Bowra Group Inc. has been appointed as trustee of the bankrupt’s estate.

Debtor Entity/Entities or Defendant(s)	Crystal Wealth Group Claimant(s)	Court File No./Estate No.	Update
		Estate No. 11-254179	
Solid Holdings Ltd.	Factoring Fund	BCSC – Court File No. B-180514; British Columbia Court of Appeal – Court File No. CA45889	Bankruptcy Order obtained on application of the Receiver on February 1, 2019; affirmed by British Columbia Court of Appeal on June 16, 2019. The Bowra Group Inc. has been appointed as trustee of the bankrupt's estate.
Onstar Exploration Ltd.	Factoring Fund, Hedge Fund, and Crystal Enlightened Bullion Fund (the "Bullion Fund")	BCSC – Court File No. B-190401; Estate No. 11-254183	Bankruptcy Order obtained on application of the Receiver on September 16, 2019. The Bowra Group Inc. has been appointed as trustee of the bankrupt's estate.
611802 B.C. Ltd	Factoring Fund, Hedge Fund, and Bullion Fund	(BCSC – Court File No. 55863)	Bankruptcy Order obtained on application of the Receiver on August 6, 2019. The Bowra Group Inc. has been appointed as trustee of the bankrupt's estate.
Dome Mountain Resources of Canada Inc.	Factoring Fund and Hedge Fund	(BCSC – Court File No. 56246)	On December 12, 2019, the Receiver filed an application for a Bankruptcy Order against Dome Mountain Resources of Canada Inc., returnable January 15, 2020.
Martin McCready	CLJ Everest Ltd.	Ontario Superior Court of Justice ("ONSC") – Court File Nos. CV-18-1601019-00CL; 31-OR-208382-T	Judgment obtained by the Receiver against Martin McCready on January 11, 2019. Bankruptcy Order obtained on application of the Receiver on July 16, 2019.
Jeffrey Maljaars, Robert Maljaars, Marion DenHollander, and Darcy Pahl	Factoring Fund and Hedge Fund	ONSC (Commercial List) – Court File No. CV-18-604459-00CL	On September 4, 2018, the Receiver commenced an action in the ONSC (Commercial List) against Jeffrey Maljaars, Robert Maljaars, Marion DenHollander, and Darcy Pahl pursuant to their guarantor obligations to the Factoring and Hedge Funds, as applicable. On December 3, 2019, the Receiver obtained Default Judgment against Robert Maljaars and Darcy Pahl. The action remains ongoing as against Marion DenHollander and Jeffrey Maljaars, who have delivered statements of defence in the proceeding.

Debtor Entity/Entities or Defendant(s)	Crystal Wealth Group Claimant(s)	Court File No./Estate No.	Update
Zomongo.TV Corp., Zomongo.TV Holdings Corp., Zomongo Inc., David DenHollander, Marion DenHollander, Jeremy Ostrowski, and Jocelyne Hughes-Ostrowski	Factoring Fund and Hedge Fund	ONSC (Commercial List) – Court File No. CV-19-00612240-0000	On January 9, 2019, the Receiver commenced an action in the ONSC (Commercial List) against Zomongo.TV Corp., Zomongo.TV Holdings Corp., Zomongo Inc., David DenHollander, Marion DenHollander, Jeremy Ostrowski, and Jocelyne Hughes-Ostrowski, in connection with the defendants' obligations to the Factoring Fund and Hedge Fund pursuant to the defendants' liabilities to the Funds, as applicable, pursuant to certain Factoring Agreements, letter agreement, and guarantees. The Receiver's action was stayed against Jeremy Ostrowski, who made an assignment in bankruptcy on April 18, 2019. On December 3, 2019, Default Judgment was obtained by the Receiver against Zomongo.TV Corp., Zomongo.TV Holdings Corp., Zomongo Inc., and Jocelyne Hughes-Ostrowski. The action remains ongoing as against Marion DenHollander and David DenHollander, who have delivered statements of defence in the proceeding.
Frontline Factoring Inc. and Jerry Froese	Factoring Fund and Hedge Fund	ONSC (Commercial List) – Court File No. CV-18-00608752-00CL	On September 4, 2018, the Receiver commenced an action in the ONSC (Commercial List) against Frontline Factoring Inc. ("Frontline") and Jerry Froese, in connection with the defendants' involvement and conduct with respect to and arising from the Factoring Procurement and Administration Agreement entered into by Frontline and the Funds. The action remains ongoing, and Frontline and Mr. Froese have delivered statements of defence in the proceeding.
Advanced Metal Concepts and Fabrication Ltd.	Factoring Fund	N/A	On February 12, 2019, after undertaking due diligence into the status of Advanced Metal Concepts and Fabrication Ltd., the Receiver agreed to assign the indebtedness owing by Advanced Metal to the Factoring Fund to a third party, in consideration of \$350,000.
Inca One Gold Corp.	Factoring Fund, Hedge Fund, and Bullion Fund	N/A	On October 30, 2019, the Receiver agreed to a confidential resolution with Inca One Gold Corp., details of which will be reported to the Court at a subsequent date.

Debtor Entity/Entities or Defendant(s)	Crystal Wealth Group Claimant(s)	Court File No./Estate No.	Update
OOM Energy Group	Crystal Wealth Mortgage Strategy (the "Mortgage Fund"), Crystal Wealth Infrastructure Strategy (the "Infrastructure Fund"), and Absolute Sustainable Property Fund	N/A	The Receiver and its counsel are continuing to explore recovery options with respect to the OOM Energy Loans.
Pond Technologies Inc.	Mortgage Fund and Crystal Wealth High Yield Mortgage Strategy (the "High Yield Mortgage Fund")	N/A	The Receiver continues to receive periodic payments in connection with the Pond Loan Amendments.
1076874 Properties Limited Partnership (US Real Estate LP)	Factoring Fund and Hedge Fund	ONSC (Commercial List) – Court File No. CV-19-00630036-00CL	On October 29, 2019, the Receiver commenced an action in the Ontario Superior Court of Justice (Commercial List) against 1076874 Properties Limited Partnership, and certain other persons and entities involved with and/or related to the US Real Estate LP (Alberto Storelli, Joseph Harker, Brian Peoples, 1076874 B.C. Ltd., 1077187 B.C. Ltd., DaVinci Capital Property, Inc., Rothbury REIT Limited Partnership, Rothbury Capital Corp. and DaVinci Capital REIT Inc.). At this time, despite service of the Statement of Claim, none of the defendants have defended the action. Should defences not be filed in accordance with the required timelines, the Receiver will seek default judgment.
Xynergy Medical Capital LLC	Crystal Wealth Medical Strategy	N/A	The Receiver continues to engage with Xynergy Medical Capital LLC in connection with realization efforts pursuant to the Master Medical Receivables Purchase and Administration Agreement made effective as of March 31, 2016, and including with respect to the Medical Fund's interest in certain NFL Participation Agreements, being funding agreements entered into between NFL players and KrunchCash Capital LLC (an entity associated with Xynergy).

Debtor Entity/Entities or Defendant(s)	Crystal Wealth Group Claimant(s)	Court File No./Estate No.	Update
Single Source Services Ltd.	Factoring Fund	N/A	On December 10, 2019, the Receiver submitted a claim to Caterpillar Financial Services Limited (" Cat Finance ") to surplus proceeds of \$41,849.37 arising out of Cat Finance's recent seizure and sale of particular collateral held by Single Source Services Ltd. The Receiver is awaiting confirmation from Cat Finance with respect to the Factoring Fund's claimed entitlement to the surplus funds.
Clayton Smith	Crystal Wealth Management System Limited and all Crystal Wealth Funds	N/A	Enforcement Staff of the Ontario Securities Commission commenced and concluded its own investigation into the conduct of Clayton Smith, which resulted in a Settlement Agreement in which Mr. Smith was sanctioned and reprimanded for his conduct. The Settlement Agreement, and the OSC's Oral Reasons for Approval of Settlement and the resulting Order, can be accessed at https://www.osc.gov.on.ca/documents/en/Proceedings-SET/set_20180528_smithc.pdf , https://www.osc.gov.on.ca/en/Proceedings_oth_2018_0614_smithc.htm , and https://www.osc.gov.on.ca/en/Proceedings_rad_2018_0614_smithc.htm , respectively. The Receiver has conducted an examination under oath of Clayton Smith and detailed investigations into Crystal Wealth Management System Limited and the Crystal Wealth Funds. The Receiver has brought this matter to the attention of the Ontario Provincial Police.
Al Housego	Crystal Wealth Management System Limited and certain Crystal Wealth Funds	N/A	On April 12, 2018, the Receiver conducted an examination under oath of Al Housego, at which time Mr. Housego testified that he was the subject of a securities commission investigation in British Columbia. The full transcript from the examination of Mr. Housego can be accessed on the Receiver's Case Website: https://docs.grantthornton.ca/document-folder/viewer/docul8LWsxWwho7J/209622021879615015?_ga=2.9065397.1615974802.1558975228-455411779.1525375598 .

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 20th day of December, 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

APPENDIX 19



May 22, 2020

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

Grant Thornton Limited
 11th Floor
 200 King Street West, Box 11
 Toronto, ON
 M5H 3T4
 T +1 416 366 0100
 F +1 416 360 4949

The purpose of this notice is to provide an update on the administration of the receivership proceedings with respect to the Crystal Wealth Funds.

Motion to Court to Approve the Receiver's Settlement Agreement

In its previous Notices to Investors, the Receiver provided updates regarding an action (the "**Action**") commenced by the Receiver in the Ontario Superior Court of Justice (Commercial List) (the "**Court**") against BDO Canada LLP ("**BDO**"). The Receiver also advised that in January of this year, the Receiver and BDO entered into a settlement agreement (the "**Receiver's Settlement Agreement**") with respect to the Action, which is subject to approval by the Court.

The Receiver advises that on June 2, 2020, the Court will hear the Receiver's motion to approve the Receiver's Settlement Agreement (the "**June 2, 2020 Motion**"). Full particulars of the June 2, 2020 Motion, including the Receiver's Fifth Report to the Court (the "**Fifth Report**"), can be accessed from the Receiver's Case Website noted below.

Third Interim Distribution of Certain Crystal Wealth Funds

At the June 2, 2020 Motion, the Receiver will also be requesting the Court to approve the third interim distribution to the investors of certain Crystal Wealth Funds as outlined in the Fifth Report, the proceeds of which is principally a result of receiving the proceeds under the Receiver's Settlement Agreement.

The Receiver will be releasing the third interim distribution after the Court approves same and after the expiry of the appeal period. The third interim distribution will be similar to the first and second interim distributions with respect to how investors may access their funds. Investors can estimate their third interim distribution using the information and table included in paragraph 80 of the Fifth Report. The Receiver will communicate with investors on the day of the payment, including particulars of such payment.

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

Toll Free Number: +1 (866) 448-5867

Email: Crystal.Wealth@ca.gt.com

Receiver's Case Website: www.GrantThornton.ca/CrystalWealth

DATED at Toronto, Ontario, this 22nd day of May, 2020.

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

APPENDIX 20



July 21, 2020

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

Grant Thornton Limited

11th Floor
200 King Street West, Box 11
Toronto, ON
M5H 3T4

T +1 416 366 0100

F +1 416 360 4949

Third Interim Distribution

Further to the Receiver's Notice to Investors dated May 22, 2020, the Receiver released the third interim distribution to the relevant custodial entities, including but not limited to National Bank Independent Network ("NBIN"), on **July 21, 2020**. Please note that it may take up to three (3) business days for the respective custodians to process the interim distribution.

The third interim distribution will be made on a per unit basis, specific to each of the Crystal Wealth Funds, as outlined in the table below¹. **The amount that will be received by investors is based on: (i) the number of units held and (ii) the Crystal Wealth Funds in which an investor holds units.**

Fund Name	Per Unit Distribution
Crystal Wealth Mortgage Strategy (" Mortgage Fund ")	\$ 3.621
Crystal Enlightened Resource and Precious Metals Fund (" Resource Fund ")	\$ 0.050
Crystal Wealth Enlightened Factoring Strategy (" Factoring Fund ")	\$ 4.205
Crystal Wealth Medical Strategy (" Medical Fund ")	\$ 3.337
Crystal Enlightened Bullion Fund (" Bullion Fund ")	\$ 3.568
Crystal Wealth Media Strategy (" Media Fund ");	\$ 2.577
Crystal Wealth High Yield Mortgage Strategy (" High Yield Mortgage Fund ")	\$ 2.342
Crystal Wealth Infrastructure Strategy (" Infrastructure Fund ")	\$ -
Crystal Wealth Enlightened Hedge Fund (" Hedge Fund ")	\$ -
Crystal Wealth Conscious Capital Strategy (" Conscious Capital Fund ")	\$ -
ACM Income Fund	\$ 2.612
ACM Growth Fund	\$ 1.024
Absolute Sustainable Dividend Fund (" Sustainable Dividend Fund ")	\$ -
Absolute Sustainable Property Fund (" Sustainable Property Fund ")	\$ 0.427

For example, if an investor holds 1,000 units in the Mortgage Fund and 500 units in the Resource Fund, the investor would receive an interim distribution of \$3,646. This amount is comprised of: (i) \$3,621 based upon the number of units held by the investor in the Mortgage Fund (1,000 units x \$3.621 per unit as reflected in the above-noted chart) and (ii) \$25 based upon the number of units held by the investor in the Resource Fund (500 units x \$0.050 per unit).

¹ A detailed explanation of the calculation of the per unit distribution to be received by certain of the Crystal Wealth Funds and the methodology of same is outlined in paragraphs 80 to 83 of the Receiver's Fifth Report dated May 19, 2020 which was approved by the Court on June 2, 2020.

Frequently Asked Questions

The Receiver has prepared answers to common questions with respect to the interim distribution.

Q: Is this the final distribution?

Answer:

The release of the interim distribution **does not** mean that this is the final distribution to investors. That being said, as outlined in the Receiver's various reports to the Court the Receiver has serious concerns as to the ultimate collectability of specific investments held in certain of the Crystal Wealth Funds and as a result, the Receiver cannot confirm at this time the quantum of a further distribution(s), if any.

Q: Where will the funds be deposited?

Answer:

As previously communicated, the interim distribution will be deposited into an investor's account(s) which hold units in the Crystal Wealth Funds (e.g. if an investor's investments are held at NBIN, the interim distribution will be deposited into each of the investor's NBIN account(s) in the form of cash). Once deposited, these monies will then be accessible to investors. This also means that distributions into registered accounts (e.g. RRSP, RRIF, TFSA, etc.) will be deposited into those registered accounts as cash.

Q: Can I transfer or withdraw cash received from the interim distribution?

Answer:

Investors can transfer their funds out to any financial institution. Investors are **not** required to move their accounts to another portfolio manager or exempt market dealer. To initiate a transfer, please contact the custodian where your account(s) are held (e.g. NBIN). With respect to registered accounts, it is very important that investors contact their tax advisors to understand the consequences, if any, of withdrawing or transferring cash held in registered accounts. While the interim distribution to registered accounts will not trigger any tax consequences, withdrawals or transfers of same by investors may have tax implications.

Q: Is the Receiver's approval required for withdraws or transfers?

Answer:

No. Investors, or their authorized representatives, can liaise directly with the custodian entity where their account(s) are held.

Q: Do I have to report income on my tax return?

Answer:

The Receiver will be providing relevant tax slips in accordance with the income tax legislation in Canada by no later than March 31, 2021. Such tax slips will provide the necessary information required for taxation reporting purposes for the entire 2020 calendar year.

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

Toll Free Number: +1 (866) 448-5867

Email: Crystal.Wealth@ca.gt.com

Receiver's Case Website: www.GrantThornton.ca/CrystalWealth

DATED at Toronto, Ontario, this 21st day of July, 2020.

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

APPENDIX 21



January 11, 2021

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to -

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

Grant Thornton Limited

11th Floor
200 King Street West, Box 11
Toronto, ON
M5H 3T4

T +1 416 366 0100

F +1 416 360 4949

The purpose of this notice is to provide an update on the administration of the receivership proceedings with respect to the Crystal Wealth Funds.

Third Interim Distribution of Certain Crystal Wealth Funds

As previously communicated to investors, on June 2, 2020, the Honourable Justice Koehnen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued an Order which, among other relief, approved the Receiver’s Settlement Agreement with BDO Canada LLP as well as the proposed third interim distribution to investors of certain Crystal Wealth Funds.

In the Notice to Investors dated July 21, 2020, the Receiver made investors aware of the particulars of the third interim distribution. The Receiver has coordinated with the relevant financial institutions the payment of such distribution for the majority of investors and will continue to coordinate the remaining payments.

Update on the Receiver’s Realization Actions

In the Receiver’s previous Notices to Investors, the Receiver advised that it would be making further efforts to advance its investigations and realizations regarding the Off-Book Investments. The Receiver is still pursuing its investigations and will provide a further update on such matters at an appropriate time.

However, as the Receiver outlined in the attached Notice to Investors dated July 21, 2020 and in various reports to Court, the Receiver has serious concerns as to the ultimate collectability of specific investments held in certain of the Crystal Wealth Funds. As you may be aware, a large portion of the assets contained in the Crystal Wealth Funds are not easily saleable, which mainly are the Off-Book Investments. Therefore, the Receiver cannot confirm at this time the quantum of a further distribution, if any.

Copies of materials filed in these receivership proceedings, including but not limited to Reports to Court, Notices to Investors and Court Orders can be accessed from the Receiver’s Case Website noted below.

Income Tax Slips

Similar to the issuance of tax slips relating to previous distributions, the Receiver will be providing relevant 2020 tax slips in accordance with the income tax legislation in Canada by no later than March 31, 2021. Such tax slips will provide the necessary information required for taxation reporting purposes for the entire 2020 calendar year.

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

Toll Free Number: +1 (866) 448-5867

Email: Crystal.Wealth@ca.gt.com

Receiver's Case Website: www.GrantThornton.ca/CrystalWealth

DATED at Toronto, Ontario, this 11th day of January, 2021.

Grant Thornton Limited,
solely in its capacity as the Court-appointed Receiver and Manager of
the Crystal Wealth Group, and not in its corporate or personal capacity

APPENDIX 22

July 6, 2022

TO: THE INVESTORS IN THE CRYSTAL WEALTH FUNDS

- and to –

CRYSTAL WEALTH DISCRETIONARY ACCOUNT HOLDERS

The purpose of this notice is to provide an update on the administration of the receivership proceedings with respect to the Crystal Wealth Funds.

Update on the Receiver's Realization Actions

As communicated in its previous Reports to Court and Notices to Investors, the Receiver advised that it would be making further efforts to advance its investigations and realizations regarding the remaining assets, otherwise known as Off-Book Investments. Such efforts have included, among other things, issuing demands for payment, commencing and continuing the litigation and bankruptcy proceedings against over 20 specific companies and individuals, and enforcing on personal guarantees provided by individuals, all in jurisdictions within and outside of Ontario.

The Receiver would like to emphasize that a large portion of the assets contained in the Crystal Wealth Funds are not easily saleable, essentially as they are very illiquid with limited markets and/or opportunities for realization. Such assets include but are not limited to: (i) commercial loans and factoring contracts of lower grade investment quality; (ii) residential mortgages in limited real estate markets where some are non-performing and are in various stages of foreclosure; (iii) loans to companies with operations in remote locations in relation to gold prospecting and production companies; (iv) holdings in limited partnerships and participation in sports agreements where the investment structure is complex with realization of same being dependent on other participating parties; and (v) equities and fixed income investments with limited, if any, trading opportunities.

The Receiver is continuing to pursue various avenues to realize on these remaining investments in a cost-effective manner. The Receiver recognizes that the realization of these investments is taking time, but the Receiver would like to assure investors that it is working to get the best outcome possible for investors as there are still a few investments that require the fulness of time in order to facilitate maximization of same. Once complete, the Receiver will be in a position to provide an update with respect to the timing and quantum of the next and likely final distribution to the investors of the Crystal Wealth Fund(s), if applicable. However, at this time there are not enough monies in such funds to warrant another distribution this year.

Copies of materials filed in these receivership proceedings, including but not limited to Reports to Court, Notices to Investors and Court Orders can be accessed from the Receiver's Case Website noted below.

Receiver's Action against BDO Canada LLP

The Receiver understands that some investors would like some clarity about the Receiver's action against BDO Canada LLP ("**BDO**"). As detailed in the Fifth Report and in various Notices to Investors beginning on January 27, 2020, the Court approved the Receiver's settlement agreement with BDO which reflected that the Receiver receive a total consideration of \$32.5 million under that settlement agreement. The Receiver distributed a large portion of the proceeds of this settlement agreement, along with the proceeds of the realization efforts to date, as part of the third interim distribution on July 21, 2020. Therefore, the Receiver's action against BDO has been settled. No further actions against BDO will be undertaken by the Receiver.

Class Action Whitehouse v. BDO

The Receiver also understands that some investors would like some clarity about the proposed class action *Whitehouse v. BDO Canada LLP* in which Whitehouse was represented by Adair Goldblatt Bieber LLP ("**AGB**"). The Receiver understands that certification of the class action was denied by the Ontario Superior Court of Justice, and that all appeals of that decision have been exhausted. As such, the Receiver understands that the class action shall not be certified by the Courts and will not proceed. More details can be found on the below website from AGB: <http://agblp.com/class-actions/whitehouse-v-bbdo-canada-llp.html>.

The Receiver encourages investors to review the Receiver's Case Website for further information, however, please do not hesitate to contact the Receiver at any time should you have any questions.

Toll Free Number: +1 (866) 448-5867

Email: Crystal.Wealth@ca.gt.com

Receiver's Case Website: www.GrantThornton.ca/CrystalWealth

DATED at Toronto, Ontario, this 6th day of July, 2022.

Grant Thornton Limited,

solely in its capacity as the Court-appointed Receiver and Manager of the Crystal Wealth Group, and not in its corporate or personal capacity

APPENDIX 23

PARTICIPATION AGREEMENT

THIS AGREEMENT made as of the 6th day of April, 2016

A M O N G:

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED
(hereinafter called the "**Agent**")

A N D:

SUZANNE WEST
(hereinafter called the "**Participant**")

WHEREAS the Agent has made a loan in the principal amount of \$4,500,000 (the "**Loan**") available to Pond Biofuels Inc. (the "**Borrower**") pursuant to a letter loan agreement dated December 15, 2015 (as amended, supplemented, restated and replaced from time to time, the "**Loan Agreement**") issued by the Agent in favour of the Borrower and accepted by the Borrower, a copy of which has been provided to the Participant;

AND WHEREAS the Agent and the Participant have agreed that the Agent will act as agent for the Participant and the Participant will participate in a portion of the principal and interest payable under the Loan on the terms and conditions of this Agreement;

NOW THEREFORE WITNESSETH that for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto each hereby covenant and agree as follows:

SECTION 1 - DEFINITIONS

- (a) "**Agent**" is defined in the recitals to this Participation Agreement.
- (b) "**Borrower**" is defined in the recitals to this Participation Agreement.
- (c) "**Business Day**" means a day other than Saturday, Sunday or a statutory holiday, or any other day upon which the Agent or any Participant is not open for the transaction of business throughout normal business hours, at its office in the City of Toronto.
- (d) "**Collateral**" shall mean the present and future assets of the Borrower that are encumbered by the security delivered pursuant to the Loan Agreement to secure the Loan.
- (e) "**Default**" means an "Event of Default" as defined in the Loan Agreement.

- (f) **"Effective Date"** means the effective date of this Agreement, being April 6, 2016 or such other date as may be agreed to between the Agent and the Participant.
- (g) **"Loan"** is defined in the recitals to this Participation Agreement.
- (h) **"Loan Agreement"** is defined in the recitals to this Participation Agreement.
- (i) **"Loan Documents"** shall mean the Loan Agreement, security agreements, and any other documents executed from time to time under or in connection with the Loan Agreement, all as may be renewed, amended, extended, increased or supplemented from time to time.
- (j) **"Obligations"** means all present and future obligations of the Borrower to the Agent under or in connection with the Loan Agreement.
- (k) **"Participant"** is defined in the recitals to this Participation Agreement.
- (l) **"Persons"** includes an individual, a partnership, a joint venture, a trust, an unincorporated organization or any other association, a corporation and a government or any department or agency thereof.

SECTION 2- APPOINTMENT OF AGENT; GENERAL DUTIES

- 2.1 The Participant hereby designates and appoints the Agent as the agent for the Participant under the Loan Agreement and any other Loan Documents and authorizes the Agent, as the agent for the Participant, to take such action on its behalf under the provisions of the Loan Documents and to exercise such powers and perform such duties as are given to the Agent by the terms of the Loan Agreement and all Loan Documents together with such other powers as are reasonably incidental thereto. The designation, appointment and authorization of the Agent in this paragraph are irrevocable except as expressly provided in this Agreement.
- 2.2 The Agent may execute or perform, and may delegate the execution and performance of, any of its powers, rights, discretions and duties under the Loan Documents through or to any Persons designated by it. References in any Loan Documents to the Agent shall include references to any such Persons.
- 2.3 Day-to-day administrative authority will be delegated to the Agent, the Agent being permitted to undertake all day-to-day administration of the Loan for and on behalf of the Participant subject to the Agent being required to obtain the consent, authorization or direction of the Participant as to the matters expressly described in this Agreement.
- 2.4 The Agent in exercising its powers and discharging its duties shall:
 - (a) act honestly and in good faith with a view to the best interests of the Participant; and

- (b) exercise the care, diligence and skill of a reasonably prudent agent of comparable commercial loans exercising powers and responsibilities similar to those delegated to the Agent pursuant to the terms of this Agreement.
- 2.5 The Agent shall provide loan statements to the Participant upon request (the "**Loan Statements**"). The Agent shall also be responsible for delivering such further and other reports as the Participant shall reasonably require in the usual course from time to time in order to assist the Participant to monitor their participation in the Loan. The Agent's responsibility to report as to default by the Borrower shall consist only of provision of the Loan Statements.
- 2.6 The security taken for the Loan shall be held by the Agent, in its name and in agreements to its credit and benefit, for the rateable benefit of the Participant and any proceeds from any realization of the security shall be applied as set forth in the Loan Documents (whether such security is held in the name of the Agent or in the name of the Participant).
- 2.7 The Agent shall be responsible for and perform the following duties:
 - (a) maintaining and permitting any duly authorized representative of the Participant to inspect documents or records kept in the possession of the Agent, on behalf of the Participant;
 - (b) enforcing any rights of the Participant or defending any claims made against the Participant on such terms and conditions as it may in its sole discretion deem satisfactory;
 - (c) supervise the preparation of the Loan Documents and the disbursement of the Loan;
 - (d) conduct monitoring of covenant compliance of the Loan;
 - (e) provide day-to-day management and administration of the Loan including monitoring and servicing the collection of loan payments; and
 - (f) take such action as the Agent deems necessary in respect of Defaults to maximize the return for the Agent and the Participant.
- 2.8 The Participant agrees that information regarding the Borrower and the Participant Facilities is proprietary and any specific opportunity relating to any renewal, amendment or additional financing requirements will not be solicited for the purpose of competitive business. This section is designed to protect the present business or future business of the Participant as well as the Agent.

SECTION 3- FUNDING, PAYMENTS AND REMUNERATION OF AGENT

- 3.1 The Agent and the Participant confirm that the Loan has heretofore been funded by the Agent and that the aggregate amounts outstanding from the Borrower under the Loan (inclusive of interest and all other costs and charges) as of the Effective Date is set out in

Schedule A and that the Agent hereby sells, assigns and grants unto the Participant an undivided participation interest in the Loan as set out more particularly in Schedule A in consideration for payment by the Participant to the Agent of \$1,000,000.00.

- 3.2 Unless otherwise agreed to in writing, the fees and other payments to be made to the Agent by the Borrower under the terms of the Loan Agreement shall be made to the Agent for its own behalf and as agent on behalf of the Participant. Payments on account of costs and expenses payable under the Loan Documents shall be allocated to the Agent. Payments on account of principal and interest shall be allocated and shared between Agent and Participant as set out in Schedule A.
- 3.3 The Agent shall, upon receipt of any principal, interest and fees and any other amounts payable under the Loan Agreement, promptly remit to the Participant its pro rata portion of the principal and interest received, within two (2) Business Days of actual receipt net of any fee payable to the Agent. If at any time there is a shortfall in the amount received as to the Loan so as to result in a shortfall in the payment to be made to the Participant, the amount received shall be distributed in the following order, (i) firstly, as to costs and expenses of the Agent, (ii) secondly, to principal payable under the Loan, (iii) thirdly, interest payable to the Agent, and (iv) fourthly, interest payable to the Participant provided that any amounts not paid shall accrue and be paid as soon as payments received under the Loan allow a full distribution to the Agent and the Participant to pay any costs and fees, principal and interest then owing and those accrued until caught up.
- 3.4 Any payments required to be made by the Agent to the Participant hereunder shall, unless otherwise agreed, be made by way of wire transfer in accordance with the wire transfer instructions provided by the Participant to the Agent from time to time.
- 3.5 The Agent hereby agrees that, in the event that the Loan has not been repaid in full on or before January 16, 2017, the Agent (or an affiliate of the Agent) shall forthwith repurchase the Participant's pro rata share of the outstanding amount of the Loan for consideration equal to the principal amount of the Participant's pro rate share of the Loan remaining unpaid plus an amount equal to any accrued but unpaid interest thereon as at such date.

SECTION 4 - LIMITS ON AGENT'S RESPONSIBILITY

- 4.1 The Agent shall not have any duties or responsibilities to the Participant, except those expressly set forth herein, or any fiduciary relationship with the Participant. No implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into the Loan Agreement or the Loan Documents or otherwise exist against the Agent.
- 4.2 Neither the Agent nor any of its officers, directors, employees, agents or attorneys-in-fact shall be:
 - (a) liable to the Participant for any action lawfully taken or omitted to be taken by it or such person under or in connection with the Loan Documents (except for its or such person's own gross negligence or wilful misconduct); or

- (b) responsible in any manner to any of the Participant for any recitals, statements, representations or warranties contained in the Loan Documents or in any certificate, report, statement or other document referred to or provided for in, or received by the Agent under or in connection with, the Loan Documents or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of the Loan Documents or for any Default by the Borrower.
- 4.3 The Agent shall be entitled to the advice of counsel concerning all matters pertaining to its duties.
- 4.4 The Agent shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, consent, certificate, affidavit, letter, electronic communication which creates a printable or recordable message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper person or persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrower), independent accountants and other experts selected by the Agent.
- 4.5 The Agent shall not be deemed to have knowledge or notice of the occurrence of any Default unless the Agent has received written notice from the Participant or the Borrower describing such Default. In the event that the Agent receives such a notice from the Borrower, the Agent shall promptly give notice thereof to the Participant within three (3) Business Days of receipt of such written notice. The Agent shall be entitled to take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable and in the best interests of the Agent and the Participant.
- 4.6 The Participant expressly acknowledges that neither the Agent nor any of its officers, directors, employees, agents or attorneys-in-fact has made any representations or warranties to it and that no act by the Agent hereinafter taken, including any review of the affairs of the Borrower, shall be deemed to constitute any representation or warranty by the Agent to the Participant.
- 4.7 The Participant agrees to indemnify the Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), from and against any and all liabilities, obligations, direct losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of any Loan Documents; provided that the Participant shall not be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting solely from the Agent's negligence or wilful misconduct. The agreements in this paragraph shall survive the payment of the Obligations.
- 4.8 The Agent will use its reasonable business judgement in handling the enforcement of its rights hereunder and realization upon the Collateral but shall not be liable to the Participant for any action taken or omitted to be taken in good faith or on the written advice of counsel. The Participant expressly release the Agent from any and all liability

and responsibility (express or implied), for any loss, depreciation of or delay in collecting or failing to realize on any Collateral, the Loan or any guarantees therefor and for any mistake, omission or error in judgment in passing upon or accepting any Collateral or in making (or in failing to make) examinations or audits or for granting indulgences or extensions to the Borrower, any account debtor or any guarantor, other than resulting from the Agent's gross negligence or wilful misconduct.

SECTION 5- TERMINATION ETC.

- 5.1 Prior to repayment in full of the Loan, the Agent may only resign as Agent with the consent of the Participant and only upon 90 days' notice to the Participant (or such shorter period as the Participant may agree to from time to time) and such resignation shall be effective upon the appointment of a successor Agent. If the Participant consents to the resignation of the Agent as contemplated above, then the Participant shall appoint a successor Agent for the Participant and if the Participant fails to do so within 90 days then the Agent may appoint a successor. Such successor Agent shall succeed to the rights, powers and duties of the Agent and the term "Agent" shall mean such successor agent effective upon its appointment, and the former Agent's rights, powers and duties as Agent shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to the Loan Agreement.
- 5.2 Notwithstanding the foregoing, the Participant may immediately terminate this Agreement if (i) an order is made or a resolution is passed or other proceeding taken for the dissolution of the Agent, (ii) the Agent consents to or makes a general assignment for the benefit of creditors, or makes a proposal to creditors under any insolvency law, or is declared bankrupt or a liquidator, trustee in bankruptcy, custodian or receiver or receiver and manager or interim receiver or other officer with similar powers is appointed to administer the property of the Agent, (iii) the Agent ceases to be qualified to act as Agent, or (iv) the Agent is in default of its material obligations hereunder and does not remedy such breach within a reasonable period after notice by any Participant.
- 5.3 Unless otherwise terminated as provided herein, this Agreement shall be in full force and effect until such time as the Loan has been indefeasibly repaid in full in cash, and all of the obligations of the Borrower to the Agent and the Participant have been fully and absolutely satisfied.
- 5.4 The Participant shall be entitled to assign any of its rights or obligations under or in connection with this Agreement, except to a Person affiliated with the Participant, without the prior written consent of the Agent.

SECTION 6 – MISCELLANEOUS

- 6.1 This Agreement shall be binding upon the parties hereto, and their respective permitted successors and assigns.
- 6.2 This Agreement will be governed by the laws of the Province of Ontario and federal laws of Canada applicable therein.

6.3 This Agreement may be amended only by the consent of the Agent and the Participant. Consent of the Borrower is not required.

6.4 Any notice to be given by any party hereto to any other party shall be in writing and may be given by personal delivery, by prepaid registered mail except during any period when postal service is interrupted, or by facsimile addressed as follows:

(a) to the Agent: 3385 Harvester Road, Suite 200
Burlington, Ontario
L7N 3N2

Attention: Clayton Smith
Facsimile: 905-332-6028

(b) to the Participant: 707 Alexander Crescent NW
Calgary, AB
T2M 4B8

Attention: Suzanne West

and if given by registered mail shall be deemed to have been received by the party to whom it was addressed on the date falling four Business Days following the date upon which it has been deposited in the post office with postage and cost of registration prepaid, and if personally delivered to an adult during normal business hours, when so delivered, and if given by facsimile, the third business hour after transmission and confirmation of receipt. Provided that any of the above-named parties may change the address designated from time to time, by notice in writing to the other party hereto.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

**CRYSTAL WEALTH MANAGEMENT
SYSTEM LIMITED**



By: _____

Clayton Smith
Authorized Signing Officer



By: _____

Suzanne West

SIGNATURE PAGE TO PARTICIPATION AGREEMENT

SCHEDULE A
PARTICIPATIONS & FEES

Participations

<u>Participant</u>	<u>Aggregate Amount outstanding as at the Effective Date</u>	<u>Pro Rata Share of Loan</u>
	\$4,500,000	
Crystal Wealth Management System Limited		77.78%
Suzanne West		22.22%

Fees

The Agent shall be entitled to receive a fee in an amount equal to 1% per annum on the Participant's pro rata share of the Loan such that the net interest payable to the Participant in respect of its pro rata share of the Loan shall be 11% per annum.

16350420.2

APPENDIX 24

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

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

BETWEEN:

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 WEALTH BULLION FUND, ABSOLUTE SUSTAINABLE DIVIDEND FUND, ABSOLUTE SUSTAINABLE PROPERTY FUND, CRYSTAL WEALTH ENLIGHTENED HEDGE FUND, CRYSTAL WEALTH CONSCIOUS CAPITAL STRATEGY, CRYSTAL WEALTH RETIREMENT ONE FUND and CHRYSALIS YOGA INC.

Respondents

ANSWERS TO UNDERTAKINGS GIVEN DURING THE EXAMINATION OF CRAIG CLYDESDALE PURSUANT TO THE RECEIVERSHIP ORDER, AS AT MARCH 12, 2018 (DATE OF EXAMINATION)

No.	Pg.#	Q.#	Undertakings	Response
1.	17	56	Best Efforts- To advise if Mr. Clydesdale has any specific qualifications or diplomas relating to the business as carried on by the OOM companies.	NO – just extensive experience
2.	45	169	To advise if the 5 companies identified in the receivership operate under the trade name OOM Energy.	these are the CW-MCS Group: not aware any filing of such a trade name
3.	51	197	To produce the insurance policies pursuant to which Aon Insurance provides any coverage to the 5 identified companies identified in the receivership.	ATTACHED- SEE ATTACHED MEMO – see Jon Dyck file which the Receiver should have

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No.	Pg. #	Q. #	Undertakings	Response
4.	52	204	For Mr. Clydesdale to review his records and identify whether 244 paid Clayton Industrial to carry out any work for the Leaside project – and if the answer is yes, to identify how much money was paid.	To the best of my knowledge I am not sure but I don't think so
5.	55	210	For Mr. Clydesdale to review his records and identify whether 244 paid Clayton Industrial to carry out any work for any of the 5 companies identified in the receivership – and if the answer is yes, to identify how much money was paid.	To the best of my knowledge I am not sure but I don't think so
6.	55	213	For Mr. Clydesdale to review his records and identify whether Cummins Power Generation, Estate Group and ORTECH Environmental did any work for any of the 5 identified companies identified in the receivership – and if the answer is yes, to identify how much money was paid.	To the best of my knowledge I am not sure but I don't think so
7.	77/78	298/302	To produce a copy of the bank records reflecting where the 244 loan advances by Crystal Wealth went and to produce bank account records reflecting the disbursement of those funds in the course of 244's business.	BANK STATEMENTS ATTACHED
8.	82	314	To produce the bank account statement showing where the money went to build the cogen unit.	SAME AS 7
9.	93	357	To advise if 244 owns the software that is used to run the cogen plant at Leaside facility.	Typically Microsoft owns the software and 244 uses it under standard licences
10.	110	414	Best Efforts- To produce any licenses that 244 maintains for the running of the cogen facility at Leaside.	SAME AS 9
11.	112	419	Best Efforts – to produce any other documents other than licenses and manuals that speak to the intellectual property associated with the cogen unit.	BEST EFFORTS HAVE NOT UNCOVERED ANY
12.	112	421	Best Efforts- To advise if any aspect of the intellectual property for the cogen unit is owned by a different OOM company.	BEST EFFORTS HAVE NOT UNCOVERED ANY

No.	Pg.#	Q.#	Undertakings	Response
13.	144	539	Best Efforts- To advise if Toronto Hydro came on site on June 9, 2016 and put a lock on the cogen unit.	I DON'T RECALL
14.	150	562	With reference to the letter dated July 19, 2017 page 2, to advise if Mr. Clydesdale has any recollection of this event.	NO RECOLLECTION
15.	163	613	To produce the letter/note showing that Ben T. Cole was no longer going to be the accountant.	ATTACHED
16.	166	624	To advise if and when 244 retains a new accountant- and make inquiries every 3 months with respect to same.	NONE HIRED TO DATE
17.	167	625	To produce the 2017 financial statements once they are prepared and the tax return for 2017 for all companies identified in the receivership- and make inquiries every 3 months with respect to same.	NONE PREPARED
18.	174	660	To provide a list of the different pieces of equipment and software that make up the cogen unit.	GENERATOR, PIPING, SWITCHES, CONTROLLERS, SHED
19.	180	683	Best Efforts- To advise who is paid the \$20,000 every month and to produce the documentary backup showing how those payments were arrived at.	THE SERVICES ARE LISTED IN ATTACHED MEMO- THERE IS NO SET PAYMENT PLAN
20.	187	715	With reference to Tab 5, page 4, to advise whether there are other insurance policies that might exist other than Aon and to produce same.	NOT TO MY RECOLLECTION

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21.	197	750/751	With reference to Tab 2, page 4, to define the term "due diligence" and to produce copies of any documentation provided to Crystal Wealth in that capacity.	DUE DILIGENCE IS WHATEVER CRYSTAL WEALTH ASKED FOR AND THAT WAS SUPPLIED –ASK MILLER THOMSON
22.	200	762	With reference to Tab 2, page 4 regarding "utilization of loan", to advise if St. Marys paid monies to 244 into a blocked account.	NO SURE IF CRYSTAL WEALTH SET UP A BLOCKED ACCOUNT
23.	203	771	Best Efforts- To advise where St. Marys paid the payment every month to 244 and to provide evidence of those payments being made.	TO THE CORPORATE BANK ACCOUNT – THERE IS NO RECOLLECTION THAT THEY MISSED A PAYMENT

No.	Pg.#	Q.#	Undertakings	Response
24.	207	786	To advise if 244 stopped making payments to Crystal Wealth after March 2017.	PAYMENTS STOPPED AT TIME OF RECEIVER NOTIFICATION
25.	219	825	To produce bank statements showing the disbursements of the 1.8 million or thereabouts advanced by Crystal Wealth encompassing any accounts that 244 holds.	ATTACHED
26.	219	827	Best Efforts-With reference to Tab 5 under "Liabilities", to produce the loan agreements in respect of the inter-company loans- and if the amounts reflected were actually advanced.	- SEE BANK STATEMENTS
27.	221	834	To advise if 244 has another source of income.	NOT LIKELY I DON'T THINK SO
28.	226	862/863	To advise if any amount is currently owing to 2363265 Ontario Inc., and if so, what amount is owing.	UNKNOWN
29.	228	869	With reference to Tab 5 page 3, to advise what the deposit of \$450,000 relates to.	I don't recall
30.	234	900	With reference to Tab 7 page 3, to produce copies of the loan agreements between 240 and 236.	- To the best of my knowledge I am not sure but I don't think so
31.	235	901	With reference to Tab 7 page 3, "Liabilities", to produce the loan agreements in respect to Magnitude CS Energy Inc. and MCSnoxrecovery Inc.	To the best of my knowledge I am not sure but I don't think so
32.	238/239	919/924	To advise if MCSnoxrecovery Inc. is being paid by anyone to do anything, with whom it is contracted, how much they are receiving as a result of that contract and to produce a copy of the contract.	To the best of my knowledge I am not sure but I don't think so
33.	251	970	With respect to the licensing agreement between MCSnoxrecovery Inc. and Pond Biofuels, to produce the bank statements showing the receipt of the advances from Crystal Wealth, if any, together with bank statements that reflect the disbursements of these amounts.	SEE ATTACHED WE NEED THE RECEIVER'S INFORMATION

No.	Pg.#	Q.#	Undertakings	ResRonse
34.	260	1007	With reference to Tab 8, page 3 regarding the letter dated March 8 item 2, to confirm that MCSnoxrecovery Inc. does not own any patents.	TO MY KNOWLEDGE NO PATENTS WERE APPLIED FOR
35.	269	1043	With reference to Tab 9, to produce bank statements showing the receipt and disbursement of the loan for \$2 million.	ATTACHED BANK STATEMENTS
36.	278	1076	With reference to Tab 10, to confirm if the financial statements for the year end dating July 31, 2016 for MCSnoxrecovery Inc. are the most recent financial statements available.	NO OTHER FINANCIAL STATEMENTS HAVE BEEN PREPARED
37.	279	1078	To produce the financial statements that may be prepared for the year end 2017 for MCSnoxrecovery Inc. and the tax returns for the 2017 year.	NO OTHER FINANCIAL STATEMENTS HAVE BEEN PREPARED DONE
38.	280	1081	With reference to Tab 10, page 3, under "assets" to produce copies of the loan agreements of 244 and 240 showing the \$2.5 million paid from Crystal Wealth.	THE LOAN AGREEMENTS ARE ALL IN THE POSSESSION OF THE RECEIVER VIA CRYSTAL WEALTH'S LAWYER MILLER THOMSON AND ARE ATTACHED – THE \$2.5 MILLION FIGURE DOES NOT SEEM CORRECT TO THE BEST OF MY RECOLLECTION
39.	283	1092	With reference to the bioreactor worth just under \$1 million, to provide the accounting entries relating the this disbursement.	ATTACHED- GENERAL LEDGER
40.	294	1127	To produce any documentation showing the advances and loan agreement showing that MCSnoxrecovery owes Spectrum \$500,000.	To the best of my knowledge I am not sure there are any
41.	304	1167	To confirm that 2445958 Ontario Inc. is now known as Magnitude CS Energy Inc.	YES

42.	311	1200	To advise how much money Magnitude CS Energy Inc. received under the factoring agreement from Crystal Wealth, and to produce bank records reflecting those receipts.	UNKNOWN DUE TO LACK OF ACCOUNTING RECORDS FROM RECEIVER- BANK STATEMENTS ATTACHED
43.	321	1238	With reference to the factoring agreement, to advise what Magnitude CS Energy Inc. did to get receivables.	MAGNITUDE CS ENERGY INC. WAS DEVELOPING CO-GEN PROJECTS
44.	322	1241	With reference to the factoring agreement, to advise what Magnitude CS Energy Inc. was supposed to be doing.	MAGNITUDE CS ENERGY INC. WAS DEVELOPING CO-GEN PROJECTS

**UNDER ADVISEMENTS GIVEN DURING THE EXAMINATION OF CRAIG CLYDESDALE
PURSUANT TO THE RECEIVERSHIP ORDER, HELD ON MARCH 12, 2018**

No.	Pg.#		Under Advisements	Response
1.	56	217	For Mr. Clydesdale to review his records and identify whether Clayton Industrial, Cummins Power Generation, Estate Group and ORTECH Environmental did any work for any of the 5 companies identified in the receivership- and if the answer is yes, to produce the documentation reflecting those payments.	To the best of my knowledge I am not sure but I don't think so
2.	105	398	To advise how 244 runs the cogen unit, how it employs people who know how to do that, is there an individual that knows how to do it and if so, who are those individuals and if there is a manual, to produce same.	SEE ATTACHED SERVICES LIST- VARIOUS PERSONS ARE SUBCONTRACTED
3.	123	454	To provide a list of the names of the individuals who were involved with running the cogen unit.	CRAIG CLYDESDALE
4.	150	567	With reference to the letter dated July 19, 2017 page 2, to advise why 244 removed the Toronto Hydro lock.	I don't recall that

**REFUSALS GIVEN DURING THE EXAMINATION OF CRAIG CLYDESDALE PURSUANT
THE RECEIVERSHIP ORDER, HELD ON MARCH 12,2018**

No.	Pg.#	QJI	Refusals	Response
1.	12	30	To advise where Mr. Clydesdale resides.	WHERE THE OSC SERVED HIM AT WHICH OTHERWISE IS NOT TO BE MADE PUBLIC IN A TRANSCRIPT WHICH IS PUBLISHED ON THE INTERNET-can be provided to receiver on basis that it not to be made public
2.	12	32	To advise if Mr. Clydesdale resides at 1237 Beechgrove Crescent in Oakville.	NO
3.	13	33	To advise if Mr. Clydesdale or his spouse own any real estate.	REFUSED- AS PER JUDGE'S ORDER
4.	18	60	To advise if MCS Solutions is a corporation or a trade name.	NOT SURE BEST KNOWLEDGE IS IT IS NOT A REGISTERED NAME OR A CORPORATE NAME
5.	19	64	To identify any other companies that fall under the OOM group of companies umbrella other than the 5 identified in the receivership.	TO THE BEST OF MY KNOWLEDGE NONE THAT APPLY
6.	20	66	To advise if 2404873 Ontario Corp also forms part of the OOM group.	TO THE BEST OF MY KNOWLEDGE THIS DOES NOT APPLY
7.	20	67	To advise if 2363265 Ontario Inc., 2518394 Ontario Inc., Gen Fix Corporation, MCS 7 Energy Inc. and MCS Solutions belong in the OOM group of companies.	TO THE BEST OF MY KNOWLEDGE THIS DOES NOT APPLY

8.	22	71	To describe the structure of the OOM corporate group and advise how the companies are structured.	ATTACHED IS THE STRUCTURE OF THE COMPANIES THAT WERE INVOLVED WITH CRYSTAL WEALTH
9.	24	81	To produce an org chart of the OOM companies.	ATTACHED IS THE STRUCTURE OF THE COMPANIES THAT WERE INVOLVED WITH CRYSTAL WEALTH
10.	25	82	To advise how Mr. Clydesdale would describe OOM's business.	GENERALLY WITH RESECT TO COMPANIES THAT WERE INVOLVED WITH CRYSTAL WEALTH CONCEPTION, SALE, DESIGN, INSTALLATION OF CO-GEN SYSTEMS
11.	42	160	To advise if Mr. Clydesdale would identify Magnitude CS Energy Inc. as the main operating company within the OOM group.	IT WAS UNTIL THE RECEIVERSHIP RENDERED IT MORIBUND THE OPERATING COMPANY THAT DEALT WITH THE COMPANIES THAT DEALT WITH CRYSTAL WEALTH (the CW-MCS Group)

12.	44	168	To advise if the companies that Mr. Clydesdale operates including the ones being discussed at examination operate under the trade name OOM Energy.	THE COMPANIES THAT DID BUSINESS WITH CRYSTAL WEALTH GENERALLY OPERATED UNDER THE MCS NAME
13.	64	251	To advise if Mr. Clydesdale is aware of whether he has retained IP counsel.	To the best of my knowledge I am not sure but I don't think so

No.	Pg.#	Q.#	Refusals	ResQonse
14.	78	303	To advise if Mr. Clydesdale is the sole shareholder of 244.	NO
15.	87	327	To advise if Mr. Clydesdale knows somebody at St. Marys Cement.	YES
16.	106	403	To advise how the cogen is run by 244 on a day by day basis.	Answered Q. 404

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17.	132	496	To produce a copy of the confidentiality agreement and inquire with Catherine Weiler as to what restrains Mr. Clydesdale from answering questions.	THE LETTER FROM OSC WHICH DOES GIVE A BLANKET APPROVAL AND IS AMBIGUOUS (NOT VERY HELPFUL)- THE CONFIDENTIALITY AGREEMENTS ARE CONTAINED IN THE ESA'S WITH THE CUSTOMERS WHICH ARE IN THE POSSESSION OF THE RECEIVER-A SAMPLE IS ATTACHED AND THEY ARE PRETTY WELL ALL THE SAME – there may also be an agreement between SMC and THESL which binds MCS- not sure
18.	155	585	With reference to Tab 4 of the Document Brief, to advise if it is correct that this case involved a company, Buttcon Energy Inc., of which Mr. Clydesdale was an officer and director at the time.	I WAS AN OFFICER
19.	156	588	With reference to Tab 4 of the Document Brief, to advise if a lawsuit was initiated against Buttcon Energy Inc. because the electricity generation facility could not be connected to the local grid.	NOT TO MY RECOLLECTION

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20.	156	589	With reference to Tab 4 of the Document Brief, to advise if commissioning a cogeneration facility and then not being able to connect to the local power grid is a problem that Mr. Clydesdale and his companies have experienced before.	NOT TO MY RECOLLECTION
21.	156	590	With reference to Tab 4 of the Document Brief, to advise if this is the first time that Mr. Clydesdale has been through this.	TO THE BEST OF MY RECOLLECTION I HAVE NEVER EXPERIENCED THIS
22.	213	805	To advise which lenders Mr. Clydesdale has shared the investor presentation with.	WITH THEIR PERMISSION THIS WILL BE DEALT WITH IN THE PRIVATE MEETING NEXT WEEK
23.	231	881	To advise if Mr. Clydesdale is the sole shareholder of 240.	YES
24.	259	1000	To advise if Mr. Clydesdale is engaged in any R&D or nay development of any company that use algae.	MCSNOXRECOVERY INC. WHICH IS MORIBUND
25.	267	1033	To advise who would be the second in command who would be authorized to speak on Mr. Clydesdale's behalf of Pond.	NO ONE

No.	Pg.#	Q.#	Refusals	Response
26.	296	1137	To advise why Mr. Clydesdale stopped making interest payments on the MCSnoxrecovery loan for \$2 million.	TO THE BEST OF MY KNOWLEDGE PAYMENTS STOPPED WHEN THE RECEIVER WAS APPOINTED AND THE FUNDS CRYSTAL WEALTH WAS SUPPOSED TO PROVIDE DID NOT MATERIALIZE

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Lawyers for Grant Thornton Limited in its capacity
 and Court-Appointed Receiver of the Crystal
 Wealth Group

32060495.1

**ATTACHED MEMO TO ANSWERS TO UNDERTAKINGS GIVEN
 DURING THE EXAMINATION OF CRAIG CLYDESDALE
 PURSUANT TO THE RECEIVERSHIP ORDER, HELD ON MARCH 12,
 2018**

The list of undertakings was first received in a 950 page motion record for approval by the Court.. They had been requested earlier by email and then a friendly reminder was sent again by email and the Receiver then provided them as part of a 950 page motion record. After Mr.Clydesdale filed a factum counsel for the Receiver and Mr., Clydesdale agreed to an order which was issued that certain questions should be answered on or before September 20, 2018.

Re No 2 Page 45 Q 169 Throughout the questioning there has been reference to five

corporations who received monies from Crystal Wealth. They are referred to here for simplicity as the CW- MCS Group . There is a great deal of information known to or should be known to the receiver being CW's own records and the receiver's own records which have not been disclosed that are required to provide a complete understanding of all of the transactions in which the CW- MCS Group were allegedly involved at times without their knowledge. This was due to incomplete documentation and partial advances which would be known to Clayton Smith and his lawyers and accountants which are now in the possession of the Receiver but have not been provided to Mr. Clydesdale.

Re No 3 Page 51 Q 197- there is a concern that the Receiver has not interviewed or obtained documents from Miller Thomson law firm including Jon Fine who has various documents including that he checked the insurance policy details during the closing process for the first deal where Crystal Wealth loaned money to 244 and for subsequent deals –production of these details and documents by the Receiver would expedite the procedure of providing answers to this question. Nevertheless the document attached hereto represents the AON insurance details for the CW Group of Companies that were involved in the first closing and would have carried over to the other deals had they closed. Miller Thomson was in direct contact with AON at the time.

Re No 23 Page 203 Q 771- payments were made each month until the Receiver became involved in negotiations which are confidential as per a three way confidentiality agreement

APPENDIX 25

Court File No. CV-21-_____-00CL

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

THE HONOURABLE MR.	)	THURSDAY, THE 12 TH DAY
	)	
JUSTICE CAVANAGH	)	OF AUGUST, 2021

B E T W E E N:

**CRYSTAL WEALTH MORTGAGE STRATEGY, by its Court-Appointed Receiver and
Manager, GRANT THORNTON LIMITED**

Applicant

- and -

2441472 ONTARIO INC.

Respondent

**ORDER
(Appointment of Interim Receiver)**

THIS MOTION made, without notice, by the Applicant for an Order pursuant to subsection 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 (the “**CJA**”), appointing Grant Thornton Limited (“**GTL**”) as interim receiver (in such capacity, the “**Interim Receiver**”) without security, of all of the assets, undertakings and properties of 2441472 Ontario Inc. (the “**Debtor**”), was heard this day by judicial videoconference due to the COVID-19 emergency via Zoom.

ON READING the Pre-Filing Report of GTL in its capacity as the proposed interim receiver dated August 9, 2021 and the appendices thereto (the “**Pre-Filing Report**”), the affidavit of J. William Asselstine sworn August 9, 2021 and the exhibits thereto, and the consent of GTL to act as the Interim Receiver, and on hearing the submissions of counsel for the

Applicant and counsel for St. Marys Cement Inc. (Canada), no one appearing for any other person,

APPOINTMENT

1. **THIS COURT ORDERS** that pursuant to subsection 47(1) of the BIA and section 101 of the CJA, GTL is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including the equipment described as the MCS Cogen Mark 6 CoEnergy PoD and heating, ventilation and air-conditioning equipment located at the premises of St. Marys Cement Inc. (Canada) at 55 Industrial St., Toronto, Ontario, including all proceeds thereof (the “**Property**”), until earlier of:

- a) the taking of possession of the Property by a receiver within the meaning of subsection 243(2) of the BIA;
- b) the taking of possession of the Property by a trustee in bankruptcy; and
- c) the expiry of 30 days after the date of this Order.

INTERIM RECEIVER’S POWERS

2. **THIS COURT ORDERS** that the Interim Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:

- a) to engage Blackstone Energy Services Inc. (“**Blackstone**”) on the terms of the engagement letter attached as Appendix “Q” to the Pre-Filing Report;
- b) to take possession of and exercise control over the Property with the assistance of Blackstone and any and all proceeds, receipts and disbursements arising out of or from the Property;

- c) to preserve and protect the Property with the assistance of Blackstone, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- e) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable; and
- f) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

3. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, advisors, consultants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Interim Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

4. **THIS COURT ORDERS** that all Persons shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, operating manuals, schematics, diagrams, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

6. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Interim Receiver,

or any person acting on behalf of the Interim Receiver, except with the written consent of the Interim Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

7. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

8. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Interim Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Interim Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Interim Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE INTERIM RECEIVER

9. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Interim Receiver or leave of this Court.

CONTINUATION OF SERVICES

10. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to

the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Interim Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court. For greater certainty and without limiting the generality of the foregoing, no insurer providing insurance to the Debtor or its directors or officers shall terminate or fail to renew such insurance on the existing terms thereof provided that such insurer is paid any premiums as would be paid in the ordinary course in connection with the continuation or renewal of such insurance at current prices, subject to reasonable annual increases with respect to such premiums.

INTERIM RECEIVER TO HOLD FUNDS

11. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments that may be received or collected directly by the Interim Receiver from and after the making of this Order from any source whatsoever shall be deposited into one or more new accounts to be opened by the Interim Receiver (the “**Post Interim Receivership Accounts**”) and the monies standing to the credit of such Post Interim Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

12. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor. The Interim Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

LIMITATION ON ENVIRONMENTAL LIABILITIES

13. **THIS COURT ORDERS** that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

14. **THIS COURT ORDERS** that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

15. **THIS COURT ORDERS** that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the “**Interim Receiver's Charge**”) on the Property, as security for such fees and disbursements,

both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a charge on the Property in priority to the security interests in favour of the Applicant but behind all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (the “**Encumbrances**”), in favour of any Person that has not been served with the notice of the application or this Order, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA. The Applicant and the beneficiaries of the Interim Receiver shall be entitled to seek priority ahead of all Encumbrances, on notice to those parties likely to be affected by such priority.

16. **THIS COURT ORDERS** that the Interim Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Interim Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

17. **THIS COURT ORDERS** that prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE INTERIM RECEIVERSHIP

18. **THIS COURT ORDERS** that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Interim Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to the security interests in favour of the Applicant

but behind all other Encumbrances in favour of any Person that has not been served with the notice of application of this Order, but subordinate in priority to the Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA. The Applicant and the beneficiaries of the Interim Receiver's Borrowings Charge shall be entitled to seek priority ahead of all Encumbrances, on notice to those parties likely to be affected by such priority.

19. **THIS COURT ORDERS** that neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

20. **THIS COURT ORDERS** that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

21. **THIS COURT ORDERS** that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.

SERVICE AND NOTICE

22. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <www.grantthornton.ca/2441472>.

GENERAL

23. **THIS COURT ORDERS** that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

24. **THIS COURT ORDERS** that nothing in this Order shall prevent the Interim Receiver from acting as a BIA section 243(1) receiver or as a trustee in bankruptcy of the Debtor.

25. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

26. **THIS COURT ORDERS** that the Interim 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, and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

27. **THIS COURT ORDERS** that the Applicant shall have its costs of this Motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Interim Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

28. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Interim Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"

INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that Grant Thornton Limited, the interim receiver (the “**Interim Receiver**”), without security, of all of the assets, undertakings and properties of 2441472 Ontario Inc. (the “**Debtor**”), including all proceeds thereof (collectively, the “**Property**”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the 12th day of August, 2021 (the “**Order**”) made in an action having Court file number ____-CL-_____, has received as such Interim Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$_____, being part of the total principal sum of \$_____ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Interim Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Interim Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2021.

GRANT THORNTON LIMITED, solely in its capacity as Interim Receiver of the Debtor, and not in its corporate or personal capacity

Per: _____

Name:

Title:

CRYSTAL WEALTH MORTGAGE STRATEGY, by its
Court-Appointed Receiver and Manager, GRANT
THORNTON LIMITED

and

2441472 ONTARIO INC.

Applicant

Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
PROCEEDING COMMENCED AT TORONTO

ORDER
(Appointment of Interim Receiver)

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place

Suite 1800, Box 754

181 Bay Street

Toronto, ON M5J 2T9

Tel: 416.863.1500

Fax: 416.863.1515

Email: sgraff@airdberlis.com / mspence@airdberlis.com /
dlu@airdberlis.com

Steven L. Graff – LSO# 31871V
Miranda Spence – LSO# 60621M
Damian Lu – LSO# 800700

Lawyers for the Applicant

Archived: August 13, 2021 9:45:31 AM

From: [Cavanagh, Justice Peter \(SCJ\)](#)

Sent: August 13, 2021 8:47:30 AM

To: [Damian Lu](#); [Miranda Spence](#)

Cc: [JUS-G-MAG-CSD-Toronto-SCJ Commercial List](#)

Subject: RE: Crystal Wealth Mortgage Strategy, by its Court-Appointed Receiver and Manager , Grant Thornton Limited v. 2441472 Ontario Inc.

Sensitivity: Normal

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Supplementary Endorsement:

The application for a receivership order and any motion for an approval and vesting order shall be heard on September 7, 2021 at 11:00 a.m. for one (1) hour. The Record and any supplemental motion record shall be served on 2441472 Ontario Inc. in accordance with the E-Service Protocol of the Commercial List not less than seven (7) days prior to such hearing date.



Cavanagh J.

From: Cavanagh, Justice Peter (SCJ)

Sent: August 12, 2021 6:06 PM

To: Damian Lu <dlu@airdberlis.com>; Damian Lu <dlu@airdberlis.com>; Miranda Spence <mspence@airdberlis.com>

Cc: Commercial General (toronto.commercialist@jus.gov.on.ca) <toronto.commercialist@jus.gov.on.ca>

Subject: Crystal Wealth Mortgage Strategy, by its Court-Appointed Receiver and Manager , Grant Thornton Limited v. 2441472 Ontario Inc.

Counsel:

Damian Lu and Miranda Spence for Grant Thornton Limited in its capacity as Court-Appointed Receiver and Manager of Crystal Wealth Mortgage Strategy

Endorsement:

Crystal Wealth Mortgage Strategy (formerly named Crystal Enhanced Mortgage Fund) (the "Mortgage Fund"), by its court-appointed receiver and manager, Grant Thornton Limited (the "CW Receiver") moves, without notice, for the appointment of Grant Thornton Limited as interim receiver, without security, of all of the assets, undertakings and properties of 2441472 Ontario Inc. ("244"), including all proceeds thereof.

By order dated April 26, 2017 (the "Appointment Order"), the CW Receiver was appointed as the receiver and manager of the assets, undertakings and properties of Crystal Wealth Management System Limited ("the Company") and certain additional persons and entities, including 15 proprietary open-ended mutual fund trusts created and managed by the Company (individually or collectively, "Crystal Wealth"), including the Mortgage Fund. The Appointment Order empowered the CW Receiver to collect and receive all monies and accounts owed or which may be owed in the future to Crystal Wealth, and to exercise all remedies available to Crystal Wealth in collecting such monies.

244 is an Ontario corporation and its sole director and officer is Craig Clydesdale. 244 installs and operates energy production

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equipment and, specifically for St. Marys Cement Inc. (Canada) ("SMC"), 244 installed certain equipment described in the materials as the "CHP System" and heating, ventilation and air conditioning ("HVAC") equipment (together, the "Equipment"). The Equipment is located at the premises of SMC at 55 Industrial Street, Toronto, Ontario. The Equipment is operated by 244 pursuant to an Energy Services Agreement assigned to 244 (the "ESA").

244 is indebted to the Mortgage Fund pursuant to a loan agreement dated November 7, 2014. As security for its obligations to the Mortgage Fund, 244 provided security including a general security agreement and an assignment of the ESA. Pursuant to the terms of the general security agreement, the Mortgage Fund is contractually entitled to appoint a receiver and/or receiver and manager over 244.

By October 2017, 244 failed to make required interest payments when due under the terms of the 244 loan agreement. Additionally, 244 granted security interests to certain related entities of 244 that are controlled by Mr. Clydesdale which constituted events of default under the 244 loan agreement. The moving party also relies upon the failure by 244 to deliver certain documentation in connection with the 244 loan agreement and security as an event of default.

The CW Receiver provided notice to 244 of defaults by letter dated October 26, 2017. By letter dated November 13, 2017, the CW Receiver made formal demand on 244 for payment of its indebtedness to the Mortgage Fund. A Notice of Intention to Enforce Security pursuant to subsection 244 (1) of the *Bankruptcy and Insolvency Act* accompanied the demand. As of November 13, 2017, \$1,872,657.83 was owing for principal and accrued interest under the credit facilities pursuant to the 244 loan agreement. 244 failed to make payment in accordance with the demand for payment or to make alternative arrangements acceptable to the CW Receiver, or initiate any filings under the BIA.

In support of this motion, SMC has provided evidence, through the affidavit of J. William Asselstine. Mr. Asselstine has given evidence that SMC believes that 244 may view any enforcement step with respect to the Equipment as grounds to cease providing any services and suspend the operation of the HVAC equipment. He has also expressed that SMC is concerned that 244 may consider itself entitled to disrupt or terminate the supply of electricity from Toronto Hydro through the Equipment to SMC buildings, and that this is something that appears possible for 244 to do based on the electrical system configuration. Mr. Asselstine provides evidence that shortly after a December 12, 2017 letter from the CW Receiver providing notice of 244's default, 244's counsel advised SMC and the CW Receiver that if SMC complied with the Receiver's direction to pay, then 244 would not maintain its operations at the SMC property. 244's counsel proposed a standstill agreement and he encouraged the parties to execute the standstill agreement on an expedited basis "so there will be no problems until then resulting from my client's bills not being paid". To avoid interruption of the provision of power and HVAC services, the monthly service fees were paid into an escrow account until the parties could discuss an appropriate agreement on the payment of fees. When the distribution of funds accumulating in an escrow account could not be settled, in a letter dated February 5, 2018 to SMC's counsel, counsel for 244, wrote:

"My client would point out that it is wrong to assert that the Toronto Hydro issue is justification for withholding the payments that the Receiver has directed. Firstly the ESA contains a "no set off" clause (par. 1.5(a)) which was put in place specifically to avoid the situation your client is suddenly creating i.e., does it intend that 244 stop supplying it services? : Please answer this question: shall my client terminate all services to St. Mary's for nonpayment? (HVAC, Pond, come to mind).

Please remind your client that 244 supplies heating and chilling services to the St. Mary's headquarters. Surely it is not your client's intention to have all of those services terminate by breaching the ESA?"

In his letter, 244's counsel proposed dispute resolution under the ESA.

On December 11, 2017, the CW Receiver obtained an Order which, amongst other things, directed that Mr. Clydesdale provide to the CW Receiver all information previously sought, and authorized the CW Receiver to examine Mr. Clydesdale under oath. This examination was conducted and during the examination, counsel for 244 confirmed that the Equipment is owned by 244. The effort to resolve the issues continued until March 20, 2019 and they were unsuccessful. The CW Receiver continues to receive only partial payments for amounts owing under the ESA.

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An interim receiver may be appointed pursuant to section 47 of the BIA and section 101 of the *Courts of Justice Act*. Where notice is sent under subsection 244 (1) of the BIA, sections 47 (1) and 47 (3) of the BIA provide that an interim receiver may be appointed if it is shown to the court to be necessary for the protection of: (a) the debtor's estate; or (b) the interests of the creditor who sent the notice under subsection 244 (1). Section 101 of the CJA permits the appointment of a receiver by interlocutory order where it is "just and convenient" to do so. Courts require that there be some risk to the assets in order to appoint an interim receiver which is more than merely speculative, but do not require the applicant to go so far as to prove an actual immediate risk to the assets. See *Maximum Financial Services Inc. v. Corporate Cars Limited Partnership* (2006), 29 C.B.R. (5th) 110 (Ont. S.C.J.), at para. 15.

I am satisfied that there is a need to preserve and protect the assets of 244 by the appointment of an interim receiver, and that it is just and convenient to do so. I am satisfied that an interim receiver is necessary for the protection of 244's estate, the interests of the Mortgage Fund and, perhaps, other stakeholders, including SMC, in relation to the Equipment. The CW Receiver intends to simply secure possession and control of the Equipment to prevent unauthorized access. Given this, I am satisfied that there is no non-compensable prejudice to 244. I am satisfied that it is proper for this application to be brought without notice because of the risk that if 244 disrupts the operation of the Equipment, SMC would be at risk of suffering real loss or substantial damage, which, if it occurred, may constitute irreparable harm. Examples of the harm that could be caused to SMC as a result of disruptions to the power and HVAC services are set out in Mr. Asselstine's affidavit at paragraph 30. The letter from counsel for 244 appears to have been addressing a situation that may arise upon non-payment by SMC to 244, but, on the evidence before me, there is a reasonable concern on the part of SMC that notice of this motion could result in disruption to its electrical or HVAC services, which could cause very serious consequences for SMC. Given this risk, I am satisfied that this motion was properly brought without notice.

Following the securing of possession and control, 244 will be served with the materials, including this Endorsement. I direct that it do so forthwith after the Equipment is secured.

For these reasons, I grant the motion. Order to issue in form of attached order signed by me.



Cavanagh J.

APPENDIX 26

Miranda Spence

From: Cavanagh, Justice Peter (SCJ) <Peter.Cavanagh@scj-csj.ca>
Sent: September 7, 2021 5:20 PM
To: Damian Lu; Damian Lu; Steve Graff; Miranda Spence; Philip Cho; Michael Ly; lawyerbill@rogers.com; kwm@kwmckenzielaw.com
Cc: JUS-G-MAG-CSD-Toronto-SCJ Commercial List
Subject: Crystal Wealth Mortgage Strategy v. 2441472 Ontario Inc. - Court File No. CV-21-00667707-00CL

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Counsel:

Miranda Spence and Damien Lu for Grant Thornton Limited as Receiver of Crystal Wealth Strategy and as Interim Receiver of 2441472 Ontario Inc.
 Philip Cho and Michael Ly for St. Marys Cement Inc. (Canada)
 K.W. McKenzie for 2441472 Ontario Inc.

Endorsement:

On August 12, 2021, I released an endorsement and made an order appointing Grant Thornton Limited ("GTL") as interim receiver over the assets, undertakings and properties of 2441472 Ontario Inc. ("244").

This motion was made by GTL in its capacity as court-appointed Receiver and Manager (the "CW Receiver") of Crystal Wealth Mortgage Strategy (the "Mortgage Fund"). The motion was made without notice.

The Report of the proposed interim receiver filed for the initial motion reported that 244 was indebted to the Mortgage Fund as of November 13, 2017 in the amount of \$1,872,657.83. In its supplement to this report filed for the motions before me today, the interim receiver reported that 244 is indebted to the Mortgage Fund as at August 31, 2021 in the amount of \$2,737,485.

The information on the motion for an interim receiver was that 244 installed certain equipment ("Equipment") for St. Marys Cement Inc. (Canada) ("SMC") and that the Equipment is operated by 244 pursuant to an Energy Services Agreement assigned to 244 (the "ESA"). The CW Receiver, as receiver over the assets and undertaking of the Mortgage Fund, a secured creditor of 244, wished to appoint an interim receiver to secure possession and control of the Equipment over which the Mortgage Fund has security.

At the come-back hearing before me today, 244 moves to set aside the interim receivership order on the ground that the CW Receiver failed to make full and fair disclosure of material facts. GTL, as interim receiver, opposes this motion.

GTL, as interim receiver, moves for (i) the appointment of GTL as receiver of all assets of 244, and (ii) an approval and vesting order in respect of the sale of equipment owned by 244 and subject to security held by the Mortgage Fund.

244 submits that the CW Receiver failed to disclose the following facts that, it asserts, are material and should have been disclosed:

1. The CW Receiver (and SMC that provided a witness who gave affidavit evidence on the motion for an interim receiver) failed to disclose the communications they have been exchanging which would have alerted the Court

that the alleged urgency was being fabricated as an excuse not to notify 244 that they wished to make new arrangements.

2. The CW Receiver and SMC failed to advise the Court that the relationship between SMC and 244 has continued on a good faith contractual basis and there are communications that show that there is no breakdown or default on the contract. 244 asserts that there has never been a time when 244 failed to comply with the ESA. An interim settlement was made on in March 2018 which was still in place on August 12, 2021, so there were no defaults existing at that date.
3. The CW Receiver failed to disclose that SMC can only terminate the ESA early if it pays out the Mortgage Fund in full plus a penalty and, upon such termination, 244 would still own the Equipment and be entitled to remove it or sell it, and that SMC would be given a first right to purchase the Equipment.
4. The CW Receiver failed to notify the Court that there are arbitration clauses in the ESA which obviates the Court's involvement because disputes, if any, about contractual performance are required to be resolved by arbitration.
5. Mr. Asselstine, who swore an affidavit in support of the CW Receiver's motion, has a relationship with Pond Energy (as a shareholder and director) where free work and supplies were loaned by 244, some taken out of 244 inventory at the SMC premises, for which 244 has not been compensated. 244 submits that Mr. Asselstine has conflicts because of this relationship, which should have been disclosed.

244 submits that the failure by the CW Receiver to fully and fairly disclose material facts justifies an order setting aside the order appointing an interim receiver.

With respect to 244's first assertion of material non-disclosure, the CW Receiver did not report that there was special urgency to the motion for the appointment of an interim receiver, nor was there a submission to this effect. The CW Receiver, in support of its submission that the motion was properly made without notice, provided evidence that 244 may view an enforcement step with respect to the equipment as grounds to cease providing services and suspend the operation of the Equipment. I referenced this evidence in my Endorsement. 244 disagrees that this was a material risk. This disagreement is not a failure by the CW Receiver to make full and fair disclosure of material facts. I do not regard a failure to include all correspondence between the CW Receiver, SMC, and 244 as failing to alert the Court that alleged urgency was being fabricated.

With respect to 244's second, third, and fourth assertions, the motion to appoint an interim receiver was brought by the CW Receiver on the ground that 244 had failed to respond to a demand by the CW Receiver for payment of the indebtedness owing to the Mortgage Fund, and secured by a GSA, by which 244 granted a security interest in its personal property, including the Equipment. The motion was brought to secure possession and control of the Equipment. The CW Receiver did not assert that 244 was in default under the ESA. The disclosure issues raised by 244 relate to the ESA and whether it is in good standing. These issues do not relate to the indebtedness owed by 244 to the Mortgage Fund or the rights of the CW Receiver under the security given by 244 for such indebtedness.

On the evidence before me today, there appears to be a dispute between SMC and 244 about whether 244 is in default under the ESA, but I do not agree that the CW Receiver failed to make proper disclosure of the material facts in respect of the ESA on its motion without notice for the appointment of an interim receiver.

With respect to 244's fifth assertion, Mr. Asselstine has given evidence that he did not become a shareholder of Pond Technologies until after it went public in early 2018, which is after the date that 244 asserts that Pond asked to borrow equipment from 244. Mr. Asselstine states that he has no knowledge of the equipment that Pond may have borrowed.

I do not agree that the failure to disclose Mr. Asselstine's relationship with Pond amounted to a failure to disclose a material fact.

For these reasons, I dismiss 244's motion to set aside the August 12, 2021 order on the ground of material non-disclosure.

Both 244 and GTL as interim receiver ask for an early date for a hearing before me. I have secured a hearing date for September 16, 2021 at 11:30 a.m. for 90 minutes for the hearing of the application by the CW Receiver to appoint a

receiver over the assets, property and undertaking of 244 and an approval and vesting order in respect of the sale of the Equipment. 244 opposes this application and motion.

My August 12, 2021 order is extended to September 17, 2021.

A handwritten signature in blue ink, appearing to read "Cavanagh J.", is shown within a light gray rectangular box.

Cavanagh J.

APPENDIX 27

Court File No. CV-21-00667707-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.	)	FRIDAY, THE 24 th DAY
	)	
JUSTICE CAVANAGH	)	OF SEPTEMBER, 2021

BETWEEN:

**CRYSTAL WEALTH MORTGAGE STRATEGY, by its Court-Appointed Receiver and
Manager, GRANT THORNTON LIMITED**

Applicant

- and -



2441472 ONTARIO INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Grant Thornton Limited (“GTL”) in its capacity as the Court-appointed receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of the respondent, 2441472 Ontario Inc. (the “**Debtor**”), in writing, for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the GTL, in its capacity as the interim receiver (in such capacity, the “**Interim Receiver**”) and proposed receiver of the Debtor and St. Marys Cement Inc. (Canada) (the “**Purchaser**”) dated August 13, 2021 and appended to the report of GTL in its capacity as the Interim Receiver and proposed receiver dated August 31, 2021 (the “**Report**”), and vesting in the Purchaser all rights, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was read this day.

ON READING the pre-filing report of GTL dated August 9, 2021 and the appendices thereto, the affidavits of J. William Asselstine sworn August 9, 2021 and September 1, 2021 and

the exhibits thereto, the Report and the appendices thereto, the supplement to the Report dated September 2, 2021 and the appendices thereto, the second supplement to the Report dated September 15 and the appendices thereto, and the affidavits of Craig Clydesdale sworn August 30, 2021 and September 14, 2021 and the exhibits thereto:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all rights, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all contracts relating to the Purchased Assets, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, retentions of title, pledges, leases, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured, matured or unmatured, or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing (collectively, the "**Encumbrances**"): (i) any encumbrances or charges created by the Order of the Honourable Justice Cavanagh dated August 12, 2021; (ii) any encumbrances or charges created by the Order of the Honourable Justice Cavanagh dated September 24, 2021 appointing the Receiver; and (iii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all

Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

6. **THIS COURT ORDERS** that Confidential Appendix "1", Confidential Appendix "2", Confidential Appendix "3" and Confidential Appendix "4" to the Report shall be and are hereby sealed, kept confidential and shall not form part of the public record until the earlier of: (a) the filing of the Receiver's Certificate in accordance with paragraph 2 hereto; and (b) further Order of this Court.

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order.

All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

SCHEDULE A – FORM OF RECEIVER’S CERTIFICATE

Court File No. CV-21-00667707-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**CRYSTAL WEALTH MORTGAGE STRATEGY, by its Court-Appointed Receiver and
Manager, GRANT THORNTON LIMITED**

Applicant

- and -

2441472 ONTARIO INC.

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Cavanagh of the Ontario Superior Court of Justice (the “**Court**”) dated _____, 2021, Grant Thornton Limited was appointed as the receiver (the “**Receiver**”) of the undertaking, property and assets of 2441472 Ontario Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated _____, 2021, the Court approved the agreement of purchase and sale made as of August 13, 2021 (the “**Sale Agreement**”) between GTL, in its capacity as the interim receiver and proposed receiver of the Debtor and St. Marys Cement Inc. (Canada) (the “**Purchaser**”) and provided for the vesting in the Purchaser all rights, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 8 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 8 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ on _____.

**Grant Thornton Limited, in its capacity as
Receiver of the undertaking, property and
assets of 2441472 Ontario Inc., and not in its
personal capacity**

Per: _____

Name:

Title:

**CRYSTAL WEALTH MORTGAGE STRATEGY, by its
Court-Appointed Receiver and Manager, GRANT
THORNTON LIMITED**

- and
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2441472 ONTARIO INC.

Applicant

Respondent

Court File No. CV-21-00667707-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

APPROVAL AND VESTING ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Tel: 416.863.1500

Fax: 416.863.1515

Email: sgraff@airdberlis.com / mspence@airdberlis.com /
dlu@airdberlis.com

Steven L. Graff – LSO# 31871V
Miranda Spence – LSO# 60621M
Damian Lu – LSO# 800700

Lawyers for Grant Thornton Limited

Miranda Spence

From: Cavanagh, Justice Peter (SCJ) <Peter.Cavanagh@scj-csj.ca>
Sent: September 24, 2021 2:02 PM
To: Miranda Spence; Damian Lu; Damian Lu; Steve Graff; Bando, Bruce; Philip Cho; Michael Ly; lawyerbill@rogers.com; kwm@kwmckenzielaw.com
Cc: JUS-G-MAG-CSD-Toronto-SCJ Commercial List
Subject: CV-21-00667707-00CL_CRYSTAL WEALTH MORTGAGE STRATEGY v. 2441472 ONTARIO INC.
Attachments: CV-21-00667707-00CL_Approval and Vesting Order.pdf;
 CV-21-00667707-00CL_Receivership Order.pdf

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Counsel:

Miranda Spence and Damien Lu for Grant Thornton Limited as Receiver of Crystal Wealth Strategy and as Interim Receiver of 2441472 Ontario Inc.
 Philip Cho and Michael Ly for St. Marys Cement Inc. (Canada)
 K.W. McKenzie for 2441472 Ontario Inc.

In Writing

Endorsement:

On August 12, 2021, I released an endorsement and made an order (the “**IR Order**”) appointing Grant Thornton Limited (“**GTL**”) as interim receiver (and in that capacity, the “**Interim Receiver**”) over the assets, undertakings and properties (collectively, the “**Property**”) of 2441472 Ontario Inc. (“**244**”).

GTL, in its capacity as court-appointed Receiver and Manager (in such capacity, the “**CW Receiver**”) of Crystal Wealth Mortgage Strategy (the “**Mortgage Fund**”), brought an application (the “**Receivership Application**”) for an order appointing GTL as receiver over the Property (in such capacity, the “**Receiver**”). Should GTL be appointed as the Receiver, GTL, in its capacity as the proposed receiver, advised the Court that the Receiver would immediately bring a motion (the “**AVO Motion**”) for an approval and vesting order (the “**AVO**”) in respect of the sale of certain equipment (the “**Equipment**”) owned by 244 to St. Marys Cement Inc. (Canada) (“**SMC**”). The Receivership Application and the AVO Motion were originally returnable on September 7, 2021. On that date, 244 brought a motion to set aside the IR Order.

By way of an endorsement issued September 7, 2021, I dismissed 244’s motion to set aside the IR Order and extended the IR Order to September 17, 2021. I also adjourned the Receivership Application and the AVO motion to September 16, 2021.

Following the September 7, 2021 hearing, 244 served a motion record returnable on September 16, 2021, seeking an order rescinding the IR Order, requiring the CW Receiver to produce unredacted copies of all documents relied upon, and adjourning the CW Receiver’s application to permit cross-examinations (collectively, the “**244 Motion**”).

On September 16, 2021, I was advised by counsel to the Interim Receiver, SMC and 244 that there was a settlement in principle between the parties. On the request of such counsel, the IR Order was extended to October 1, 2021 and both the Receivership Application and AVO Motion were adjourned to be dealt with in writing.

On September 22, 2021, I was advised by counsel to the Interim Receiver that the parties have reached a formal settlement and that 244 no longer opposes the Receivership Application or the AVO Motion. I have also been advised that 244 has withdrawn the 244 Motion.

I have reviewed the materials filed by the parties and I am satisfied that it would be just and convenient to appoint GTL as the Receiver as a result of, amongst other things:

- a) the contractual right of the Mortgage Fund to appoint a receiver;
- b) the existing defaults under the loan agreement between 244 and the Mortgage Fund; and
- c) the failure of 244 to make payment in accordance with the demand and Notice of Intention to Enforce Security pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (“**BIA**”) or initiate any filings under the BIA; and
- d) the increasing indebtedness owing to the Mortgage Fund.

I am also satisfied that the AVO should be granted, taking into consideration the principles set out by the Ontario Court of Appeal in *Royal Bank of Canada v. Soundair Corp.* (1991), 4 O.R. (3d) 1 (Ont. C.A.). Each element of the *Soundair* test has been met:

- a) *Efforts to Obtain the Best Price*: The CW Receiver, through its counsel, negotiated with SMC’s counsel for a prolonged period of time in an effort to get the best price for the Equipment. It is unlikely for SMC or any other party to pay more than nominal value for the MCS Cogen Mark 6 CoEnergy PoD, which does not currently operate. The Receiver has further determined that 244’s rights in the energy services agreement entered into between 244 and SMC have no marketable value. The Receiver recommends the transaction contemplated by the AVO (the “**Transaction**”) based on the investigative engineering study prepared by Blackstone Energy Services Inc. on July 2, 2020 and an appraisal completed by McGregor Allsop Limited on July 8, 2021 (the “**McGregor Appraisal**”).
- b) *Interests of All the Parties*: The Transaction is the only realistic way to provide maximum recovery for Mortgage Fund, who stands in a clear priority of economic interest to all other stakeholders. Other secured creditors will be unaffected by the Transaction as there is no expected recovery for them under the receivership proceedings due to the enormity of the shortfall to the Mortgage Fund. 244 does not oppose the relief sought. In the circumstances, the Transaction is in the interests of all the parties.
- c) *The Efficacy and Integrity of the Process*: SMC’s offer would not require the Receiver to expend resources to manage an auction process. Given the specialized nature of the Equipment, it is unlikely for an auction to generate sufficient interest to justify the costs. Even if an auction process was to be conducted for the Equipment, it is unlikely to result in a higher purchase price, because the estimated salvage value of the Equipment (as set out in the McGregor Appraisal) is significantly lower than the offer by SMC. The Transaction provides the Receiver with an assured purchase price, rather than having to rely on a percentage of the auction sales to determine the recovery.
- d) *Whether the Process was Unfair*: For the reasons stated above, there was no unfairness in the process. It is likely that significantly greater value will be received from the Transaction than from a liquidation process. There has been no unfairness in the process nor in the ultimate result achieved through the proposed Transaction.

In connection with the AVO Motion, the Receiver, if appointed, seeks an order sealing the Confidential Appendices (as defined in the first report submitted by the Interim Receiver and proposed receiver (the “**First Report**”)) until closing of the Transaction or further order of this Court. I am satisfied that the test set out by the Supreme Court of Canada in *Sierra Club of Canada v. Canada (Minister of Finance)* has been satisfied and that the sealing of the Confidential Appendices (as

defined in the First IR Report) is necessary herein to ensure the integrity of the process and to avoid any prejudice to stakeholders in the event that any of the Transaction does not close and a new purchaser must be sought.

Orders to issue in the forms of attached orders signed by me.

A handwritten signature in blue ink, appearing to read "Cavanagh J.", is shown within a light gray rectangular box.

Cavanagh J.

APPENDIX 28



District of Ontario
Division No. 09 - Toronto
Court No. BK-24-00208711-OT31

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

ASSOCIATE JUSTICE ILCHENKO)
REGISTRAR IN BANKRUPTCY)

TUESDAY, THE 22ND DAY
OF OCTOBER, 2024

IN THE MATTER OF THE BANKRUPTCY OF 2441472
ONTARIO INC., a company incorporated pursuant to the laws of
Ontario and carrying on business in the Town of Oakville, in the
Province of Ontario

BANKRUPTCY ORDER

Upon the application of Grant Thornton Limited (“GTL”), in its capacity as the receiver and manager of Crystal Wealth Mortgage Strategy (formerly Crystal Enhanced Mortgage Fund), a creditor, having an office in the City of Toronto, in the Province of Ontario, issued on August 1, 2024, and upon reading the Application for Bankruptcy Order, the Affidavit of Verification of Bruce Bando sworn July 31, 2024, the affidavits of service of Lisa Maitman sworn October 15, 2024 and Daisy Jin sworn October 15, 2024, and the Consent of GTL to act as trustee of the property of 2441472 Ontario Inc. (the “**Debtor**”), and it appearing to the Court that the following acts of bankruptcy have been committed:

- (a) the Debtor ceased to meet its liabilities generally as they became due;
1. **THIS COURT ORDERS** that the Debtor be adjudged bankrupt, and a bankruptcy order is hereby made against the Debtor on this date.
 2. **THIS COURT ORDERS** that GTL, of the City of Toronto in the Province of Ontario, be appointed as trustee of the estate of the bankrupt Debtor.

3. **THIS COURT ORDERS** that the trustee give security in an amount to be fixed by the Official Receiver pursuant to subsection 16(1) of the *Bankruptcy and Insolvency Act* (Canada).
4. **THIS COURT ORDERS** that the costs of the applicant, GTL, be paid out of the assets of the estate of the bankrupt Debtor on taxation thereof.


ASSOCIATE JUSTICE ILCHENKO
REGISTRAR IN BANKRUPTCY

TO: 2441472 ONTARIO INC.

TAKE NOTICE THAT 2441472 Ontario Inc., the bankrupt named herein, is required, pursuant to section 158 of the *Bankruptcy and Insolvency Act*, to attend at the office of the _____ Official Receiver, at _____, 2024, at _____ [a.m.][p.m.], to answer such questions with respect to the conduct of the bankrupt corporation, the causes of its bankruptcy and the disposition of its property as may be put by the Official Receiver, and take notice that if you fail to present yourself for examination, the court may by warrant cause you to be apprehended and brought up for examination and may order you to be imprisoned for a term not exceeding three years.

DATED at Toronto, Ontario this _____ day of _____, 2024.

Official Receiver

TO: 2441472 ONTARIO INC.
440 Reynolds Street
Oakville, ON L6M 2Y1

District of Ontario
Division No. 09 - Toronto
Court No. BK-24-00208711-OT31

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND
INSOLVENCY**

**IN THE MATTER OF THE
BANKRUPTCY OF 2441472
ONTARIO INC.,** a company
incorporated pursuant to the laws of
Ontario, of the Town of Oakville, in the
Province of Ontario

BANKRUPTCY ORDER

Aird & Berlis LLP
181 Bay Street, Suite 1800
Brookfield Place
Toronto, ON M5J 2T9

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Email: shans@airdberlis.com

Lawyers for the applicant

APPENDIX 29

District of Ontario
 Division No. 9 – Toronto
 Court File No.: CV-21-00667707-00CL
 Estate No.: 31-459258

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 22ND
	)	
JUSTICE OSBORNE	)	DAY OF MAY, 2025

BETWEEN:

**CRYSTAL WEALTH MORTGAGE STRATEGY, by its Court-Appointed Receiver and
 Manager, GRANT THORNTON LIMITED**

Applicant

- and -

2441472 ONTARIO INC.

Respondent

MOTION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT,
 R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
 R.S.O. 1990, c. C.43, AS AMENDED

DISCHARGE ORDER

THIS MOTION, made by Grant Thornton Limited (“**GTL**”), in its capacity as the Court-
 appointed receiver (in such capacity, the “**Receiver**”), without security, of all of the assets,
 undertakings and properties of 2441472 Ontario Inc. (the “**Debtor**”) for an order, in substance, (i)
 approving the First Report of the Receiver, dated May 13, 2025 (the “**First Report**”), and the

activities of the Receiver described therein; (ii) approving the Receiver's final statement of receipts and disbursements for the period from September 24, 2021 to May 13, 2025 (the "**Final SRD**"); (iii) approving a distribution to GTL, in its capacity as Court-appointed receiver of Crystal Wealth Mortgage Strategy (formerly Crystal Enhanced Mortgage Fund); and (iv) discharging GTL as Receiver, was heard this day by Zoom judicial video conference.

ON READING the Motion Record of the Receiver, including the First Report and the appendices thereto, 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 Diana McMillen, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of this Motion and the Motion Record herein are properly returnable today and the Court hereby dispenses with further service thereof.

APPROVAL OF THE FIRST REPORT

2. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Receiver described therein be and 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 such approval.

APPROVAL OF FINAL RECEIPTS AND DISBURSEMENTS

3. **THIS COURT ORDERS** that the Receiver's Final SRD dated May 13, 2025, as set out in Appendix "2" of the Second Report, be and is hereby ratified and approved.

PROPOSED DISTRIBUTION

4. **THIS COURT ORDERS** that the Receiver is hereby authorized to make the proposed distribution, as described in paragraph 21 of the First Report.

DISCHARGE AND RELEASE OF RECEIVER

5. **THIS COURT ORDERS** that upon the Receiver filing a certificate substantially in the form attached as **Schedule “A”** hereto (the “**Receiver’s Discharge Certificate**”) certifying that it has completed the other activities described in the First Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (i) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (ii) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of GTL in its capacity as Receiver.

6. **THIS COURT ORDERS** that, effective upon filing of the Receiver’s Discharge Certificate pursuant to paragraph 5 of this Order, GTL is hereby released and discharged from any and all liability that GTL now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of GTL while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver’s part. Without limiting the generality of the foregoing, GTL is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver’s part.

GENERAL

7. **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.

8. **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.

SCHEDULE “A”

District of Ontario
Division No. 9 – Toronto
Court File No.: CV-21-00667707-00CL
Estate No.: 31-459258

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

BETWEEN:

**CRYSTAL WEALTH MORTGAGE STRATEGY, by its Court-Appointed Receiver and
Manager, GRANT THORNTON LIMITED**

Applicant

- and -

2441472 ONTARIO INC.

Respondent

MOTION UNDER SUBSECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, c. C.43, AS AMENDED

RECEIVER’S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 24, 2021, Grant Thornton Limited (“**GTL**”) was appointed as receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of 2441472 Ontario Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated May 22, 2025 (the “**Discharge Order**”), GTL was discharged as Receiver effective upon the filing by the Receiver with the Court of a certificate confirming that the Receiver has completed the activities described in the First Report, and all remaining matters to be attended to in connection with these receivership proceedings have been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER CERTIFIES that the Receiver has completed all activities described in the First Report and all remaining matters to be attended to in connection with these receivership proceedings have been completed to the satisfaction of the Receiver.

**GRANT THORNTON LIMITED, solely
in its capacity as court-appointed receiver
and manager of the assets, undertaking
and property of 2441472 Ontario Inc., and
not in its personal or corporate capacity**

Per: _____
Name:
Title:

**CRYSTAL WEALTH MORTGAGE STRATEGY, by its Court-
Appointed Receiver and Manager, GRANT THORNTON LIMITED**

789

and

2441472 ONTARIO INC.

Applicant

Respondent

Court File No. CV-21-00667707-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

DISCHARGE ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street
Suite 1800
Toronto, ON M5J 2T9

Miranda Spence (LSO# 60621M)

Tel: (416) 865-3414

Email: mspence@airdberlis.com

Samantha Hans (LSO# 84737H)

Tel: (437) 880-6105

Email: shans@airdberlis.com

*Lawyers for Grant Thornton Limited., in its capacity as the
court-appointed Receiver*



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO: CV-21-00667707-00CL

DATE: MAY 22 2025

NO. ON LIST: 4

TITLE OF PROCEEDING: CRYSTAL WEALTH MORTGAGE STRATEGY, BY ITS COURT-APPOINTED RECEIVER AND MANAGER, GRANT THORNTON LIMITED v. 2441472 ONTARIO INC.

BEFORE: JUSTICE OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Miranda Spence & Samantha Hans	Counsel to the Receiver	mspence@airdberlis.com shans@airdberlis.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Bruce Bando	Receiver	Bruce.Bando@doane.gt.ca

ENDORSEMENT OF JUSTICE OSBORNE:

- [1] The Receiver seeks approval of its First Report dated May 13, 2025 and the activities described therein; authorization to make a distribution to the Court-appointed Receiver of the Mortgage Fund; approval of the Receiver's final statement of receipts and disbursements for the period September 24, 2021 to May 13, 2025; and an order discharging the Receiver and granting it a release, excepting gross negligence or wilful misconduct.
- [2] The Receiver relies on the First Report and the appendices thereto. The Service List has been served. The relief sought today is unopposed. This is not surprising, since the relief sought is effectively a distribution to the Receiver of the Mortgage Fund such that the funds can be administered in that proceeding (Grant Thornton is the Receiver in both cases) and the discharge of the Receiver in this proceeding.
- [3] Defined terms in this Endorsement have the meaning given to them in the motion materials.
- [4] The total value of the indebtedness of the Debtor to the Mortgage Fund at the time of the interim receivership was \$1,872,657.83. Following execution of the APS, there is \$619,006.07 available for the satisfaction of claims against the Debtor.
- [5] As there are no other secured creditors of the Debtor, and the assets available for distribution will not satisfy the Indebtedness, the Receiver intends to distribute the net cash on hand to the Mortgage Fund. It follows that upon completion of the Remaining Duties, the Receiver should be discharged as it will have substantially fulfilled its mandate. It has sold or realized on the Property to the best of its ability and there is little else to do.
- [6] In the circumstances, I am satisfied that the proposed relief is appropriate. The First Report and the activities described therein are approved. The activities are consistent with the mandate given to the Receiver in the original appointment order. No fee approval is sought today. That will be addressed in the companion proceeding at another time. The statement of receipts and disbursements is approved, the distribution is authorized and the discharge is granted on the terms proposed.
- [7] Discharge Order to go in the form signed by me today which is effective immediately and without the necessity of issuing and entering.

A handwritten signature in green ink, appearing to read "Osborne J.", is located at the bottom right of the page.

APPENDIX 30

COUNSEL SLIPCOURT FILE NO. CV-19-630036-CLDATE: Wednesday, February 26, 2020THE HONOURABLE: MR. JUSTICE KOEHNENNo. ON LIST: 3COURTROOM: 8-2 @ 330 UATITLE OF CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED et al

-v-

PROCEEDING STORELLI et al

COUNSEL FOR:

Plaintiff (s)

Applicant (s)

Petitioner (s)

Shokzira John, Aird+Berlis LLP

Phone & Fax No

*T: 416-865-4637**F: 416-863-1500*

COUNSEL FOR:

Defendant (s)

Respondent (s)

Phone & Fax No

*Defendant's material signed. Defendant's name
revised as per my and earlier orders of J. J. L. J.*

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

I am satisfied that the plaintiff is entitled to default judgment.

The statement of claim makes clear that the plaintiff invested U.S. \$ 8,650,000 (para 19) into a number of ventures and has not been re-paid as required by the subscription documents.

The statement of claim sets out and adjoins allegations to support a finding of fraud. The funds and the individuals running them have failed to report to investors as required by subscription documents, they knowingly misrepresented material matters (para 37) they used fund assets as collateral for investments in which the funds had no interest (para 42), failed to provide a breakdown of funds received and spent (paras 43-44, 46), have failed to distribute assets although properties have been sold (para 49), used fund assets to contrary to the subscription agreements (para 51), ^{and} mis-used trust funds (para 53). Collectively these allegations amount to fraud.

Court File Number: _____

Superior Court of Justice
Commercial List

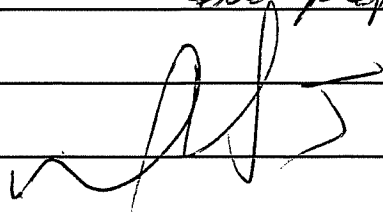
FILE/DIRECTION/ORDER

Judges Endorsement Continued

The foregoing allegations also support a claim for punitive damages. The misuse of investment funds and the refusal by the individual defendants to provide information they are obliged to provide warrants sanction and denunciation by the court.

I am satisfied that the conduct of the individual defendants amounts to personal breaches of their duties and torts for which they are personally responsible.

Finally the plaintiffs are entitled to commence a derivative action on behalf of 1076874. The facts alleged are within the director's charge to the corporation. In the circumstances it is unlikely the directors would commence an action and could not be trusted to do so even properly even if they did commence the action.



APPENDIX 31



Court File No. CV-19-00630036-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

WEDNESDAY, THE 26th
DAY

JUSTICE KOEHNEN

)

OF FEBRUARY, 2020

BETWEEN:

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CRYSTAL WEALTH
ENLIGHTENED FACTORING STRATEGY and CRYSTAL WEALTH
ENLIGHTENED HEDGE FUND, by their Court-Appointed Receiver and
Manager, GRANT THORNTON LIMITED

Plaintiffs

and

ALBERTO STORELLI, JOSEPH HARKER, BRIAN PEOPLES, 1076874 B.C.
LTD., 1076874 PROPERTIES LIMITED PARTNERSHIP, 1077187 B.C. LTD.,
DAVINCI CAPITAL PROPERTY, INC., ROTHBURY REIT LIMITED
PARTNERSHIP, ROTHBURY CAPITAL CORP. and DAVINCI CAPITAL REIT,
INC.

Defendants

JUDGMENT

THIS MOTION, made by Grant Thornton Limited ("**GTL**"), in its capacity as the Court-appointed receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of Crystal Wealth Management System Limited (the "**Company**"), Crystal Wealth Enlightened Factoring Strategy (the "**Factoring Fund**") and Crystal Wealth Enlightened Hedge Fund (the "**Hedge Fund**", and, together with the Factoring Fund, the "**Funds**") (collectively, the "**Crystal Wealth Group**"), for default judgment against the defendants

as is set out in the Notice of Motion filed by the Receiver dated February 12, 2020, was heard this day at the courthouse located at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver dated February 12, 2020, including the Statement of Claim in this action, the affidavits of Myles Stewart sworn November 22 and December 16, 2019, the affidavits of Nicholas Ramirez sworn November 5, 2019 proving service of the Statement of Claim on the Defendants, the Order of Justice Pattillo dated December 6, 2019, and the affidavit of Bruce Bando sworn February 11, 2020, and on hearing the submissions of counsel for the Receiver, each of the Defendants having been noted in default,

1. **THIS COURT ORDERS AND ADJUDGES** that the Defendants, jointly and severally, shall pay to the Plaintiffs an amount in Canadian funds sufficient to purchase \$8,650,000 in United States Dollars at a bank in Ontario listed in Schedule 1 of the *Bank Act* (Canada), the amount of said funds to be determined at the close of business on the first day before the day that judgment is granted in this action, and on a day which the Bank quotes a Canadian dollar rate for the purchase of foreign currency, together with pre-judgment interest thereon, compounded annually, from June 12, 2019 to the date of this judgment at the rate of 12 *per cent* per annum.

2. **THIS COURT ORDERS AND ADJUDGES** that Alberto Storelli, Joseph Harker, Brian Peoples and 1076874 B.C. Ltd., jointly and severally, shall pay to the Plaintiffs punitive damages in the sum of \$1,000,000.

3. **THIS COURT ORDERS AND ADJUDGES** that the award of damages in paragraphs 1 and 2 above as against the defendants, Alberto Storelli, Joe Harker, and Brian Peoples, is a debt and liability owing by these defendants to the Plaintiffs arising out of fraud and fraudulent

funds (the “**Distributions**”) which are above and beyond any entitlement which the Defendants have to receive such funds in priority to the Plaintiffs, and (ii) requiring that the Defendants pay such Distributions to the Receiver.

8. **THIS COURT ORDERS AND ADJUDGES** that the bank accounts and assets of each of the Defendants be and hereby are impressed with a constructive trust for the benefit of the Plaintiffs.

9. **THIS COURT ORDERS AND ADJUDGES** that a tracing order be and is hereby granted in favour of the Plaintiffs to trace the Funds’ Investment, and the ultimate recipients of the Funds’ Investment and of the Distributions (as such capitalised terms are defined in the Statement of Claim).

10. **THIS COURT ORDERS** that upon execution of the tracing order referred to in paragraph 9 above, the Plaintiffs may, in respect of any amounts awarded to them pursuant to the above paragraphs, in each instance elect in whole or in part between the following:

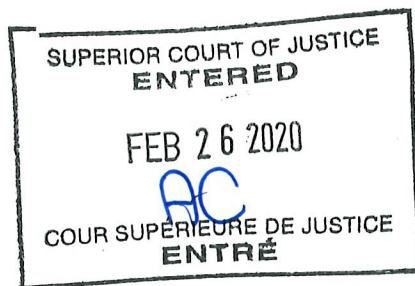
- (a) the imposition of a constructive trust and/or an equitable lien; and
- (b) a personal remedy against the party or parties liable.

11. **THIS COURT ORDERS AND ADJUDGES** that the Defendants, jointly and severally, pay the Plaintiff’s costs of this action, including the costs of this motion, fixed in the amount of \$

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Judgment and to assist the Receiver and its agents in carrying out the terms of this Judgment. All courts, tribunals, regulatory and administrative bodies are hereby respectfully

requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Judgment or to assist the Receiver and its agents in carrying out the terms of this Judgment.

THE JUDGMENTS ORDERED HEREIN BEAR INTEREST at the rate of 12 per cent per annum, compounded annually, commencing on the date hereof.



CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED,
CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY
and CRYSTAL WEALTH ENLIGHTENED HEDGE FUND, by their
Court-Appointed Receiver and Manager, GRANT THORNTON
LIMITED

and

ALBERTO STORELLI, JOSEPH HARKER, BRIAN PEOPLES et al.

Plaintiffs

Defendants

Court File No. CV-19-00630036-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at TORONTO

JUDGMENT

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Mark J. van Zandvoort – LSO No. 59120U
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Shakaira John – LSO No. 72263D
Email: sjohn@airdberlis.com

Tel: 416-863-1500
Fax: 416-863-1515

Lawyers for the Plaintiffs

APPENDIX 32

**UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE: NATIONAL FOOTBALL LEAGUE
PLAYERS' CONCUSSION INJURY
LITIGATION

No. 2:12-md-02323-AB

MDL No. 2323

THIS DOCUMENT RELATES TO:

ALL ACTIONS

Hon. Anita B. Brody

EXPLANATION AND ORDER

It has come to the Court's attention that members of the class or their representatives have assigned or attempted to assign monetary claims to third parties. Under the unambiguous language of the Settlement Agreement, Settlement Class Members¹ are prohibited from assigning or attempting to assign their monetary claims to third parties, and any agreement making such an assignment or attempt to assign is void, invalid and of no force and effect. Additionally, under the Settlement Agreement, the Claims Administrator is prohibited from paying a Class Member's monetary award to any third party that holds an assignment or an attempted assignment ("Third-Party Funder").²

The purpose of the anti-assignment provision is to protect the interests of Class Members by recognizing that Class Members receiving monetary awards are by definition cognitively

¹ Reference to Class Members includes any Class or Subclass Representative. See Settlement Agreement § 30.1.

² The Claims Administrator, BrownGreer, has already made an official statement that it will not recognize the assignment of any monetary claims. See NFL Concussion Settlement Website, Frequently Asked Questions 5.31, available at <https://www.nflconcussionsettlement.com/Un-Secure/FAQDetails.aspx?q=67#67>.

impaired. As the fiduciary of the Class, it is the Court's obligation to enforce this provision of the Settlement Agreement.

BACKGROUND

The administration of large settlements can provide unique challenges to the legal system as a whole, and the administration of the NFL Concussion Settlement has certainly been no exception. The issue before the Court was first raised by litigation before Judge Loretta A. Preska in the Southern District of New York. In that litigation, the Consumer Financial Protection Bureau ("CFPB") and the People of the State of New York ("NYAG") brought suit against RD Legal Funding, RD Legal Finance, LCC, RD Legal Funding Partners, LP, and Roni Dersovitz (collectively, "RD Legal"). As part of that suit, RD Legal³ asserted that assignments of Class Member's monetary claims are permitted under the NFL Concussion Settlement Agreement. Upon learning of that assertion, Co-Lead Class Counsel, Chris Seeger, filed an amicus memorandum before Judge Preska disputing RD Legal's claims. *See CFPB, et al. v. RD Legal Funding, LCC, et al.*, No. 17-cv-890 (S.D.N.Y. Sept. 8, 2017), ECF No. 45.

Judge Preska was presented with the question of whether "the *NFL Concussion Litigation* settlement agreement forbids assignments of settlement benefits." Order at 4, *RD Legal Funding*, No. 17-cv-890 (S.D.N.Y. Sept. 8, 2017), ECF No. 59. Judge Preska referred that question to this Court because it implicates the administration of the settlement and the interpretation of the Settlement Agreement—over which this Court has continuing jurisdiction. *See Settlement Agreement* § 27.1, ECF No. 6481-1 ("Any disputes or controversies arising out of, or related to, the interpretation, implementation, administration, and enforcement of this Settlement Agreement will be made by motion to the Court."); *see also In re Nat. Football League Players'*

³ RD Legal is a Third-Party Funder purports to have purchased assignments of Class Member's monetary claims.

Concussion Injury Litig., 307 F.R.D. 351, 426 (E.D. Pa. 2015) (“The Court retains continuing and exclusive jurisdiction over this action including jurisdiction over . . . all Settlement Class Members . . .”).⁴

DISCUSSION

The Settlement Agreement is interpreted under New York Law, Settlement Agreement § 27.1(a), ECF 6481-1, and New York law allows parties to void assignments of contractual rights so long as the anti-assignment language is unambiguous, *Neuroaxis Neurosurgical Associates, PC v. Costco Wholesale Co.*, 919 F. Supp. 2d 345, 352 (S.D.N.Y. 2013) (collecting cases).

In order to protect Class Members, the Settlement Agreement unambiguously prohibits Class Members from assigning claims or attempting to assign claims and renders any such assignment void, invalid and of no force and effect.

Section 30.1 No Assignment of Claims. Neither the Settlement Class nor any Class or Subclass Representative or Settlement Class Member has assigned, will assign, or will attempt to assign, to any person or entity other than the NFL Parties any rights or claims relating to the subject matter of the Class Action Complaint. Any such assignment, or attempt to assign, to any person or entity other than the NFL Parties any rights or claims relating to the subject matter of the Class Action Complaint will be void, invalid, and of no force and effect and the Claims Administrator shall not recognize any such action.

Settlement Agreement, ECF No. 6481-1.

The above section bars the assignment of a Class Member’s monetary claims—as can be shown by a simple syllogism. Section 30.1 prevents a Settlement Class Member from assigning “any rights or claims relating to the subject matter of the Class Action Complaint.” *Id.* The subject matter of the Class Action Complaint includes the allegations that directly produced the Settlement Agreement and its monetary claim structure. Thus, any monetary claims under the

⁴ To address the question, Co-lead Class Counsel, the CFPB, NYAG, and RD Legal submitted briefs to this Court. See ECF No. 8380.

Settlement Agreement are “relat[ed] to”⁵ the Class Action Complaint, and assignment of those claims is prohibited.⁶

Therefore, under the Settlement Agreement, Class Members are prohibited from assigning or attempting to assign any monetary claims, and any such purported assignment is void, invalid and of no force and effect. Furthermore, the Settlement Agreement instructs that the Claims Administrator shall not recognize any such action taken by a Settlement Class Member. Thus, Class Members simply cannot enter into a binding agreement that assigns or attempts to assign their claims. A Third-Party Funder that failed to perform proper due diligence before deciding to enter such an agreement is prohibited from now reaping the benefit of the contract.

⁵ Under New York state law, the phrase “relating to” is commonly given broad scope. *See, e.g., Coregis Ins. Co. v. Am. Health Found., Inc.*, 241 F.3d 123, 128 (2d Cir. 2001) (defining “related to” broadly—and more broadly than “arising out of”).

⁶ RD Legal argues that the assignment of a Class Member’s monetary claim is permissible under the Settlement Agreement. Two main arguments are given, but neither is persuasive.

RD Legal performs linguistic backflips trying to demonstrate that the phrase “rights or claims relating to the subject matter of the Class Action Complaint” does not include Class Members’ *monetary claims* and is instead limited to Class Members’ *tort claims*. RD Legal’s argument fails because its entire analysis is predicated on excising the phrase “relating to” from its interpretation of the Settlement Agreement’s text. *See* RD Legal Mem. 10-12, ECF No. 8435 (repeating the phrase “subject matter of the Class Action Complaint” without discussing, at all, the meaning or existence of the preceding words “relating to”). The phrase “relating to” expands the definition of “subject matter of the Class Action Complaint” to include monetary claims under the settlement agreement. RD Legal evades discussing this important phrase, and therefore, its definition of the “plain meaning” of the Settlement Agreement is incorrect.

Also, RD Legal argues that Article 9 of the Uniform Commercial Code invalidates any attempts to restrict the assignment of payments stemming from a legal settlement. RD Legal argues that under Article 9, parties cannot restrict assignment of “a general intangible,” which includes settlement proceeds. RD Legal Mem. 8-9, ECF No. 8435. Even if Article 9 covers the Settlement Agreement, the monetary claims under the agreement would be excluded by New York’s version of the UCC.

The invalidation of anti-assignment provisions does not apply to “a claim or right to receive compensation for injuries.” N.Y. U.C.C. Law § 9-408(d)(1). Clearly, an award that pays money for suffering head concussions is “compensation for injuries.” Therefore, New York’s UCC provisions allow for parties to create terms that prevent assignment of settlement claims, and RD Legal’s argument that the Settlement Agreement cannot restrict assignment under the UCC fails.

Thus, based on the above reasoning, the answer to Judge Preska's question is: yes, the *NFL Concussion Litigation* Settlement Agreement forbids assignments of settlement benefits.

CONCLUSION

The Claims Administrator is instructed to inquire of every Class Member, who is eligible for an award, as to whether that Class Member has made an assignment or attempt to assign. Every such class member must provide a verified response to the Claims Administrator. If an assignment or attempt to assign has been made, the Class Member must also submit to the Claims Administrator any documents related to the transaction, including any documents signed by the Class Member's attorney.

To the extent that any Class Member has entered into an agreement that assigned or attempted to assign any monetary claims, that agreement is void, invalid and of no force and effect. Class Members receiving awards are, by definition, cognitively impaired. A Third-Party funder entering an agreement with a Class Member would obviously know that simple fact. Additionally, the anti-assignment language in the Settlement Agreement clearly states the intent that Class Members are unable to make assignments. Thus, the Court has little sympathy for a Third-Party Funder that will not receive a return on its "investment." Nevertheless, under the principle of rescission, Class Members should return to the Third-Party Funder the amount already paid to them. Accordingly, if the Third-Party Funder is willing to accept rescission and execute a valid waiver relinquishing any claims or rights under the entire agreement creating the assignment or attempted assignment, then the Claims Administrator will be authorized to withhold—from the Class Member's monetary award—the amount already paid to the Class Member under the agreement and return it to the Third-Party Funder.

Further instructions to the Claims Administrator will follow. So **ORDERED**.

s/Anita B. Brody

ANITA B. BRODY, J.

12/8/2017

DATE

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APPENDIX 33

**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA**

IN RE: NATIONAL FOOTBALL LEAGUE
PLAYERS' CONCUSSION INJURY
LITIGATION

No. 2:12-md-02323-AB

MDL No. 2323

THIS DOCUMENT RELATES TO:

ALL ACTIONS

Hon. Anita B. Brody

ORDER

AND NOW, this _20th_ day of February, 2018, pursuant to this Court's continuing and exclusive jurisdiction under Article XXVII of the NFL Concussion Settlement Agreement (the "Settlement Agreement"), it is **ORDERED** that the Claims Administrator pay directly to the Settlement Class Member any and all Monetary Awards in cases where there has been found an improper assignment of any right or claim pursuant to Section 30.1 of the Settlement Agreement.

s/Anita B. Brody

ANITA B. BRODY, J.

Copies **VIA ECF** on _____ to:

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APPENDIX 34

In re NFL Players' Concussion Injury Litig.

United States Court of Appeals for the Third Circuit

January 23, 2019, Argued; April 26, 2019, Filed

Nos. 18-1040, 18-1482, No. 18-1639, Nos. 18-2184, 18-2582, No. 18-3005

Reporter

923 F.3d 96 *; 2019 U.S. App. LEXIS 12563 **

In Re: NATIONAL FOOTBALL LEAGUE PLAYERS' CONCUSSION INJURY LITIGATION,* RD Legal Funding, LLC; RD Legal Finance, LLC; RD Legal Funding Partners LP; Roni Dersovitz, Appellants; In Re: NATIONAL FOOTBALL LEAGUE PLAYERS' CONCUSSION INJURY LITIGATION,** Cash4Cases, Inc.;* Atlas Legal Funding, LLC; Atlas Legal Funding I, LP; Atlas Legal Funding II, LP; Atlas Legal Funding III, LP, Appellants; In Re: NATIONAL FOOTBALL LEAGUE PLAYERS' CONCUSSION INJURY LITIGATION,* Thrivest Specialty Funding, LLC, Appellant; THRIVEST SPECIALTY FUNDING, LLC, Appellant v. WILLIAM E. WHITE

Notice: NOT PRECEDENTIAL OPINION UNDER THIRD CIRCUIT INTERNAL OPERATING PROCEDURE RULE 5.7. SUCH OPINIONS ARE NOT REGARDED AS PRECEDENTS WHICH BIND THE COURT.

Subsequent History: Motion denied by Thrivest Specialty Funding, LLC v. White, 2019 U.S. Dist. LEXIS 205542 (E.D. Pa., July 1, 2019)

Prior History: [*1] On Appeal from the United States District Court for the Eastern District of Pennsylvania. District Court No. 2-12-md-02323. District Judge: The Honorable Anita B. Brody.

On Appeal from the United States District Court for the Eastern District of Pennsylvania. District Court No. 2-18-cv-01877. District Judge: The Honorable Anita B. Brody.

In re NFL Players' Concussion Injury Litig., 2018 U.S. Dist. LEXIS 86075 (E.D. Pa., May 22, 2018)

Counsel: For Paul Raymond Turner, Shawn Wooden (18-1639) (18-2184) (18-2582), Plaintiffs: TerriAnne Benedetto, Seeger Weiss, Philadelphia, PA; Samuel Issacharoff, New York University Law School, New York, NY; Diogenes P. Kekatos, Seeger Weiss, New York, NY; Christopher A. Seeger, Seeger Weiss, Ridgefield Park, NJ; Sol H. Weiss, Anapol Weiss, Philadelphia, PA. [*2]

For WILLIAM E. WHITE (18-2184), Plaintiff: Robert C. Wood, Law Offices of Robert C. Wood, New Albany, OH.

For THRIVEST SPECIALTY FUNDING LLC (18-3005), Plaintiff: Peter C. Buckley, Eric E. Reed, Fox Rothschild, Philadelphia, PA.

For NATIONAL FOOTBALL LEAGUE, NFL PROPERTIES (18-1639) (18-2184), Defendants: Lynn B. Bayard, Bruce A. Birenboim, Brad S. Karp, Paul Weiss Rifkind Wharton & Garrison, New York, NY.

For WILLIAM E. WHITE (18-3005), Defendant: Robert C. Wood, Law Offices of Robert C. Wood, New Albany, OH.

For ATLAS LEGAL FUNDING LLC, ATLAS LEGAL FUNDING I LP, ATLAS LEGAL FUNDING II LP, ATLAS LEGAL FUNDING III LP (18-1639), Appellants: Bridget C. Giroud, Marissa R. Parker, Stradley Ronon Stevens & Young, Philadelphia, PA; Raul J. Sloezen, Emerson, NJ.

* (Pursuant to Rule 12(a) Fed. R. App. P.)

** (Pursuant to Rule 12(a) Fed. R. App. P.)

* (Dismissed pursuant to the Clerk's Order dated 8/2/18.)

* (Pursuant to Rule 12(a), Fed. R. App. P.)

For CASH4CASES INC (18-1639), dismissed_USCA: Bridget C. Giroud, Marissa R. Parker, Stradley Ronon Stevens & Young, Philadelphia, PA; Raul J. Sloezen, Emerson, NJ.

For THRIVEST SPECIALTY FUNDING LLC (18-2184) (18-2582), Appellants: Peter C. Buckley, Eric E. Reed, Fox Rothschild, Philadelphia, PA.

Judges: Before: SMITH, Chief Judge, CHAGARES, and BIBAS, Circuit Judges.

Opinion by: SMITH

Opinion

[*100] OPINION OF THE COURT

SMITH, *Chief Judge*.

This consolidated appeal involves issues tangential to the expansive National Football League (NFL) concussion injury litigation. Following approval of the settlement agreement in that class action in 2015, various class members entered into cash advance arrangements with third party litigation funders. Under the agreements relevant to the cases on appeal, class members purported to assign their rights to a portion of their settlement proceeds in exchange for receipt of immediate cash.

In December 2017, Eastern District of Pennsylvania Judge Anita Brody, who had presided over the NFL class action and retained jurisdiction while the settlement was being administered, issued an order purporting to void in their entirety all of the assignment agreements. The District Court¹ [*3] explained that its ruling was necessary to protect vulnerable class members from predatory funding companies. Appellants RD, Atlas, and Thrivest, three groups of litigation funding entities,² now appeal that order and other related orders entered by the District Court.

We commend Judge Brody for her very able handling throughout this extraordinarily complicated class action and settlement, and we appreciate her steadfast commitment to protecting class members' rights. In this instance, though, despite having the authority to void prohibited assignments, the District Court went too far in voiding the cash advance agreements in their entirety and voiding contractual provisions that went only to a lender's right to receive funds after the player acquired them. Accordingly, we will affirm in part and reverse in part in case 18-1040. We will dismiss cases 18-1639, 18-2582, and 18-1482 for lack of jurisdiction. We will vacate and remand in cases 18-2184 and 18-3005.

I.

In early 2012, MDL 2323 was formed to handle claims that had been filed by former professional football players against the NFL based on concussion-related injuries. [*101] On May 8, 2015, the District Court entered a final order certifying [*4] a class of former NFL players and approving the parties' final settlement agreement. This Court affirmed the District Court's judgment and upheld both the settlement and the certification of the class for settlement purposes. *In re Nat'l Football League Players Concussion Injury Litig.*, 821 F.3d 410 (3d Cir. 2016). The

¹ Unless otherwise indicated, the term "District Court" refers to the United States District Court for the Eastern District of Pennsylvania and, specifically, Judge Brody.

² Appellants in 18-1040 and 18-1482 are RD Legal Funding Partners, L.P; RD Legal Finance, LLC; RD Legal Funding, LLC; and Roni Dersovitz (RD, or RD entities). Appellants in 18-1639 are Atlas Legal Funding, LLC; Atlas Legal Funding I, LP; Atlas Legal Funding II, LP; and Atlas Legal Funding III, LP (Atlas, or Atlas entities). Appellant in 18-2184, 18-2582, and 18-3005 is Thrivest Specialty Funding, LLC (Thrivest).

Supreme Court denied *certiorari* review, *Gilchrist v. Nat'l Football League*, 137 S. Ct. 591, 196 L. Ed. 2d 473 (2016); *Armstrong v. Nat'l Football League*, 137 S. Ct. 607, 196 L. Ed. 2d 473 (2016), and the settlement went into effect on January 7, 2017.

Under the settlement agreement, approximately 200,000 class members gave up their claims in exchange for potential proceeds from an uncapped settlement fund. In order to receive an award, a class member must first submit a claim package including medical records reflecting a qualifying diagnosis, among other things. The Claims Administrator then conducts a preliminary review for deficiencies, investigates the claim as appropriate, and makes a determination as to whether the class member qualifies for a monetary award. Either the class member or the NFL can then appeal the monetary award determination. Only after any appeals are completed does the Claims Administrator pay out the individual's award.

In March 2017, the claims submission process opened for class members who had been diagnosed with a qualifying illness prior to January 7, 2017. The first payouts [**5] for this group of players took place in mid-2017. Individuals without a diagnosis prior to January 7, 2017, were required to receive a diagnosis from a practitioner approved through the settlement Baseline Assessment Program (BAP). Class members could begin registering for appointments through the BAP system in June 2017. Thus, after entering into the settlement in May 2015, class members waited at least two years, and often longer, before receiving their awards.

While waiting to receive their awards, hundreds of class members entered into cash advance agreements with dozens of litigation funding companies, including the three groups of funding entities who are appellants here. Under the agreements relevant to this appeal, class members purported to "assign" their rights to a portion of their settlement proceeds in exchange for immediate cash. The amount of proceeds assigned and the cash received varied with each class member's contract. The effective interest rate, calculated by comparing the amount of money assigned with the amount of money received, also varied significantly among the contracts.

Under the agreements entered into by the Atlas entities and Thrivest, the funding companies [**6] obtained no right to submit a claim directly to the Claims Administrator and instead acquired only the right to receive settlement funds after the Claims Administrator had paid out the awards to the particular class members with whom they contracted. Under the RD entity agreements, the funding companies purported to obtain both the right to collect directly from the Claims Administrator and the right to collect after the award was paid out to the class member.³ Under all of the agreements relevant to this appeal, class members expressly did not assign their legal claims against the NFL, nor did the funding companies acquire the [*102] right to assert legal claims. See, e.g., Atlas App. 890 ("[T]he Purchaser is in no way acquiring the Seller's right to sue.").

Importantly, the May 2015 final settlement agreement included a provision under which Judge Brody broadly retained jurisdiction over administration of the settlement:

Section 27.1 Pursuant to the Final Order and Judgment, the Court will retain continuing and exclusive jurisdiction over the Parties and their counsel, all Settlement Class Members, the Special Master, BAP Administrator, Claims Administrator, Liens Resolution Administrator, Appeals Advisory [**7] Panel, Appeals Advisory Panel Consultants, and Trustee with respect to the terms of the Settlement Agreement. Any disputes or controversies arising out of, or related to, the interpretation, implementation, administration, and enforcement of this Settlement Agreement will be made by motion to the Court. In addition, the Parties, including each Settlement Class Member, are hereby deemed to have submitted to the exclusive jurisdiction of this Court for any suit, action, proceeding, or dispute arising out of, or relating to, this Settlement Agreement. The terms of the Settlement Agreement will be incorporated into the Final Order and Judgment of the Court, which will allow that Final Order and Judgment to serve as an enforceable injunction by the Court for purposes of the Court's continuing jurisdiction related to the Settlement Agreement.

The settlement agreement also included an anti-assignment provision:

³ RD has since stated that it has made no attempt to collect directly from the Claims Administrator.

Section 30.1 No Assignment of Claims. Neither the Settlement Class nor any Class or Subclass Representative or Settlement Class Member has assigned, will assign, or will attempt to assign, to any person or entity other than the NFL Parties any rights or claims relating to the subject matter of the [**8] Class Action Complaint. Any such assignment, or attempt to assign, to any person or entity other than the NFL Parties any rights or claims relating to the subject matter of the Class Action Complaint will be void, invalid, and of no force and effect and the Claims Administrator shall not recognize any such action.

The District Court incorporated all of the settlement terms into its final order dismissing the case.

Following approval of the settlement, the District Court and class counsel took various steps to address cash advance agreements. In July 2016, class counsel first sent a letter to the class warning of predatory lending. The letter advised class members to avoid encumbering their settlement proceeds whenever possible. Atlas App. 1142 ("[I]f you are able to resist borrowing against any payments you might be eligible for under the Settlement, you should."). In June 2017, class counsel advised the Court that he was concerned with solicitations being sent to the class, including by high interest lenders, and received the Court's permission to send another letter to the class regarding the practice. In July 2017, Judge Brody scheduled a hearing for September 19, 2017, to address [**9] deceptive practices targeting the class, including solicitations from litigation funders.

In an entirely separate proceeding in the Southern District of New York before Judge Loretta Preska, the Consumer Financial Protection Bureau (CFPB) and the New York Attorney General challenged the business practices of the RD funding entities. In that lawsuit, the Government claimed that RD was engaging in fraudulent lending practices through certain agreements related to settlement proceeds, including agreements with NFL [**103] class members. A question arose in the CFPB lawsuit as to whether the NFL settlement agreement's anti-assignment provision precluded class member assignments of settlement proceeds. Judge Preska determined that the most efficient way to resolve that issue would be to "refer" the question to Judge Brody because she had presided over the settlement negotiations and retained jurisdiction over administration of the settlement. On September 8, 2017, Judge Preska issued a referral letter alerting Judge Brody to the issue, but was careful to note that she was not transferring any portion of the case to Judge Brody.

On September 19, 2017, Judge Brody conducted the scheduled hearing concerning [**10] deceptive practices. After learning of Judge Preska's referral letter, RD participated in the hearing, but other funding companies, including Atlas and Thrivest, were not involved. Following the hearing, class counsel filed a motion requesting that any disputed portion of a class member's award be withheld pending the Court's determination of whether the cash advance agreements were enforceable. The District Court granted Thrivest objector status as to the motion to withhold, and Thrivest submitted an opposition to class counsel's motion, arguing in part that the District Court lacked authority to adjudicate the enforceability of the third-party agreements. The Atlas entities moved to intervene and submitted opposition papers, but the Court did not grant the motion at that time, instead denying it as moot in June 2018.

On December 8, 2017, the District Court entered an order requiring class members to inform the Claims Administrator of all assignment agreements, and purporting to void all such agreements: "To the extent that any Class Member has entered into an agreement that assigned or attempted to assign any monetary claims, that agreement is void, invalid and of no force and effect." [**11] RD App. 5. The order further directed a procedure under which funding companies could accept rescission and return of the principal amount they had provided to class members by executing waivers relinquishing all rights under the agreements. The District Court noted that further instructions to the Claims Administrator would follow.⁴

The December 8, 2017 order did not make factual findings as to any specific agreement or the practices of any specific funding company. Instead, the District Court relied on the anti-assignment provision in the settlement agreement and its own role as a fiduciary to the class as bases for entering the expansive order. Although the

⁴ The Court did not expressly rule on the class's motion to withhold funds, but it necessarily rejected opposition arguments like those raised by Thrivest. By purporting to void the agreements, the District Court exercised authority that Thrivest argued the Court did not have.

December 8, 2017 order was directed broadly to all class members and all purported assignment agreements, and certainly affected the rights of all litigation funding companies that had entered into such contracts, many of the companies affected had not entered appearances or submitted any filings. Nor was any hearing conducted apart from the initial September 19, 2017 hearing. The RD entities filed a timely notice of appeal as to the December 8, 2017 order, No. 18-1040.

On February 20, 2018, the District Court ordered the Claims [**12] Administrator to disburse settlement proceeds directly to qualifying class members who had entered into assignment agreements that the Court had voided under the December 8, 2017 order. The RD entities filed a second timely [*104] notice of appeal as to the February 20 order, 18-1482. Atlas filed a notice of appeal in March 2018 purporting to appeal both the February 20, 2018 order and the December 8, 2017 order, 18-1639.

On May 1, 2018, Thrivest filed a complaint to compel arbitration against class member William E. White in the Western District of Pennsylvania, pursuant to a cash advance agreement between the company and White. Thrivest also initiated arbitration with the American Arbitration Association in Philadelphia. On May 2, 2018, class counsel filed on the NFL class docket an emergency motion for a temporary restraining order to prevent Thrivest from pursuing arbitration. Judge Brody granted the motion. Following a hearing, Judge Brody entered a permanent injunction on May 22, 2018, enjoining Thrivest from arbitrating the enforcement of its assignment agreement with White. On May 29, 2018, Thrivest filed a timely notice of appeal, No. 18-2184.

On June 28, 2018, Judge Brody denied as [**13] moot the class's motion to withhold the disputed settlement funds. Thrivest filed a second notice of appeal as to that order, No. 18-2582, arguing that by denying the motion to withhold as moot, the District Court had effectively applied the December 8, 2017 and February 20, 2018 orders to Thrivest for the first time.

The Western District of Pennsylvania later transferred Thrivest's case against class member White to the Eastern District of Pennsylvania. In August 2018, Judge Brody dismissed Thrivest's separate lawsuit against White, citing her May 22, 2018 order enjoining Thrivest from pursuing arbitration. Thrivest filed a timely notice of appeal from the dismissal, No. 18-3005.⁵

II.

Prior to reaching the merits of these appeals, we must address whether they are properly before this Court. Specifically, the consolidated appeals present jurisdictional issues of timeliness and appealability, each of which we will address in turn.

A.

The parties agree that the RD entities timely appealed both the December 8, 2017 and February 20, 2018 orders. We agree. The class argues, however, that both the Atlas entities and Thrivest failed to timely appeal some of the orders they are challenging. [**14] We agree and will dismiss the relevant appeals.

Atlas filed its notice of appeal on March 22, 2018, purporting to challenge both the District Court's December 8, 2017 order and its February 20, 2018 order. The class contends that Atlas's March 22, 2018 notice of appeal was not timely as to the December 8, 2017 order. As discussed *infra*, we conclude that the December 8, 2017 order was a final, appealable order. The order was clear and definite in its ruling that the anti-assignment provision forbade

⁵ Thrivest expressly limited its appeals to its agreement with class member White. See, e.g., Thrivest Reply Br. at 1 n.1 ("Thrivest refers to its dispute as with White (and not the Class or Class Counsel) because its Agreement is with White and it sought to arbitrate only with White."). Thrivest subsequently moved for a stay related to an agreement it entered into with another class member. We denied that motion in part because Thrivest had appealed only as to its agreement with White.

assignment of settlement proceeds and that any agreement was "void, invalid and of no force and effect." RD App. 5. The order also specified that if the funding companies opted for rescission, they could receive "the amount already paid to the [*105] Class Member," RD App. 5; we conclude that statement was sufficient for Atlas to calculate damages with reasonable certainty. See *DeJohn v. Temple Univ.*, 537 F.3d 301, 307 (3d Cir. 2008) (noting that a judgment is not final until it reasonably resolves the extent of damages). Accordingly, the Atlas entities forfeited their right to appeal the December 8, 2017 order when they failed to file a notice of appeal within thirty days of that order. See Fed. R. App. P. 4(a)(1)(A). Further, although Atlas timely filed its appeal from the [*15] February 20, 2018 order, Atlas makes no argument in its brief regarding that order and has therefore forfeited any challenge to it.⁶ We will dismiss Atlas's appeal at 18-1639 in its entirety for lack of jurisdiction.

As to Thrivest, there is no question that the company timely appealed Judge Brody's order enjoining it from pursuing arbitration (18-2184) and Judge Brody's order dismissing the *Thrivest v. White* case (18-3005). Thrivest also filed a notice of appeal on July 16, 2018, appealing from Judge Brody's order denying as moot the motion to withhold the disputed settlement funds. But in its briefing, Thrivest attempts to challenge not the order denying the motion to withhold, but rather the December 8, 2017 and February 20, 2018 orders. Thrivest argues that it was not until the Court's June order denying the motion to withhold that Thrivest understood the Court's previous orders to have decided the objections Thrivest raised in its November 2017 opposition. Thrivest argues that it therefore had no reason to believe, at the time those orders were entered in December 2017 and February 2018, that they affected its rights such that appeal would be necessary.

By their clear terms, [*16] the December 8, 2017 and February 20, 2018 orders applied to all assignment agreements entered into by class members, so the District Court necessarily rejected the arguments raised by Thrivest in its opposition when the Court purported to void the agreements. To the extent Thrivest attempts to appeal the denial of the motion to withhold, it failed to brief that issue and instead addressed only the December 8, 2017 and February 20, 2018 orders. Any argument as to the order denying the motion to withhold is therefore forfeited. Further, we conclude that Thrivest cannot bootstrap its arguments regarding the December 8, 2017 and February 20, 2018 final orders to its July 16, 2018 notice of appeal. Accordingly, we will dismiss as untimely Thrivest's appeal in case number 18-2582.

B.

In the remaining cases that were timely appealed, 18-1040, 18-1482, 18-2184, and 18-3005, the appellants-litigation funders appeal four orders: (1) the December 8, 2017 order voiding the assignment agreements; (2) the February 20, 2018 order directing the Claims Administrator to disburse funds; (3) the May 22, 2018 order enjoining Thrivest from arbitrating the enforceability of its assignment agreement; and (4) [*17] the order dismissing *Thrivest v. White*, respectively. We conclude that we have appellate jurisdiction to consider appeals of the first, third, and fourth orders under 28 U.S.C. §§ 1291 and 1292,⁷ but [*106] that we do not have jurisdiction over the appeal of the February 20, 2018 order.

⁶ As explained *infra*, even if Atlas had not forfeited its arguments as to the February 20, 2018 order, we conclude that it is not an appealable order.

⁷ We also conclude that we have jurisdiction despite the fact that RD and Thrivest were non-parties to the District Court litigation. In the usual course, only parties of record have standing to appeal. *IPSCO Steel (Ala.), Inc. v. Blaine Constr. Corp.*, 371 F.3d 150, 153 (3d Cir. 2004). "[A] nonparty may bring an appeal when three conditions are met: (1) the nonparty had a stake in the outcome of the proceedings that is discernible from the record; (2) the nonparty has participated in the proceedings before the district court; and (3) the equities favor the appeal." *Id.* The RD entities entered appearances and participated in briefing in the District Court, and Thrivest was granted objector status. To the extent these litigation funding entities were not parties below, see, e.g., *Devlin v. Scardelletti*, 536 U.S. 1, 8, 122 S. Ct. 2005, 153 L. Ed. 2d 27 (2002) ("Because they were not named in the action, the appellants in these cases were parties only in the sense that they were bound by the order from which they were seeking to appeal."), they nonetheless qualify for nonparty standing under our non-party appeal precedent. See *IPSCO Steel (Ala.), Inc.*, 371 F.3d at 153. Both groups of litigation funding entities have a stake in the outcome of the proceedings because

The December 8, 2017 and February 20, 2018 orders are not traditional "final" orders under 28 U.S.C. § 1291 because they did not terminate the litigation in the District Court. Yet there are circumstances where finality should be given a "practical rather than a technical construction." *Isidor Paiewonsky Assocs., Inc. v. Sharp Props., Inc.*, 998 F.2d 145, 150, 28 V.I. 448 (3d Cir. 1993). "[T]his is especially so when supplementary post-judgment orders are involved because the policy against and the probability of avoiding piecemeal review are less likely to be decisive after judgment than before." *Id.* (internal quotation marks omitted). Under the collateral order doctrine, we also have jurisdiction under 28 U.S.C. § 1291 to review "certain decisions that do not terminate the litigation . . . as final decisions of the district courts if they are (1) conclusive, (2) resolve important questions completely separate from the merits, and (3) would render such important questions effectively unreviewable on appeal from final judgment in the underlying [**18] action." *Russell v. Richardson*, 905 F.3d 239, 253 (3d Cir. 2018) (internal quotation marks omitted).

Here, the NFL concussion litigation final judgment has already been appealed to, and approved by, this Court. As a result, the District Court's post-judgment orders of December 8, 2017 and February 20, 2018 could not be appealed along with any future "final order," and there is not the usual concern of piecemeal litigation. At this point, however, our analysis of the December and February orders must diverge due to the fundamental differences between the two orders. The December 8, 2017 order bears indicia of finality—it purported to void any assignment agreement in its entirety, leaving no additional steps for the District Court to take. As revealed by the subsequent order enjoining Thrivest from pursuing arbitration to determine the enforceability of its agreement, the District Court believes that its December order fully and finally determined that substantive issue. The issues presented by the December 8, 2017 order are also important because they involve freedom of contract and the authority of the District Court, and those questions are collateral to, and completely separate from, the NFL class action merits issues. We therefore conclude [**19] that we have jurisdiction under 28 U.S.C. § 1291 to consider RD's timely appeal of the December 8, 2017 order.

As to the February 20, 2018 order, we conclude that the requisites for appeal under the collateral order doctrine are not satisfied. First, as a purely administrative order, the order did not conclusively resolve [*107] any dispute or determine any legal issue, as required under the collateral order test. See *Coopers & Lybrand v. Livesay*, 437 U.S. 463, 468, 98 S. Ct. 2454, 57 L. Ed. 2d 351 (1978) ("To come within the 'small class' of decisions excepted from the final-judgment rule by *Cohen*, the order must conclusively determine the disputed question."). Instead, the District Court's December 8, 2017 order resolved the substantive issues related to assignment agreements, and the February 20, 2018 order was merely a ministerial order designed to effectuate the Court's prior order. See 15B C. Wright & A. Miller, *Fed. Prac. and Proc.* § 3916 (2d ed.) ("[M]any postjudgment orders will involve ministerial or discretionary matters that are effectively unreviewable."); see also *IIT v. Vencap, Ltd.*, 519 F.2d 1001, 1020 (2d Cir. 1975) (holding that while the order at issue "finally dispose[d]" of the award, the collateral order doctrine was not "intended to apply to the scores of discretionary administrative orders a district court must make in supervising [**20] its receiver"), *abrogated on other grounds by Morrison v. Nat'l Austl. Bank Ltd.*, 561 U.S. 247, 130 S. Ct. 2869, 177 L. Ed. 2d 535 (2010).

Further, the February 20, 2018 order does not raise important issues, as required to satisfy the second collateral order element. There can be no question that the February 20, 2018 order is precisely the type of administrative order that the District Court plainly retained the authority to enter, as explained *infra*. And the order did not affect the substantive rights of the parties, which had already been ruled upon in the December 8, 2017 order. Instead, the order merely directed the Claims Administrator to distribute funds in a particular way. Such a discretionary, non-substantive decision by the District Court presents little for an appellate court to review, and is inappropriate for review under the narrow collateral order doctrine. We therefore conclude that we do not have appellate jurisdiction to review the February 20, 2018 order, and we will dismiss case number 18-1482.

the District Court purported to void their agreements with class members, eliminating their contractual rights. The companies also participated in the proceedings before the District Court and submitted related filings. The equities favor allowing the appeal because the funding companies have no way to challenge the District Court's orders, which affected their rights, apart from appealing here.

The third order, enjoining Thrivest from arbitrating the enforceability of its assignment agreement is reviewable under 28 U.S.C. § 1292 as an order of the District Court granting an injunction. The fourth order, dismissing *Thrivest v. White*, is subject to appellate jurisdiction [**21] under 28 U.S.C. § 1291 as a traditional final order. Accordingly, we have jurisdiction to address the merits in three of the four timely appeals.

III.⁸

On appeal, the fundamental question is whether the District Court had the authority to void the cash advance agreements. We conclude that the District Court retained broad authority to administer the settlement, but that the Court ultimately [*108] exceeded its authority in voiding the agreements in their entirety.

A.

Where parties have entered into a settlement agreement and a district court has dismissed the case, the court retains jurisdiction over issues related to the case only to the extent it has expressly retained jurisdiction or incorporated the settlement agreement into its dismissal order. *Shaffer v. GTE N., Inc.*, 284 F.3d 500, 503 (3d Cir. 2002). Here, the District Court broadly retained jurisdiction over administration of the NFL class settlement and the class action parties. The Court expressly incorporated the settlement agreement into the order approving the settlement, including the jurisdiction retention provision. See *supra* Section I. The District Court also included a second jurisdiction retention provision in the final order:

The Court retains continuing and exclusive jurisdiction over this [**22] action including jurisdiction over the Parties and their counsel, all Settlement Class Members, the Special Master, BAP Administrator, Claims Administrator, Lien Resolution Administrator, Appeals Advisory Panel, Appeals Advisory Panel Consultants, and Trustee. In accordance with the terms of the Settlement Agreement, the Court retains continuing and exclusive jurisdiction to interpret, implement, administer and enforce the Settlement Agreement, and to implement and complete the claims administration and distribution process. The Court also retains continuing jurisdiction over any "qualified settlement funds," that are established under the Settlement Agreement

RD App. 285. As a result, the District Court retained broad jurisdiction to administer the settlement and resolve issues relating to it.⁹

⁸ "This court applies plenary review to a district court's construction of settlement agreements, but should review a district court's interpretation of settlement agreements, as well as any underlying factual findings, for clear error, as it would in reviewing a district court's treatment of any other contract." *Coltec Indus., Inc. v. Hobgood*, 280 F.3d 262, 269 (3d Cir. 2002) (citing *In re Cendant Corp. Prides Litig.*, 233 F.3d 188, 193 (3d Cir. 2000) ("[B]asic contract principles . . . apply to settlement agreements [and] . . . contract interpretation is a question of fact, [thus] . . . review is according to the clearly erroneous standard. In contrast, contract construction, that is, the legal operation of the contract, is a question of law mandating plenary review." (alterations in *Coltec*))). In this case, the District Court's interpretation of the settlement agreement terms is properly reviewed for clear error. The District Court's conclusion as to how the settlement agreement applies to the assignment agreements is an issue of construction that is properly reviewed de novo.

⁹ The litigation funding companies argue that the District Court's December 8, 2017 order was an advisory opinion because it answered a question "referred" to the Court by the Southern District of New York. This argument is meritless. As an initial matter, the District Court was already aware of the problem of the cash advance agreements and had scheduled a hearing prior to the referral letter from the Southern District of New York. Further, regardless of how the question of interpretation of the anti-assignment clause reached the District Court, it had retained the authority to adjudicate any issue related to interpretation of the settlement agreement. This retained authority originated from the underlying NFL concussion case that was the subject of the settlement agreement before the District Court, so the District Court's order simply could not have been an advisory opinion. We have no reason to express a view as to whether it would be appropriate for the Southern District of New York to rely on Judge Brody's order or adopt her rulings in the separate lawsuit before that Court.

Although the District Court's retention of jurisdiction applied only to the parties and other related entities expressly set out in the retention provision—and there can be no dispute that the settlement agreement was not binding on nonparties—the Court also had authority to enforce its orders under the All Writs Act, 28 U.S.C. § 1651, as well as authority to protect the class as a fiduciary under Federal Rule of Civil Procedure 23. Neither [**23] of these sources of authority independently create jurisdiction, see *Clinton v. Goldsmith*, 526 U.S. 529, 534-35, 119 S. Ct. 1538, 143 L. Ed. 2d 720 (1999); Fed. R. Civ. P. 82, but they both allow a court to exercise some degree of control over third parties in specific circumstances. See *In re Grand Jury Proceedings*, 654 F.2d 268, 277 & n.14 (3d Cir. 1981) (The All Writs Act "extends to all persons who are in a position to frustrate the implementation of a court order or the proper administration [*109] of justice." (internal quotation marks omitted)); Communications Among Parties, Counsel, and Class Members, Ann. Manual Complex Lit. § 21.33 (4th ed.) ("The judge has ultimate control over communications among the parties, third parties, or their agents and class members on the subject matter of the litigation to ensure the integrity of the proceedings and the protection of the class.").

Specifically, under the All Writs Act, action is authorized to the extent it is "necessary or appropriate" to enforce a Court's prior orders. See 28 U.S.C. § 1651; see also *United States v. N.Y. Tel. Co.*, 434 U.S. 159, 172, 98 S. Ct. 364, 54 L. Ed. 2d 376 (1977) ("This Court has repeatedly recognized the power of a federal court to issue such commands under the All Writs Act as may be necessary or appropriate to effectuate and prevent the frustration of orders it has previously issued in its exercise of jurisdiction otherwise obtained."). Or, as this Court has explained it, there is authority [**24] under the Act to issue an injunction where such relief is "necessary, or perhaps merely helpful." *Pittsburgh-Des Moines Steel Co. v. United Steelworkers of Am., AFL-CIO*, 633 F.2d 302, 307 (3d Cir. 1980). This Court has similarly clarified that any remedy under Rule 23(d) "should be restricted to the minimum necessary to correct the effects of improper conduct under Rule 23." *In re Cmty. Bank of N. Va.*, 418 F.3d 277, 310 (3d Cir. 2005); see also *Coles v. Marsh*, 560 F.2d 186, 189 (3d Cir. 1977) ("[T]he district court must find that the showing provides a satisfactory basis for relief and that the relief sought would be consistent with the policies of Rule 23 giving explicit consideration to the narrowest possible relief which would protect the respective parties.").

B.

Pursuant to the settlement agreement and the District Court order approving and adopting the agreement, the District Court retained the authority to enforce the terms of, and administer, the settlement. As noted *supra*, we have no doubt that the District Court had the authority to enter purely administrative orders such as the February 20, 2018 order directing the disbursement of funds to class members. Our analysis of the December 8, 2017 order is a bit more complicated. That order went beyond pure issues of settlement administration to adjudicate the third-party contract rights of litigation funding companies. Under the All Writs Act and Rule 23, the District [**25] Court had authority to enjoin behavior by third parties to the extent necessary to effectuate and preserve the integrity of its prior orders. The question becomes whether, to accomplish those goals, it was necessary for the District Court to void the cash advance agreements in their entirety in the December 8, 2017 order.

The anti-assignment provision in the NFL concussion settlement agreement is as follows:

Section 30.1 No Assignment of Claims. Neither the Settlement Class nor any Class or Subclass Representative or Settlement Class Member has assigned, will assign, or will attempt to assign, to any person or entity other than the NFL Parties any rights or claims relating to the subject matter of the Class Action Complaint. Any such assignment, or attempt to assign, to any person or entity other than the NFL Parties any rights or claims relating to the subject matter of the Class Action Complaint will be void, invalid, and of no force and effect and the Claims Administrator shall not recognize any such action.

This provision includes express language that any assignment "will be void, invalid, [*110] and of no force and effect." That is precisely the type of "clear, definite and appropriate language" that [**26] is required to void a

subsequent assignment under New York law, which is the law governing the settlement agreement.¹⁰ See *Allhusen v. Caristo Const. Corp.*, 303 N.Y. 446, 103 N.E.2d 891, 893 (N.Y. 1952). "An assignment purports to transfer ownership of a claim to the assignee, giving it standing to assert those rights and to sue on its own behalf." *Am. Orthopedic & Sports Med. v. Indep. Blue Cross Blue Shield*, 890 F.3d 445, 454 (3d Cir. 2018); see also *In re Stralem*, 303 A.D.2d 120, 123, 758 N.Y.S.2d 345 (N.Y. App. Div. 2003) ("In order for an assignment to be valid, the assignor must be divested of all control over the thing assigned. When a valid assignment is made, the assignee steps into the assignor's shoes and acquires whatever rights the latter had." (internal citations and quotation marks omitted)). As a matter of New York law, we conclude that any true "assignment, or attempt to assign, . . . rights or claims relating to the subject matter of the Class Action Complaint" was void *ab initio* under the anti-assignment clause.

The question then becomes whether true assignments of settlement proceeds, like those reportedly in the cash advance agreements, qualify as assignments of "rights or claims relating to the subject matter of the Class Action Complaint." The District Court found that the anti-assignment provision language applied to assignments of proceeds. This is a pure question of interpretation reviewed for clear error, [*27] see *In re Cendant Corp. Prides Litig.*, 233 F.3d 188, 193 (3d Cir. 2000), and we identify no clear error here.¹¹ Accordingly, we adopt the District Court's interpretation and conclude that any true assignments contained within the cash advance agreements—that is, contractual provisions that allowed the lender to step into the shoes of the player and seek funds directly from the settlement fund—were void *ab initio*.¹²

Based on these conclusions, we also must rule that it was necessary to the District Court's enforcement of the settlement agreement, and the enforcement of its own order approving and adopting the agreement, for the Court to be able to void any true assignments. Otherwise, class members and the litigation funding companies could have undermined the District Court's order by entering into prohibited assignments in contravention of the clear terms of the settlement agreement. We will therefore affirm the District Court's December 8, 2017 order to the extent it voided any true assignments set forth in the cash advance agreements.¹³

[*111] In the end, however, we must conclude that the District Court went beyond its authority when it purported to void the cash advance agreements in their entirety. The District Court explained that it was the Court's obligation [**28] as fiduciary of the class "to enforce [the anti-assignment] provision of the Settlement Agreement." RD App. 2. That is true, as far as it goes. But to accomplish that goal, the Court had the option of invalidating only the assignment portions of the agreements containing true assignments and directing the Claims Administrator not to recognize any true assignments, without voiding the agreements in their entirety. Some of the agreements contained severance clauses or alternative loan agreements, and there is a dispute as to whether the purported assignments in the funding agreements were true assignments at all.¹⁴ Accordingly, there are portions of the cash

¹⁰ The settlement agreement contains a choice of law provision specifying that the agreement "will be interpreted and enforced in accordance with the laws of the State of New York." Settlement Agreement Section 27.1(a).

¹¹ Even if we had concluded that the District Court's ruling regarding the settlement language was a question of construction, subject to plenary review, see *In re Cendant Corp. Prides Litig.*, 233 F.3d at 193, we would hold that the quoted language includes assignments of settlement proceeds.

¹² The litigation funding companies argue that Article 9 of the New York Uniform Commercial Code bars enforcement of the anti-assignment provision. Even assuming Article 9 of the New York U.C.C. applies to a class action settlement agreement, we are not relying on that agreement here. Instead, through incorporation into the District Court's final order, the settlement agreement has itself become an order, and that order is therefore the document we must analyze. The funding companies provide no basis for invalidating a court order based on a U.C.C. provision.

¹³ Of course, deciding whether any specific contractual provision is a "true" assignment or a false one requires examining the language of the specific contract. In this instance, such an analysis is unnecessary in the District Court because the effect of a void true assignment and a false assignment, where the funding company has not obtained a right to submit a claim through the settlement process, is the same: the Special Master will not enforce any purported assignment.

advance agreements that may be enforceable even after any true assignments are voided. Of course, once the funds are disbursed to the players, the District Court's power over the funds—and any contracts affecting the funds—is at an end.

Further, although true assignments, which allow a litigation funding company to step into the shoes of a class member and pursue the class member's rights through the claims process, would clearly violate the anti-assignment provision and would affect the administration of the settlement, something [**29] less than a true assignment may not. For example, there is no dispute that a loan transaction between a class member and a third party is not prohibited under the terms of the settlement. And where a class member enters into a non-assignment cash advance agreement, such an agreement could be structured like a loan, which would not seem to affect administration of the settlement or violate the anti-assignment provision. The District Court's authority certainly does not extend to how class members choose to use their settlement proceeds after they are disbursed. The District Court made no findings indicating that any aspects of the cash advance agreements, other than assignments, impaired the integrity of the settlement process. As such, to the extent the District Court's December 8, 2017 order voided the cash advance agreements in their entirety, the order was not narrowly tailored to the Court's findings regarding the impact of the agreements on the settlement.¹⁵

[*112] In sum, although the District Court had the authority to enforce the clear terms of the settlement agreement by ordering that any true assignments are void and unenforceable, the Court did not have the authority to void other [**30] obligations under the cash advance agreements, particularly without affording the lenders notice and a hearing, or making specific findings that those obligations violated the Court's prior orders or would impair the Court's administration of the settlement. We will therefore reverse in part the District Court's December 8, 2017 order. As a result, the cash advance agreements remain enforceable—outside of the NFL claims administration context—to the extent the litigation companies retain rights under the agreements after any true assignments are voided.

C.

We express no opinion as to the ultimate enforceability of any of the cash advance agreements. We do note, though, that a court or arbitrator subsequently adjudicating these issues will need to address whether any individual agreement contains a true assignment and whether there remain enforceable rights under the agreement after any true assignment is voided. We presume that the full array of standard contract defenses will also apply in any subsequent litigation regarding these agreements. As noted by Judge Brody in her December 8, 2017 order, some of the class members are cognitively impaired, and it is possible that some of them [**31] lacked the capacity to contract at the time they entered into the agreements.¹⁶ Judge Brody's concern is well-taken. There may also be

¹⁴ See, e.g., RD App. 338 (CFPB complaint in S.D.N.Y. pleading that "Although RD mischaracterizes these transactions as 'assignments,' they are in fact offers to extend credit or extensions of credit for purposes of the Consumer Financial Protection Act of 2010"); RD App. 347 (CFPB complaint in S.D.N.Y. pleading that "Although RD characterizes its contracts as 'sales and assignments,' the transactions are loans under New York law"); RD App. 566 (Class counsel noting at 9/19/17 hearing, "Although they have been disguised in some ways as an assignment of a property right . . . they're really loans").

¹⁵ It is unclear whether the District Court believes it voided the agreements in their entirety and made them completely unenforceable. The express terms of the December 8, 2017 order indicate that was the Court's intent. Subsequent orders, such as the May 22, 2018 order enjoining Thrivest from pursuing arbitration, also indicate that the Court believed it had voided the agreements in their entirety. At another time, however, the District Court noted: "No judgment as to whether RD Legal is or is not ultimately entitled to money has been made by the Court." RD App. 863 n.1. Similarly, in its opposition to Thrivest's Motion for Stay Pending Appeal, the class stated that Thrivest can pursue enforcement of its funding agreement after the funds are paid to the class member: "Once Mr. Andrews is actually paid on his claim, only then will the district court's authority end and Thrivest be able to assert all its legal claims against Mr. Andrews." February 26, 2019 Thrivest Opp. at 7-8.

issues of unconscionability, fraud, or usury based on the high effective interest rates in the agreements and arguments by both class counsel and the CFPB that the agreements are disguised predatory loans, rather than true assignments. Because many of the agreements contain arbitration provisions, some of these issues may ultimately be subject to arbitration. Of course, these are all questions beyond the scope of the appeal before us, and they should be litigated (or perhaps arbitrated) on a case-by-case basis in an appropriate forum.

D.

Finally, it necessarily follows from our rulings limiting the reach of the December 8, 2017 order that the District Court exceeded its authority when it (1) enjoined Thrivest from pursuing arbitration of its rights under the cash advance agreement with class member White, and (2) dismissed Thrivest's lawsuit attempting to enforce that agreement. In entering those orders, the District Court relied on the fact that it had already invalidated the Thrivest agreement. But as we explained above, Thrivest's contract gave it only [*32] the right to receive settlement funds after the funds are disbursed to a class member, and the District Court's power over the funds and class ends at that point. *Supra* Parts I & III.B. Even if the parties had attempted to create a true assignment, we [*113] have held that the District Court did not have the authority to void Thrivest's agreement with White in its entirety. Thus it also did not have the authority to preclude Thrivest from litigating any of its remaining rights under the agreement. We therefore vacate the District Court's May 22, 2018 order enjoining Thrivest from pursuing arbitration and the Court's order dismissing Thrivest's complaint in *Thrivest v. White*, and remand for further proceedings, as appropriate.

IV.

For the reasons given, we will reverse in part and affirm in part the District Court's December 8, 2017 order. We will reverse to the extent the District Court purported to void the cash advance agreements in their entirety and void contractual provisions that went only to a lender's right to receive funds after the player acquired them. We will affirm as to the District Court's ruling that any true assignments—contractual provisions that permit the lender to seek [*33] funds directly from the Claims Administrator—are void. We will vacate the District Court's May 22, 2018 order enjoining Thrivest from pursuing arbitration and the District Court's order dismissing Thrivest's complaint in *Thrivest v. White*, and remand for further proceedings. We will dismiss the appeals at 18-1639, 18-2582, and 18-1482 for lack of jurisdiction.

Going forward, the litigation funding companies will be able to pursue, outside of the claims administration process, whatever rights they may continue to have under their cash advance agreements with class members. We offer no opinion as to the companies' prospects for success in enforcing the funding agreements. Indeed, our opinion today should in no way suggest that an individual agreement is enforceable. Any questions going to the enforceability of the funding agreements will have to be litigated or arbitrated in the appropriate fora.

End of Document

¹⁶ Counsel for the class conceded at oral argument that the class was not making an argument on appeal that class members lacked contractual capacity. Jan. 23, 2019 Oral Arg. Tr. 49:7-20. Of course, this concession for purposes of this appeal will not be binding against class members in subsequent litigation regarding the enforceability of the agreements.

APPENDIX 35

NFL Status Update December 2024

When all the third-party funders agreed to advance funds to NFL players involved in the NFL concussion class action, everyone including the third-party funders, players & their attorneys were under the impression that the NFL would do right by the players and pay them quickly as the settlement outlined, but they didn't!

Since my last update, the same challenges to get paid still exist. The NFL summary report then is no different than today's summary report. Still, 18,744 qualified players remain unpaid with no definitive timeframe as to when they will get paid and only 1,837, less than 10% have been paid of the registered settlement class members totaling of 20,581. Your investors can find information daily at the NFL website <https://www.nflconcussionsettlement.com/>

The NFL has looked for every excuse not to pay and has succeeded without court, public or press intervention. They have created an information vacuum of a need-to-know basis divide amongst the players, their attorneys & third-party funders to eliminate cross chatter...leaving all in the dark.

To address Mr. Bando question...the Players Funding Agreements are valid non-recourse advances, and the Player has no requirement to repay the advance unless the Player receives a settlement from the NFL, but continue reading below.

To add further insult, the NFL changed the rules of payment to the Third-Party funder leaving the Player in control of decisions. Attached find the NFL Rules Governing Payment of Claims and Third-Party Funding Resolution Protocol Rules for your review. The Payment of Claims states in 6(a) that if a Settlement Class Member ("Player") can't resolve their claim with a Third-Party funder or does not wish to participate in the Resolution Protocol then the claims administrator will send all funds to the Player forcing the third-party funder to have to litigate with the Player to recover its advance.

Additionally, in 2021 the NFL agreed to end race-based adjustment, meaning the neurological testing standards were tampered with based on race. If the player was black, they started with a lower testing score than if the player was white, they started with a higher testing score. The NFL race-based adjustment resolution now requires all players to be retested under a new testing protocol, including your portfolio.

Today, under the race-based adjustment resolution, a significant number of players are still waiting to be retested and when scheduling retesting the players must now adhere to the NFL new geographically limitations. The geographically limitations are defined as the player must be tested within a 50-mile radius of his residents, yet another barrier.

On 1.31.24, the Washington Post published the following article: **The Broken Promises of the NFL Concussion Settlement:** <https://www.washingtonpost.com/sports/interactive/2024/nfl-concussion-settlement/> which I encourage your team to read. This independent article supports the challenges everyone is encountering with the NFL.

Note, a large majority of your portfolio Players are still represented by attorneys (original or new) while some Players have chosen to go solo with no attorney. Regardless of the Players representation status, to receive a settlement, they all must follow the same retesting protocol.

Nobody involved bargained for the last 8 years of waiting for repayment along with no information forthcoming and the timeframe is unknow...but eventually the NFL will stop moving the goal post, but when, the NFL only knows...so until then, everyone has no choice but to wait!

NFL

CONCUSSION SETTLEMENT

IN RE: NATIONAL FOOTBALL LEAGUE PLAYERS' CONCUSSION INJURY LITIGATION
No. 2:12-md-02323 (E.D. Pa.)

RULES GOVERNING THIRD-PARTY FUNDING RESOLUTION PROTOCOL

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RULES GOVERNING THIRD-PARTY FUNDING RESOLUTION PROTOCOL

TITLE I: GENERAL

Rule 1. The Purpose of These Rules. These Rules govern the Third-Party Funding Resolution Protocol. These Rules do not address the enforceability of the original underlying agreements between Third-Party Funders and Settlement Class Members. *See generally In re Nat'l Football League Players' Concussion Injury Litig.*, 923 F.3d 96 (3d Cir. 2019). Instead, they outline an alternative dispute resolution process. Participation in this process is completely voluntary.

Any dispute over the enforceability or validity of a Third-Party Funder Transaction must be litigated or arbitrated in an appropriate forum outside of the claims administration context, subject to “the full array of standard contract defenses” available. *In re Nat'l Football League*, 923 F.3d at 112-13. As the Third Circuit has noted, “some of the class members are cognitively impaired, and it is possible that some of them lacked the capacity to contract at the time they entered into [these] agreements. . . . There may also be issues of unconscionability, fraud, or usury based on the high effective interest rates in the agreements,” which may function as “disguised predatory loans.” *Id.* at 112. However, if an agreement is found to be enforceable, a Settlement Class Member may risk incurring additional expenses by refusing to pay any of the disputed funds while the dispute over enforceability plays out. These risks may include potential interest obligations and/or the cost of defending a lawsuit. Settlement Class Members might consider seeking legal advice on their options.

In some instances, these Rules call for the Claims Administrator to pay a Monetary Claim directly to a Settlement Class Member, rather than submitting that payment to the Settlement Class Member’s lawyer. This payment has no bearing whatsoever on the Settlement Class Member’s potential legal obligations. For instance, Settlement Class Members receiving such direct payments might be sued by a Third-Party Funder. A Settlement Class Member **SHOULD NOT** assume that this payment means that his/her lawyer has already paid off all obligations potentially owed to Third-Party Funders.¹

Rule 2. Approval and Modification by the Court and Special Masters. The Court and Special Masters have approved the terms of this Resolution Protocol and have authorized the Claims Administrator to proceed in accordance with this Resolution Protocol. The Special Master may modify this Resolution Protocol at any time, subject to approval of the Court.

Rule 3. Non-Retroactive Application of Modified Rules. These Rules were initially published on September 20, 2018.² They were modified to reflect their current form on March 19, 2020 (the “Modification Date”). The current version of these Rules only

¹ Likewise, direct payment to a Settlement Class Member has no bearing on whether the underlying agreement with a given Third-Party Funder is or is not valid or enforceable.

² The September 20, 2018 version of these Rules was called the “Third-Party Funding Resolution Protocol,” rather than the “*Rules Governing Third-Party Funding Resolution Protocol*.”

applies to Monetary Claims that have not yet received a Notice of Monetary Award as of the Modification Date. For Monetary Claims that have received a Notice of Monetary Award prior to the Modification Date, the September 20, 2018 version of these Rules continues to apply.

Rule 4. Definitions Used in These Rules. The capitalized terms in these Rules are defined as follows:

- (a) “Declaration of Consent to Substitution” means the form—accessible [here](#)—that all Third-Party Funders must complete and submit in order to participate in the Resolution Protocol.
- (b) “Final Decision” means the moment the window closes for all potential appeals of a Monetary Award—either because no appeals have been filed and the time for filing appeals has passed, or because appeals that have been filed have been resolved.
- (c) “Monetary Award” means a Monetary Award, Derivative Claimant Award, or Supplemental Monetary Award, as those terms are defined, respectively, in Sections 2.1(aaa), 2.1(zzzz), and 2.1(ff) of the Settlement Agreement.
- (d) “Monetary Claim” means a claim submitted by a Settlement Class Member for a Monetary Award.
- (e) “Notice of Monetary Award” means a Notice of Monetary Award Claim Determination (as that term is defined in Section 2.1(kkk) of the Settlement Agreement) that provides a determination that a Settlement Class Member is entitled to a Monetary Award.
- (f) “Non-Participating Funder” means a Third-Party Funder who is not participating in this Resolution Protocol.
- (g) “Participating Funder” means a Third-Party Funder who is participating in this Resolution Protocol.
- (h) “Payment Rules” mean the Rules Governing Payment of Claims Involving Third-Party Funders, accessible [here](#).
- (i) “Resolution Amount” means the amount of money—described by the Participating Funder in the Termination and Release Agreement—that a Participating Funder will accept to resolve any claims arising under the original agreement(s) between the Participating Funder and the Settlement Class Member.
- (j) “Resolution Protocol” means the process described in these Rules.
- (k) “Settlement Agreement” means the Amended Class Action Settlement Agreement dated as of June 25, 2014, as amended on February 13, 2015 (the “Settlement Agreement”) and approved in the Court’s May 8, 2015 Amended Final Approval

Order and Judgment (Document 6534).

- (l) “Settlement Class Member” means a Retired NFL Football Player (or the Representative Claimant of a deceased or incompetent Retired NFL Football Player), or a Derivative Claimant, which is how this term is defined in the Settlement Agreement.
- (m) “Settlement Program” means the program for benefits for Settlement Class Members established under the Settlement Agreement.
- (n) “Special Master” and “Special Masters” mean any of the Special Masters appointed by the Court, either in its July 13, 2016 Order (Document 6871) or in any subsequent Orders of the Court.
- (o) “Third-Party Funder” means a person or entity that engaged in a Third-Party Funder Transaction with a Settlement Class Member.
- (p) “Third-Party Funder Transaction” means any agreement, contract, document, or arrangement between a Settlement Class Member and a third party under which: (i) the Settlement Class Member borrowed or received funds from a third party prior to receipt of a Monetary Award from the Settlement Program; and (ii) in exchange, either assigned/attempted to assign any rights related to the Settlement Class Member Monetary Award or Monetary Claim. This definition is meant to be construed broadly, so as to cover all potential cash advance agreements where a third-party entity loans or advances funds in exchange for rights to receive payment from the proceeds of any future Monetary Award, or in exchange for rights to “step into the shoes of” the Settlement Class Member and “seek funds directly from” the Settlement Program.
- (q) “Third-Party Funder Transaction List” means the list described in Rule 5(b) of these Rules.
- (r) “Termination and Release Agreement” means the form-contract—accessible [here](#)—that Participating Funders and Settlement Class Members must sign in order to reach a resolution under the Resolution Protocol, as described in Rule 8 of these Rules.

TITLE II: HOW TO JOIN THE RESOLUTION PROTOCOL

Rule 5. Participation in Resolution Protocol. To participate in the Resolution Protocol, a Third-Party Funder must provide the Claims Administrator with the following two documents:

- (a) Declaration of Consent to Substitution. Any Third-Party Funder seeking to participate in the Resolution Protocol must submit a signed and completed “Declaration of Consent to Substitution” form.

- (b) Third-Party Funder Transaction List. Third-Party Funders seeking to participate in the Resolution Protocol must also submit a “Third-Party Funder Transaction List.” In this list, the Third-Party Funder must identify every Settlement Class Member with whom the Third-Party Funder has entered into a Third-Party Funder Transaction that has not already been resolved. This list must be submitted in an Excel worksheet on a template provided by the Claims Administrator and must provide sufficient information to allow the Claims Administrator to identify each listed Settlement Class Member, including the last four digits of each Settlement Class Member’s Social Security Number. The Third-Party Funder is responsible for updating this list—and providing the Claims Administrator with an updated version—whenever any information in the list changes. For instance, if a Settlement Class Member satisfies the amount owed to the Third-Party Funder, the Third-Party Funder must remove the Settlement Class Member from the list and provide an updated version to the Claims Administrator.

Rule 6. Settlement Class Member’s Notice and Consent: Form SWS-5(A). Once a Settlement Class Member’s Monetary Award has received a Final Decision, the Claims Administrator will check to see if he/she has been identified in a Third-Party Funder Transaction List. If so, the Claims Administrator will send a Form SWS-5(A) to the Settlement Class Member,³ which does the following:

- (a) Provides Information to the Settlement Class Member. The form informs the Settlement Class Member that (i) his/her Monetary Claim has received a Final Decision and (ii) one or more Participating Funders have named the Settlement Class Member in a Third-Party Funder Transaction List.
- (b) Asks the Settlement Class Member for Consent. As to each Participating Funder who has identified the Settlement Class Member, the form asks the Settlement Class Member to (i) consent or decline to participate in the Resolution Protocol; and (ii) consent or decline to share information regarding his/her claim status with the Participating Funder.
- (c) Asks the Settlement Class Member About Third-Party Funder Transactions. The form asks the Settlement Class Member whether he/she has assigned or attempted to assign any settlement benefits from his/her Monetary Claim to any Non-Participating Funders. If the answer is “yes,” the form asks the Settlement Class Member to provide all relevant related documents.

Rule 7. Third-Party Funder Notice. If the Settlement Class Member consents under Rule 6(b) of these Rules, the Claims Administrator will inform the Participating Funder(s) of the amount and status of the Settlement Class Member’s Monetary Award. At this point, the Claims Administrator will also send a Termination and Release Agreement to the Participating Funder(s), which will trigger the Termination and Release Agreement Process described below.

³ If the Settlement Class Member has *not* been identified on a Third-Party Funder Transaction List, the Claims Administrator will send him/her a Form SWS-5(B), rather than a Form SWS-5(A), as explained in more detail in the Payment Rules.

TITLE III: TERMINATION AND RELEASE AGREEMENT PROCESS

Rule 8. Termination and Release Agreement Process. In any case where (i) one or more Participating Funders exist and (ii) the Settlement Class Member consents to participate in the Resolution Protocol with at least one of those Participating Funders, the Claims Administrator will offer the following opportunity for resolution. This process is completely voluntary. If the Settlement Class Member has multiple Participating Funders, but only consents to participate and share information with some of them, Steps One and Two will only apply to the Participating Funders who have received such consent.

- (a) Step One: Once a Settlement Class Member consents to participate and in the Resolution Protocol and share information with a Participating Funder, the Claims Administrator will send a Termination and Release Agreement to the Participating Funder to sign and return within 30 days of receipt. The Termination and Release Agreement asks the Participating Funder to indicate the “Resolution Amount.” This is the amount of money that the Participating Funder agrees to accept from the Settlement Class Member to resolve any claims under the original agreement(s) between the Participating Funder and the Settlement Class Member.
- (b) Step Two: If the Claims Administrator receives a Termination and Release Agreement completed by the Participating Funder within the 30-day period described in Rule 8(a), it will then send the Termination and Release Agreement to the Settlement Class Member and, if represented, to his/her lawyer. The Settlement Class Member will have 30 days to sign and return the Termination and Release Agreement to signify that (i) he/she agrees with the Resolution Amount and (ii) he/she consents to direct payment of that amount by the Claims Administrator to the Third-Party Funder in exchange for the Third-Party Funder’s termination of all relevant agreements/contracts relating to the Third-Party Funder Transaction and relinquishment of all claims arising under that Third-Party Funder Transaction.

Upon request, the Claims Administrator may exercise its discretion to extend the thirty-day periods described in Rules 8(a) and 8(b).

Rule 9. Payment Outcomes. If the Settlement Class Member does not reach a timely agreement with any Participating Funders under the process described in Rule 8, then the Claims Administrator will direct that the Settlement Class Member be paid pursuant to Rule 6(a) of the Payment Rules. If the Settlement Class Member reaches an agreement with one or more Participating Funders and sends the Claims Administrator a timely and complete Termination and Release Agreement, the Claims Administrator will direct payment pursuant to Rules 6(b) and 6(c) of the Payment Rules.

NFL

CONCUSSION SETTLEMENT

IN RE: NATIONAL FOOTBALL LEAGUE PLAYERS' CONCUSSION INJURY LITIGATION
No. 2:12-md-02323 (E.D. Pa.)

RULES GOVERNING PAYMENT OF CLAIMS INVOLVING THIRD-PARTY FUNDERS

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RULES GOVERNING PAYMENT OF CLAIMS INVOLVING THIRD-PARTY FUNDERS

TITLE I: GENERAL

Rule 1. The Purpose of These Rules. These Payment Rules govern the payment of Monetary Claims that involve Third-Party Funder Transactions. These Rules do not address the enforceability of the underlying agreements between Third-Party Funders and Settlement Class Members. *See generally In re Nat’l Football League Players’ Concussion Injury Litig.*, 923 F.3d 96 (3d Cir. 2019).

Any dispute over the enforceability or validity of a Third-Party Funder Transaction must be litigated or arbitrated in an appropriate forum outside of the claims administration context, subject to “the full array of standard contract defenses” available. *In re Nat’l Football League*, 923 F.3d at 112-13. As the Third Circuit has noted, “some of the class members are cognitively impaired, and it is possible that some of them lacked the capacity to contract at the time they entered into [these] agreements. . . . There may also be issues of unconscionability, fraud, or usury based on the high effective interest rates in the agreements,” which may function as “disguised predatory loans.” *Id.* at 112. However, if an agreement is found to be enforceable, a Settlement Class Member may risk incurring additional expenses by refusing to pay any of the disputed funds while the dispute over enforceability plays out. These risks may include potential interest obligations and/or the cost of defending a lawsuit. Settlement Class Members might consider seeking legal advice on their options.

In some instances, these Rules call for the Claims Administrator to pay a Monetary Claim directly to a Settlement Class Member, rather than submitting that payment to the Settlement Class Member’s lawyer. This payment has no bearing whatsoever on the Settlement Class Member’s potential legal obligations. For instance, Settlement Class Members receiving such direct payments may be sued by a Third-Party Funder. A Settlement Class Member **SHOULD NOT** assume that his/her receipt of direct payment means that his/her lawyer has already paid off all obligations potentially owed to Third-Party Funders.¹

Rule 2. Adoption of These Rules. The Special Masters have adopted these Rules in the exercise of their duties pursuant their appointment by the Court in its July 13, 2016 Order (Document 6871). The Special Masters may amend these Rules at any time *sua sponte* or after request by the Claims Administrator and such input from Class Counsel, the NFL Parties and the Claims Administrator as the Special Masters deem appropriate. These Rules were amended to their current form on March 19, 2020.

¹ Likewise, direct payment to a Settlement Class Member has no bearing on whether the underlying agreement with a given Third-Party Funder is or is not valid or enforceable.

Rule 3. Definitions Used in These Rules. The capitalized terms used in these Rules are defined as follows:

- (a) “Final Decision” means the moment when the window for all potential appeals of a Monetary Award has closed—which can be either the moment the time for filing an initial appeal passes with no appeal filed or the moment any appeals have been resolved.
- (b) “Monetary Award” means a Monetary Award, Derivative Claimant Award, or Supplemental Monetary Award, as those terms are defined, respectively, in Sections 2.1(aaa), 2.1(zzzz), and 2.1(ff) of the Settlement Agreement.
- (c) “Monetary Claim” means a claim submitted by a Settlement Class Member for a Monetary Award.
- (d) “Non-Participating Funder” means a Third-Party Funder who is not participating in the Resolution Protocol.
- (e) “Participating Funder” means a Third-Party Funder who is participating in the Resolution Protocol.
- (f) “Resolution Amount” means the amount of money—described further in the Resolution Protocol—that a Participating Funder will accept to resolve any claims arising under the original agreement(s) between the Participating Funder and the Settlement Class Member.
- (g) “Resolution Protocol” means the process described in the [Rules Governing the Third-Party Funding Resolution Protocol](#).
- (h) “Settlement Agreement” means the Amended Class Action Settlement Agreement dated as of June 25, 2014, as amended on February 13, 2015 (the “Settlement Agreement”) and approved in the Court’s May 8, 2015 Amended Final Approval Order and Judgment (Document 6534).
- (i) “Settlement Class Member” means a Retired NFL Football Player (or the Representative Claimant of a deceased or incompetent Retired NFL Football Player), or a Derivative Claimant, which is how this term is defined in the Settlement Agreement.
- (j) “Settlement Program” means the program for benefits for Settlement Class Members established under the Settlement Agreement.
- (k) “Special Master” and “Special Masters” mean any Special Master appointed by the Court in its July 13, 2016 Order (Document 6871) or in any subsequent Order of the Court.

- (l) “Third-Party Funder” means a person or entity that engaged in a Third-Party Funder Transaction with a Settlement Class Member.
- (m) “Third-Party Funder Transaction” means any agreement, contract, document, or arrangement between a Settlement Class Member and a third party under which: (i) the Settlement Class Member borrowed or received funds from a third party prior to receipt of a Monetary Award from the Settlement Program; and (ii) in exchange, either assigned/attempted to assign any rights related to the Settlement Class Member Monetary Award or Monetary Claim. This definition is meant to be construed broadly, so as to cover all potential cash advance agreements where a third-party entity loans or advances funds in exchange for rights to receive payment from the proceeds of any future Monetary Award, or in exchange for rights to “step into the shoes of” the Settlement Class Member and “seek funds directly from” the Settlement Program.

TITLE II: INFORMATION ON FUNDING AGREEMENTS

Once a Settlement Class Member’s Monetary Claim receives a Final Decision, the Claims Administrator will send him/her a form called a “Sworn Statement: Status of Assignment of Monetary Claim” (“Form SWS-5”), which he/she must complete and return. The Settlement Class Member will receive one of two versions of the Form SWS-5—either “Form SWS-5(A)” or “Form SWS-5(B)” — depending on whether or not the Settlement Class Member has been identified by one or more Participating Funders through the Resolution Protocol.²

Rule 4. Form SWS-5(A): Cases Involving Resolution Protocol. Settlement Class Members identified by Participating Funders will receive Form SWS-5(A), which does the following:

- (a) Provides Information to Settlement Class Member. The form informs the Settlement Class Member that (i) his/her Monetary Claim has received a Final Decision and (ii) one or more Participating Funders have named the Settlement Class Member as part of the Resolution Protocol.
- (b) Asks the Settlement Class Member for Consent. As to each Participating Funder who has identified the Settlement Class Member, the form asks the Settlement Class Member to (i) consent or decline to participate in the Resolution Protocol; and (ii) consent or decline to share information regarding his/her claim status with the Participating Funder.
- (c) Asks Settlement Class Member About Third-Party Funder Transactions. The form asks the Settlement Class Member whether he/she has assigned or attempted

² As explained in Rule 5 of the Resolution Protocol, Third-Party Funders who wish to participate in the Resolution Protocol must provide the Claims Administrator with a “Third-Party Funder Transaction List.” This list identifies all Settlement Class Members with whom the Third-Party Funder has entered into a Third-Party Funder Transaction. Whenever a Settlement Class Member’s Monetary Claim receives a Final Decision, the Claims Administrator will check to see if the Settlement Class Member has been identified on any Third-Party Funder Transaction Lists. If so, the Claims Administrator will send a Form SWS-5(A) to the Settlement Class Member. If not, Form SWS-5(B) will be sent instead.

to assign any settlement benefits from his/her Monetary Claim to any Non-Participating Funders. If the answer is “yes,” the form asks the Settlement Class Member to provide all relevant related documents.

Rule 5. Form SWS-5(B): Cases Not Involving Resolution Protocol. Settlement Class Members who have not been identified by a Participating Funder will receive Form SWS-5(B), which does the following:

- (a) Provides Information to the Settlement Class Member. The form informs the Settlement Class Member that his/her Monetary Claim has received a Final Decision.
- (b) Asks Settlement Class Member About Third-Party Funder Transactions. The form asks the Settlement Class Member whether he/she has assigned or attempted to assign any settlement benefits from his/her Monetary Claim to any other Non-Participating Funders. If the answer is “yes,” the form asks the Settlement Class Member to provide all relevant related documents.

TITLE III: PAYMENT STEPS

The next two Rules explain the payment steps that the Claims Administrator will take, depending on the version and content of the SWS-5 Form involved in a given case. As explained in Rule 1 above, these Rules sometimes contemplate direct payment to a Settlement Class Member, rather than to his/her lawyer. **This payment has no bearing whatsoever on the Settlement Class Member’s potential legal obligations. For instance, Settlement Class Members receiving such direct payments might be sued by a Third-Party Funder. A Settlement Class Member SHOULD NOT assume that his/her receipt of direct payment means that his/her lawyer has already paid off all obligations potentially owed to Third-Party Funders.**

Rule 6. Payment Steps Under Form SWS-5(A). In cases where Settlement Class Members receive Form SWS-5(A), there are three potential payment outcomes, depending on whether a resolution has been reached through the Resolution Protocol and whether any Non-Participating Funders have been identified by the Settlement Class Member:

- (a) No Resolution Reached in Resolution Protocol. If the Settlement Class Member fails to reach a resolution through the Resolution Protocol with any Participating Funders—either because the Settlement Class Member declined to consent/participate or failed to timely agree on the Resolution Amount with any of the Participating Funders—the Claims Administrator will direct the Trustee to pay the Monetary Claim to the Settlement Class Member, subject to all payable liens and other applicable deductions under the Settlement Agreement and any Orders of the Court. This payment will be made directly to the Settlement Class Member, whether represented by a lawyer or proceeding *pro se*. Once payment has been made, any subsequent disputes between the Settlement Class Member and any Third-Party Funders must be litigated or arbitrated in an appropriate

forum outside the claims administration process. *In re Nat'l Football League*, 923 F.3d at 113.

- (b) Resolution Reached in Resolution Protocol; No Other Funders Identified. In situations where (1) the Settlement Class Member reaches a timely resolution with all Participating Funders who have identified the Settlement Class Member; and (2) the Settlement Class Member answers “no” to the question described in Rule 4(c) above, the Claims Administrator will direct the Trustee to pay the Resolution Amount(s) to the Participating Funder(s). Any such payments will be deducted from the Settlement Class Member’s Monetary Award. The Claims Administrator will then direct the Trustee to pay the remaining balance of the Monetary Award to the Settlement Class Member, subject to all payable liens and other applicable deductions under the Settlement Agreement and any Orders of the Court. If the Settlement Class Member is represented by a lawyer, this payment will be made to that lawyer. If the Class Member is *pro se*, this payment will be made directly to the Settlement Class Member.
- (c) Resolution Reached in Resolution Protocol; Other Funders Identified. In situations where (1) the Settlement Class Member reaches a timely resolution with a Participating Funder, but (2) either fails to reach a resolution with other Participating Funders or answers “yes” and identifies Non-Participating Funders in response to Question 4(c) above, then the Claims Administrator will direct the Trustee to pay the Resolution Amount(s) to the Participating Funder(s) who reached a timely resolution with the Settlement Class Member. Any such payments will be deducted from the Settlement Class Member’s Monetary Award. The Claims Administrator will then direct the Trustee to pay the remaining balance of the Monetary Award to the Settlement Class Member, subject to all payable liens and other applicable deductions under the Settlement Agreement and any Orders of the Court. This payment will be made directly to the Settlement Class Member, whether represented by a lawyer or proceeding *pro se*. Once payment has been made, any subsequent disputes between the Settlement Class Member and any Third-Party Funder must be litigated or arbitrated in an appropriate forum outside of the claims administration process. *In re Nat'l Football League*, 923 F.3d at 113.

Rule 7. Payment Steps Under Form SWS-5(B). In cases where Settlement Class Members receive Form SWS-5(B), the Claims Administrator will pay Monetary Claims as follows:

- (a) Third-Party Funders Identified. If the Settlement Class Member answers “yes” to the question described in Rule 5(b) above, the Claims Administrator will direct the Trustee to pay the Monetary Claim to the Settlement Class Member, subject to all payable liens and other applicable deductions under the Settlement Agreement and any Orders of the Court. This payment will be made directly to the Settlement Class Member, whether represented by a lawyer or proceeding *pro se*. Once payment has been made, any subsequent disputes between the Settlement Class Member and any Third-Party Funders must be litigated or arbitrated in an

appropriate forum outside the claims administration process. *In re Nat'l Football League*, 923 F.3d at 113.

- (b) No Third-Party Funders Identified. If the Settlement Class Member answers “no” to the question described in Rule 5(b) above, the Claims Administrator will direct the Trustee to pay the Monetary Claim to the Settlement Class Member, subject to all payable liens and other applicable deductions under the Settlement Agreement and any Orders of the Court. If the Settlement Class Member is represented by a lawyer, this payment will be made to that lawyer. If the Class Member is *pro se*, this payment will be made directly to the Settlement Class Member.

APPENDIX 36

Crystal Wealth Management System Limited
NFL Participation Agreements
As of April 6, 2025

All values are USD

NFL Participation Agreement	Player Name	Balance	Earned Fee	Xynergy's Fees	Total
Player 1		\$ 159,000.00	\$ 301,403.01	\$ 150,701.51	\$ 309,701.51
Player 2		\$ 159,000.00	\$ 293,640.33	\$ 146,820.16	\$ 305,820.16
Player 3		\$ 143,100.00	\$ 271,262.71	\$ 135,631.36	\$ 278,731.36
Player 4		\$ -	\$ -	\$ -	\$ -
Player 5		\$ -	\$ -	\$ -	\$ -
Player 6		\$ 121,900.00	\$ 223,360.88	\$ 111,680.44	\$ 233,580.44
Player 7		\$ -	\$ -	\$ -	\$ -
Player 8		\$ 233,200.00	\$ 442,057.75	\$ 221,028.88	\$ 454,228.88
Player 9		\$ 106,000.00	\$ 195,376.88	\$ 97,688.44	\$ 203,688.44
Player 10		\$ 162,000.00	\$ 306,504.00	\$ 153,252.00	\$ 315,252.00
Player 11		\$ -	\$ -	\$ -	\$ -
Player 12		\$ 212,000.00	\$ 375,931.18	\$ 187,965.59	\$ 399,965.59
Player 13		\$ 159,000.00	\$ 301,403.01	\$ 150,701.51	\$ 309,701.51
Player 14		\$ 159,000.00	\$ 298,815.45	\$ 149,407.73	\$ 308,407.73
Player 15		\$ 79,500.00	\$ 148,066.03	\$ 74,033.01	\$ 153,533.01
Player 16		\$ 79,500.00	\$ 150,701.51	\$ 75,350.75	\$ 154,850.75
Player 17		\$ -	\$ -	\$ -	\$ -
Player 18		\$ 86,400.00	\$ 163,468.80	\$ 81,734.40	\$ 168,134.40
Player 19		\$ 148,400.00	\$ 278,894.42	\$ 139,447.21	\$ 287,847.21
Player 20		\$ -	\$ -	\$ -	\$ -
Player 21		\$ 135,000.00	\$ 250,212.33	\$ 125,106.16	\$ 260,106.16
Player 22		\$ 106,000.00	\$ 200,935.34	\$ 100,467.67	\$ 206,467.67
Total		\$ 2,249,000.00	\$ 4,202,033.63	\$ 2,101,016.82	\$ 4,350,016.82

APPENDIX 37

ASSET PURCHASE AGREEMENT

BETWEEN

GRANT THORNTON LIMITED

solely in its capacity as the Court-appointed receiver of the assets,
properties and undertakings of, among others, Crystal Wealth
Management System Limited and Crystal Wealth Medical Strategy
(formerly Crystal Wealth Medical Income Fund), and not in its
corporate or personal capacity

- and -

XYNERGY MEDICAL CAPITAL LLC

Dated: May 16, 2025

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of the 16th day of May, 2025.

BETWEEN:

GRANT THORNTON LIMITED

solely in its capacity as the Court-appointed receiver and manager of the assets, properties and undertakings of, among others, Crystal Wealth Management System Limited and Crystal Wealth Medical Strategy (formerly Crystal Wealth Medical Income Fund and, collectively and individually, the “**Debtor**”), and not in its corporate or personal capacity

(in such capacity, the “**Receiver**”)

- and -

XYNERGY MEDICAL CAPITAL LLC

(the “**Purchaser**”)

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued on April 26, 2017 (the “**Appointment Order**”), Grant Thornton Limited (“**GTL**”) was appointed as the receiver and manager (in such capacity, the “**Receiver**”) of all of the assets, undertakings and properties (collectively, the “**Property**”) of, among others, the Debtor;

AND WHEREAS pursuant to the Appointment Order, the Receiver was authorized to, among other things, undertake the marketing and sale of, among others things, Property of the Debtor listed in Schedule “A” (the “**Purchased Assets**”) and to sell, convey, transfer or assign such Purchased Assets without further approval of the Court;

AND WHEREAS the Purchaser hereby submits this offer to acquire from the Receiver all of the Debtor’s and the Receiver’s right, title and interest in and to the Purchased Assets, on an as is where is basis, on the terms and conditions set out herein;

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the Parties (as defined hereafter), the Parties agree as follows:

ARTICLE 1 DEFINED TERMS

1.1 Definitions.

In this Agreement:

“**Act**” means the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended from time to time;

“**Affiliate**” has the meaning given to it in the Act;

“**Agreement**” means this asset purchase agreement, including all schedules and all amendments or restatements, as permitted, and references to “**article**”, “**section**” or “**schedule**” mean the specified article, section of, or schedule to this Agreement and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement;

“**Applicable Law**” means, with respect to any Person, property, transaction, event or other matter, (a) all applicable laws, statutes, regulations, rules, principles of common law or equity, by-laws, ordinances, protocols, treaties, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority and (b) the provisions of any licence, permit, authorization, approval or consent of any Governmental Authority;

“**Appointment Order**” has the meaning set out in the recitals hereof;

“**Assignment and Assumption Agreement**” has the meaning set out in section 6.2(1) hereof;

“**Assumed Liabilities**” has the meaning set out in section 3.1 hereof;

“**Business Day**” means a day on which banks are open for business in the City of Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario;

“**Claims**” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, and “**Claim**” means any one of them;

“**Clients**” has the meaning set forth in the Master Agreement;

“**Closing**” means the successful completion of the Transaction;

“**Closing Date**” means 15 days following the date hereof or such other date as agreed in writing by the Parties;

“**Closing Time**” means 12:01 a.m. (Toronto time) on the Closing Date or such other time as agreed in writing by the Parties;

“**Collections**” has the meaning set forth in the Master Agreement;

“**Court**” has the meaning set out in the recitals hereof;

“**Debtor**” has the meaning set out in the recitals hereof;

“**ETA**” means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended;

“**Factoring Agreement**” has the meaning set forth in the Master Agreement;

“**Fund’s Compensation**” has the meaning set forth in the Master Agreement;

“**Governmental Authorities**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, republic, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and “**Governmental Authority**” means any one of them;

“**GTL**” has the meaning set out in the recitals hereof;

“**HST**” means harmonized sales tax imposed under Part IX of the ETA;

“**ITA**” means the *Income Tax Act*, R.S.C. 1985, c.1, as amended;

“**Master Agreement**” has the meaning set out in Schedule “A” hereof;

“**NFL Participation Agreements**” has the meaning set out in Schedule “A” hereof;

“**Notice**” has the meaning set out in section 12.3 hereof;

“**Parties**” means the Receiver and the Purchaser and their respective successors and assigns;

“**Person**” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

“**Property**” has the meaning set out in the recitals hereof;

“**Purchase Price**” has the meaning set out in section 4.1 hereof;

“**Purchased Assets**” has the meaning set out in the recitals hereof;

“**Purchaser**” means Xynergy Medical Capital LLC, a limited liability company duly formed and validly subsisting under the laws of the State of Florida, or an Affiliate of the Purchaser;

“**Receiver**” has the meaning set out in the recitals hereof;

“**Taxes**” means all taxes, HST, charges, fees, levies, imposts and other assessments, or similar charges in the nature of a tax, and any interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not;

“**Transaction**” means the transaction of purchase and sale contemplated by this Agreement; and

“**Transaction Documents**” means this Agreement and the other agreements, instruments, and documents required to be delivered at the Closing.

ARTICLE 2 SCHEDULES

2.1 Schedules.

The following schedules are incorporated in and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule A	Purchased Assets
Schedule B	Received Funds

ARTICLE 3 AGREEMENT TO PURCHASE

3.1 Purchase and Sale of Purchased Assets.

- (1) Upon and subject to the provisions hereof, the Receiver agrees to sell the Purchased Assets to the Purchaser, and the Purchaser agrees, without limiting the generality of Article 10, to purchase the Purchased Assets from the Receiver, on an “as is, where is” basis, in each case at the Closing Time. In addition, upon and subject to the provisions hereof, the Purchaser shall assume and agree to pay, perform and discharge when due any and all liabilities and obligations of the Debtor or the Receiver arising out of or relating to the Purchased Assets on or after the Closing Time (collectively the “**Assumed Liabilities**”).

ARTICLE 4 PURCHASE PRICE AND SATISFACTION OF PURCHASE PRICE

4.1 Purchase Price.

The purchase price (the “**Purchase Price**”) for the Purchased Assets shall be \$200,000, plus any applicable Taxes payable pursuant to section 5.1(1) and plus the Assumed Liabilities, if any. The Purchase Price shall be allocated among the Purchased Assets in the manner agreed upon by the parties.

4.2 Satisfaction of Purchase Price.

The Purchaser shall indefeasibly pay and satisfy the Purchase Price to the Receiver on Closing by way of a wire transfer, certified cheque or bank draft.

ARTICLE 5 TAXES

5.1 Taxes.

- (1) The Purchaser is a non-resident of Canada and is not registered for HST under Subdivision D of Division V of Part IX of the ETA.
- (2) The Purchaser is completely and solely liable and responsible for the full payment of all Taxes in respect to the purchase and sale of the Purchased Assets and shall provide the Receiver at Closing or on such other date as expressly provided herein with proof of payment of such Taxes or, if applicable, provide the Receiver with appropriate tax exemption certificates. Notwithstanding the foregoing, the Purchaser shall not be responsible for any Taxes imposed on or with respect to the income or revenues of the Receiver or the Debtor.
- (3) The Receiver and the Purchaser agree that the supply of the Purchased Assets are a supply of intangible personal property that is zero-rated pursuant to section 10.1 of Part V of Schedule VI of the ETA as the conditions of that section are met. The Purchaser shall provide the Receiver with a certificate in the form acceptable to the Receiver evidencing the Purchaser's zero-rated entitlement.
- (4) The Purchaser hereby agrees to indemnify and hold the Receiver harmless from and against all Claims in connection with the payment of any Taxes payable under section 5.1(1) of this Agreement, including penalties and interest thereon and any liability or costs incurred as a result of any failure to pay such Taxes when due.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 Closing.

Closing shall take place at the Closing Time on the Closing Date, or on such other time and at such other place as the Parties may agree in writing.

6.2 Receiver's Closing Deliverables.

The Receiver covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date as expressly provided herein:

- (1) an assignment and assumption agreement pursuant to which the Purchaser will be assigned the Assumed Liabilities and the NFL Participation Agreements, in form and

substance satisfactory to the parties acting reasonably (the “**Assignment and Assumption Agreement**”);

- (2) an acknowledgement, dated as of the Closing Date, that each of the conditions in section 7.1 hereof have been fulfilled, performed or waived in all material respects as of the Closing Time; and
- (3) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by Applicable Law or any Government Authority.

6.3 Purchaser’s Closing Deliverables.

The Purchaser covenants to execute, where applicable, and deliver the following to the Receiver at Closing or on such other date as expressly provided herein:

- (1) the payment and satisfaction in full of the Purchase Price according to section 4.2 hereof;
- (2) an acknowledgement, dated as of the Closing Date, that each of the conditions in section 7.3 hereof have been fulfilled, performed or waived in all material respects as of the Closing Time;
- (3) a duly executed Assignment and Assumption Agreement;
- (4) a certificate by a senior officer of the Purchaser, dated as of the Closing Date, certifying that all representations, warranties and covenants of the Purchaser contained in this Agreement are true as of the Closing Time in all material respects, with the same effect as though made on and as of the Closing Time (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date);
- (5) if necessary, payment or evidence of payment of applicable Taxes or, if applicable, appropriate tax exemption certificates in accordance with Article 5 hereof; and
- (6) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by Applicable Law or any Government Authority.

ARTICLE 7 CONDITIONS PRECEDENT

7.1 Conditions in Favour of the Receiver.

The obligation of the Receiver to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date:

- (1) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct on the Closing Date in all material respects (except for

representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date);

- (2) all the covenants of the Purchaser contained in this Agreement to be performed on or before the Closing Date shall have been duly performed in all material respects by the Purchaser;
- (3) the Purchaser shall have complied with all the terms and conditions contained in this Agreement applicable to the Purchaser prior to the Closing Date; and
- (4) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper.

7.2 Conditions in Favour of Receiver Not Fulfilled.

If any of the conditions contained in section 7.1 hereof is not fulfilled on or prior to the Closing Date, then the Receiver may, at its sole discretion and without limiting any rights or remedies available to it at law or in equity:

- (1) terminate this Agreement by Notice, in writing, to the Purchaser, in which event the Receiver and the Purchaser shall be released from their obligations under this Agreement to complete the Transaction; or
- (2) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

7.3 Conditions in Favour of the Purchaser.

The obligation of the Purchaser to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date:

- (1) all the covenants of the Receiver under this Agreement to be performed on or before the Closing Date shall have been duly performed in all material respects by the Receiver; and
- (2) the Receiver shall have complied with all the terms and conditions contained in this Agreement applicable to the Receiver prior to the Closing Date.

7.4 Conditions in Favour of Purchaser Not Fulfilled.

If any of the conditions contained in section 7.3 hereof are not fulfilled on or prior to the Closing Date, then the Purchaser may, in its sole discretion and without limiting its rights or remedies available at law or in equity:

- (1) terminate this Agreement by Notice, in writing, to the Receiver, in which event the Purchaser and the Receiver shall be released from their obligations under this Agreement to complete the Transaction; or

- (2) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

ARTICLE 8 REPRESENTATIONS & WARRANTIES OF THE RECEIVER

The Receiver represents and warrants to the Purchaser as follows, with the knowledge and expectation that the Purchaser is placing complete reliance thereon and, but for such representations and warranties, the Purchaser would not have entered into this Agreement:

- (1) the Receiver is not a non-resident of Canada for the purposes of the ITA.

ARTICLE 9 REPRESENTATIONS & WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Receiver as follows, with the knowledge and expectation that the Receiver is placing complete reliance thereon and, but for such representations and warranties, the Receiver would not have entered into this Agreement:

- (1) the Purchaser is a limited liability company duly formed and validly subsisting under the laws of the State of Florida;
- (2) the Purchaser is not, on or before Closing, registered for HST under Subdivision D of Division V of Part IX ETA;
- (3) the Purchaser has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder. Neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate the Purchaser's constating documents, any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Government Authority, or any Applicable Law. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;
- (4) the Purchaser is entitled to all the benefits, rights, and privileges in favor of the Purchaser in each of the Factoring Agreements relating to each NFL Participation Agreement, in accordance with its terms, the Purchaser has performed all of its obligations thereunder in all material respects, and the Purchaser has not breached any of the provisions of the Factoring Agreements;
- (5) the Purchaser has not amended, modified, or supplemented in any way, any of the Factoring Agreements relating to each NFL Participation Agreement;
- (6) the Purchaser has not entered into any additional agreements with any Clients which would change the rights and entitlements owed to the Debtor pursuant to the Master Agreement, for each of the NFL Participation Agreements;

- (7) pursuant to the terms of the Master Agreement, the Purchaser has provided notification of, and all information relating to, the status of all Collections to the Debtor and Receiver, and whether such Collections have been received pursuant to each Factoring Agreement;
- (8) pursuant to the terms of the Master Agreement, the Purchaser has remitted to the Debtor, all Fund's Compensation owed to the Debtor as of the date hereof;
- (9) except for the amounts set forth in Schedule "B", the Purchaser has not: (i) received any additional amounts owed to it under the Factoring Agreements relating to each NFL Participation Agreement; (ii) received any indication, communication, or notice in respect of any additional amounts that are going to be received within the next 6 months by the Purchaser pursuant to the terms of any of the Factoring Agreements relating to each NFL Participation Agreement;
- (10) the Purchaser has not commenced or advanced any Claims against any Clients in respect of any of its entitlements under each of the Factoring Agreements relating to each NFL Participation Agreement;
- (11) the Purchaser is a non-resident of Canada for the purposes of the ITA;
- (12) there are no Claims, whether judicial, arbitral or administrative, and whether or not purportedly on behalf of the Purchaser, pending, commenced or, to the knowledge of the Purchaser, threatened, before any Governmental Entity, nor, (ii) to the knowledge of the Purchaser, is there any reasonable factual or legal basis therefor;
- (13) there is no outstanding judgment, decree, order, ruling or injunction involving the Purchaser or relating in any way to the transactions contemplated by this Agreement;
- (14) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property; and
- (15) no representation or warranty or other statement made by the Purchaser in this Article 9 contains any untrue statement or omits to state a material fact necessary to make it, in light of the circumstances in which it was made, not misleading.

ARTICLE 10

AS IS, WHERE IS

10.1 Condition of the Purchased Assets.

The Purchaser acknowledges and agrees that, subject to the representations and warranties of the Receiver contained in Article 8:

- (1) in entering this agreement, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets; and
- (2) the Receiver is selling, and the Purchaser is purchasing, the Purchased Assets on an “as is, where is” and “without recourse” basis as the Purchased Assets shall exist on the Closing Date, including, without limitation, whatever defects, conditions, impediments, or deficiencies exist on the Closing Date, whether patent or latent. The Purchaser further acknowledges and agrees that it has entered into this Agreement on the basis that neither the Receiver nor the Debtor has guaranteed or will guarantee title to or marketability, recoverability, profitability, use or quality of the Purchased Assets, that the Purchaser has conducted such inspections of the condition and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrance, description, fitness for purpose, environmental state or compliance, merchantability, condition or quality, or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Receiver to sell, assign, convey or transfer same, save and except as expressly provided in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act*, R.S.O. 1990, c. S.1, do not apply hereto and/or have been waived by the Purchaser. The description of the Purchased Assets contained in this Agreement is for the purpose of identification only and no representation, warranty or condition has or will be given by the Receiver concerning the accuracy of such description.

ARTICLE 11 TERMINATION

11.1 Termination of this Agreement.

This Agreement may be terminated:

- (1) upon the mutual written agreement of the Parties;
- (2) upon written notice from the Purchaser to the Receiver or from the Receiver to the Purchaser, in the event that the Closing Date does not occur on or before 5:00 p.m. (Toronto time) on May 30, 2025 (the “**Outside Date**”) (provided that the right to terminate this Agreement under this section 11.1(2) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall be the cause of the failure of the Closing to occur on or before the Outside Date);
- (3) pursuant to section 7.2 hereof by the Receiver; or
- (4) pursuant to section 7.4 hereof by the Purchaser.

11.2 Effect of Termination.

Notwithstanding section 11.1, if either Party terminates this Agreement as a result of any breach of a representation, warranty, covenant or obligation of the other Party, the terminating Party's right to pursue all legal remedies with respect to such breach shall survive such termination .

11.3 Termination If No Breach of Agreement.

If this Agreement is terminated for reasons other than a breach of a representation, warranty, covenant or obligation of a Party, then:

- (1) all obligations of each of the Receiver and the Purchaser hereunder shall end completely, except those that expressly survive the termination of this Agreement; and
- (2) neither Party shall have any right to specific performance, to recover damages or expenses or to any other remedy (legal or equitable) or relief other than as expressly provided herein.

ARTICLE 12 GENERAL CONTRACT PROVISIONS

12.1 Further Assurances.

From time to time after Closing, each of the Parties shall execute and deliver such further documents and instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and the transfer of the Purchased Assets to the Purchaser and which are not inconsistent with the terms hereof, including, at the Purchaser's request and expense, the Receiver and/or the Debtor shall execute and deliver such additional conveyances, transfers and other assurances as may, in the opinion of the Parties or their counsel, acting reasonably, be required to effectually carry out the intent of this Agreement and transfer the Purchased Assets to the Purchaser.

12.2 Survival Following Completion.

Notwithstanding any other provision of this Agreement, section 3.1(2), Article 5, Article 8, Article 9, section 11.2 and section 11.3 and section 12.1 shall survive the termination of this Agreement or the completion of the Transaction, provided, however, that upon the discharge of GTL as the Receiver, the Parties' respective obligations by reason of this Agreement shall end completely and they shall have no further or continuing obligations by reason thereof. By entering into this Agreement, the Parties agree that the Master Agreement is hereby terminated and no longer in force and effect.

12.3 Notice.

All notices, requests, demands, waivers, consents, agreements, approvals, communications or other writings required or permitted to be given hereunder or for the purposes hereof (each, a "Notice") shall be in writing and be sufficiently given if personally delivered, sent by prepaid registered mail or transmitted by email, addressed to the Party to whom it is given, as follows:

(a) to the Receiver:

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON M5H 3T4

Attention: Bruce S. Bando
Tel: (416) 369-6418
Email: Bruce.Bando@doane.gt.ca

and a copy to the Receiver's counsel (which shall not constitute notice) to:

Aird & Berlis LLP
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Attention: Mark van Zandvoort and Dillon Collett
Tel: (416) 865-1500
Email: mvanzandvoort@airdberlis.com and dcollett@airdberlis.com

(b) to the Purchaser:

Xynergy Medical Capital LLC
20533 Biscayne Blvd, Unit 4-786
Miami, FL 33180

Attention: Alejandro Nathan
Tel: (954) 519-2386
Email: alenathan@gmail.com

and a copy to the Purchaser's counsel (which shall not constitute notice) to:

Attention: Gary M. Krasna, P.A.
Tel: 561-395-4141
Email: gmk@krasnalaw.com

or such other address of which Notice has been given. Any Notice mailed as aforesaid will be deemed to have been given and received on the third Business Day following the date of its mailing. Any Notice personally delivered will be deemed to have been given and received on the day it is personally delivered, provided that if such delivery did not occur during normal business hours on a Business Day, the Notice will be deemed to have been given and received on the Business Day next following such day. Any Notice transmitted by email will be deemed given and received on the first Business Day after its transmission.

If a Notice is mailed and regular mail service is interrupted by strike or other irregularity on or before the fourth Business Day after the mailing thereof, such Notice will be deemed to have not been received unless otherwise personally delivered or transmitted by email.

12.4 Waiver.

No Party will be deemed or taken to have waived any provision of this Agreement unless such waiver is in writing and such waiver will be limited to the circumstance set forth in such written waiver.

12.5 Consent.

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

12.6 Governing Law.

This Agreement will be interpreted by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties irrevocably attorn to the jurisdiction of the courts of the Province of Ontario sitting in Toronto. The Parties consent to the exclusive jurisdiction and venue of the Court for the resolution of any disputes among them, regardless of whether or not such disputes arose under this Agreement.

12.7 Entire Agreement.

This Agreement and the other Transaction Documents constitutes the entire agreement between the Parties with respect to the subject matter contained herein and therein and supersedes all prior agreements and understandings between the Parties with respect to such subject matter. There are not and will not be any verbal statements, representations, warranties, undertakings or agreements between the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. The recitals herein are true and accurate, both in substance and in fact.

12.8 Time of the Essence.

Time will be of the essence, provided that if the Parties establish a new time for the performance of an obligation, time will again be of the essence of the new time established.

12.9 Time Periods.

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

12.10 Assignment.

This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, legal and personal administrators, successors and permitted assigns. Other than to an Affiliate, the Purchaser shall not assign this Agreement without the Receiver's prior written approval, which approval shall not be unreasonably withheld.

12.11 Expenses.

Except as otherwise set out in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

12.12 Severability.

If any portion of this Agreement is prohibited in whole or in part in any jurisdiction, such portion shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining portions of this Agreement and shall, as to such jurisdiction, be deemed to be severed from this Agreement to the extent of such prohibition.

12.13 No Strict Construction.

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

12.14 Currency.

All references to dollar amounts contained in this Agreement shall be deemed to refer to lawful currency of the United States.

12.15 Receiver's Capacity.

It is acknowledged by the Purchaser that the Receiver is entering into this Agreement solely in its capacity as Court-appointed receiver of the Property and that the Receiver shall have absolutely no personal or corporate liability under or as a result of this Agreement in any respect, except as expressly provided for in the Appointment Order, or any further order of the Court.

12.16 No Third Party Beneficiaries.

Each Party hereto intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties hereto and their successors and permitted assigns, and no Person, other than the Parties hereto and their successors and their permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum, save and except in the event of any action, suit, proceeding, hearing or other forum as it pertains to matters of confidentiality and any particular representative in connection therewith.

12.17 Number and Gender.

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

12.18 Counterparts.

This Agreement may be executed in counterparts and by facsimile, PDF, DocuSign, or other form of electronic signature, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have duly executed this Asset Purchase Agreement as of the date first above written.

GRANT THORNTON LIMITED, solely in its capacity as the Court-appointed receiver of the assets, properties and undertakings of, among others, Crystal Wealth Management System Limited and Crystal Wealth Medical Strategy (formerly Crystal Wealth Medical Income Fund), and not in its corporate or personal capacity

By: _____

Signed by:



20303C3B402B41F...

Name: Bruce S. Bando

Title: Vice President

XYNERGY MEDICAL CAPITAL LLC

By: _____

Name: Alejandro Nathan

Title: President

IN WITNESS WHEREOF the parties hereto have duly executed this Asset Purchase Agreement as of the date first above written.

GRANT THORNTON LIMITED, solely in its capacity as the Court-appointed receiver of the assets, properties and undertakings of, among others, Crystal Wealth Management System Limited and Crystal Wealth Medical Strategy (formerly Crystal Wealth Medical Income Fund), and not in its corporate or personal capacity

By: _____

Name: Bruce S. Bando

Title: Vice President

XYNERGY MEDICAL CAPITAL LLC

Signed by:

By: _____

Name: Alejandro Nathan

Title: President

SCHEDULE A
PURCHASED ASSETS

Master Medical Receivables Purchase and Administration Agreement dated March 31, 2016 amongst Xynergy Medical Capital LLC and Crystal Wealth Medical Strategy (the “**Master Agreement**”) and each outstanding Accepted Offer (as defined in the Master Agreement) as set forth in the list below (collectively, the “**NFL Participation Agreements**”):

Player #	Player Name
1	[REDACTED]
2	[REDACTED]
3	[REDACTED]
6	[REDACTED]
8	[REDACTED]
9	[REDACTED]
10	[REDACTED]
12	[REDACTED]
13	[REDACTED]
14	[REDACTED]
15	[REDACTED]
16	[REDACTED]
18	[REDACTED]
19	[REDACTED]
21	[REDACTED]
22	[REDACTED]

**SCHEDULE B
RECEIVED FUNDS**

Player #	Player Name	Amount Paid	Date Paid
4	[REDACTED]	\$61,200.00	April 19, 2020
5	[REDACTED]	\$119,336.55	July 30, 2019
7	[REDACTED]	\$90,280.99	July 30, 2019
11	[REDACTED]	\$132,600.00	November 26, 2019
17	[REDACTED]	\$37,400.00	December 31, 2019
20	[REDACTED]	\$24,458.46	July 30, 2019

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ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS AGREEMENT made as of the 16th day of May, 2025 (the “**Agreement**”)

BETWEEN:

GRANT THORNTON LIMITED

solely in its capacity as the Court-appointed receiver and manager of the assets, properties and undertakings of, among others, Crystal Wealth Management System Limited and Crystal Wealth Medical Strategy (formerly Crystal Wealth Medical Income Fund and, collectively and individually, the “**Debtor**”), and not in its corporate or personal capacity

(in such capacity, the “**Receiver**”)

- and -

XYNERGY MEDICAL CAPITAL LLC

(the “**Purchaser**”)

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued on April 26, 2017 (the “**Appointment Order**”), the Receiver was appointed as the receiver and manager of all of the assets, undertakings and properties (collectively, the “**Property**”) of, among others, the Debtor;

AND WHEREAS pursuant to the Appointment Order, the Receiver was authorized to, among other things, undertake the marketing and sale of, among others things, Property of the Debtor listed in Schedule “A” (the “**Purchased Assets**”) of the Asset Purchase Agreement made as of May 16, 2025, between the Receiver and the Purchaser (the “**Purchase Agreement**”);

AND WHEREAS pursuant to the Appointment Order, the Receiver is authorized to sell, convey, transfer or assign such Purchased Assets without further approval of the Court.

NOW THEREFORE THIS AGREEMENT WITNESSETH in consideration of the promises, mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the parties, the parties agree as follows:

1. All capitalized terms used in this Agreement which are not otherwise defined herein shall have the meanings ascribed thereto in the Purchase Agreement.
2. The Receiver hereby grants, assign, transfer, conveys and set over unto the Purchaser, the Purchased Assets and the Assumed Liabilities.

3. The Purchaser hereby assumes and agrees to indemnify and cause the Receiver and Debtor to be discharged from liability in respect of any and all debts, liabilities, claims, demands, costs, and expenses whatsoever now or hereafter outstanding or payable by the Receiver of Debtor, including the Assumed Liabilities, for the Purchased Assets, accruing on and after the date hereof.
4. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
5. This Agreement may be executed in counterparts and by facsimile, PDF, DocuSign, or other form of electronic signature, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF the parties hereto have duly executed this Assignment and Assumption Agreement as of the date first above written.

GRANT THORNTON LIMITED, solely in its capacity as the Court-appointed receiver of the assets, properties and undertakings of, among others, Crystal Wealth Management System Limited and Crystal Wealth Medical Strategy (formerly Crystal Wealth Medical Income Fund), and not in its corporate or personal capacity

By:  Signed by:
 Name: Bruce S. Bando
 Title: Vice President

XYNERGY MEDICAL CAPITAL LLC

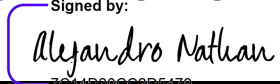
By: _____
 Name: Alejandro Nathan
 Title: President

IN WITNESS WHEREOF the parties hereto have duly executed this Assignment and Assumption Agreement as of the date first above written.

GRANT THORNTON LIMITED, solely in its capacity as the Court-appointed receiver of the assets, properties and undertakings of, among others, Crystal Wealth Management System Limited and Crystal Wealth Medical Strategy (formerly Crystal Wealth Medical Income Fund), and not in its corporate or personal capacity

By: _____
 Name: Bruce S. Bando
 Title: Vice President

XYNERGY MEDICAL CAPITAL LLC

Signed by: 
 By: _____
 Name: Alejandro Nathan
 Title: President

APPENDIX 38

Crystal Wealth Management System Limited
Mortgage Fund

FUND SUMMARY	April 20th Package	July 2, 2025
On-Book Investments		
Cash	\$ 1,217,989	\$ -
External Mutual Funds (CIG)	\$ 522,765	-
Inter-fund Investments	\$ 2,055,599	-
	3,796,353	-
Off-Book Investments		
Residential Mortgages	\$ 14,072,477	-
Commercial Loans - Principal	\$ 8,497,365	-
Commercial Loans - Interest	\$ 597,497	-
Prepaid Fees	\$ 65,261	-
Accruals	\$ 53,982	-
	23,286,582	-
Recorded Value	\$ 27,082,935	\$ -
Units	2,682,424	2,682,424
Recorded Value per Unit	\$ 10.10	\$ -

CASH	CAD	USD
Cash Balance - April 20, 2017	\$ 1,352,332.27	\$ -
Receipts		
Collection of Mortgage Interest	1,620,267	-
Collection of Mortgage Principal	13,373,868	-
Proceeds from GIC	525,311	-
Collection of Commercial Loan Principal	4,388,147	-
Collection of Commercial Loan Interest	2,286,837	-
Inter-fund Investor Distributions	1,303,450	-
BDO Settlement	1,323,795	-
Interest Income	228,956	-
	25,050,631	-
Disbursements		
Interim Distribution	17,910,846	-
Proposed Distribution	6,981,204	-
Professional Fees	1,466,008	-
Bank Charges & Fees	44,906	-
	26,402,964	-
Cash Balance - July 2, 2025	\$ -	\$ -

ON-BOOK INVESTMENTS													
GIC [CAD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value
HSCB	GIC	GIC 0.35 24	CAD	5,228	\$ 522,765	\$ 522,765	(5,228)	\$ 525,311	\$ -	\$ 525,311	\$ -	\$ -	\$ -
Inter-fund Investments [CAD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value
27Q050E	Inter-fund Investment - Media Fund	AAG300	CAD	204,475	\$ 2,072,643	\$ 2,055,599	0	\$ -	\$ -	\$ 1,275,294	\$ 780,306	\$ 780,306	\$ -

OFF-BOOK INVESTMENTS													
Residential Mortgages [CAD]													
Mortgage ID	Borrower	Rate	Principal	Balance	Funding Date	Type of Mortgage	Status	Repaid Date	Payment	Principal	Recorded Value Less Collections	Unrealizable Value	Residual Value
Squire_01	Mortgagor #1	12.50%	74,000	74,411	31-Mar-15	First	Repaid	22-Apr-17	82,697	74,000	-	-	-
Squire_02	Mortgagor #2	13.00%	76,000	76,439	10-Apr-15	First	Repaid	22-Apr-17	84,697	76,000	-	-	-
10416	Mortgagor #3	10.95%	210,000	109,093	18-Nov-16	Second	Repaid	26-Apr-17	112,829	210,000	97,171.27	97,171.27	-
4466	Mortgagor #4	9.00%	559,417	565,504	1-Jan-17	First	Repaid	9-May-17	578,961	559,417	-	-	-
10365	Mortgagor #5	12.35%	30,012	30,257	30-Dec-16	Second	Repaid	10-May-17	30,669	30,012	-	-	-
4766	Mortgagor #6	13.50%	64,507	64,792	1-Jul-16	Second	Repaid	16-May-17	65,117	64,507	-	-	-
4651	Mortgagor #7	10.50%	54,989	55,239	17-Apr-17	Second	Repaid	1-Jun-17	55,432	54,989	-	-	-
4517	Mortgagor #8	11.25%	20,613	20,851	1-Feb-17	Second	Repaid	6-Jun-17	21,059	20,613	-	-	-
4760	Mortgagor #9	10.99%	40,014	40,276	30-Jun-16	Second	Repaid	9-Jun-17	40,393	40,014	-	-	-
4377	Mortgagor #10	12.75%	376,366	375,532	1-Oct-16	Third	Repaid	1-Aug-17	375,469	376,366	897.13	897.13	-
4807	Mortgagor #11	11.65%	41,774	42,017	1-Sep-16	Second	Repaid	23-Aug-17	42,290	41,774	-	-	-
4563	Mortgagor #12	11.25%	23,302	23,556	1-Mar-17	Second	Repaid	1-Sep-17	23,764	23,302	-	-	-
4635	Mortgagor #13	12.75%	57,321	57,917	15-Apr-16	Second	Repaid	1-Sep-17	60,565	57,321	-	-	-
4827	Mortgagor #14	10.75%	99,489	99,821	3-Sep-16	Second	Repaid	1-Sep-17	100,518	99,489	-	-	-
10442	Mortgagor #15	12.00%	256,080	257,181	20-Jan-17	Second	Repaid	1-Sep-17	258,424	256,080	-	-	-
4576	Mortgagor #16	8.75%	104,037	105,281	23-Mar-17	First	Repaid	6-Sep-17	106,321	104,037	-	-	-
4848	Mortgagor #17	6.00%	69,132	52,586	17-Sep-15	First	Repaid	15-Sep-17	25,866	69,132	43,265.87	43,265.87	-

Crystal Wealth Management System Limited
Mortgage Fund

OFF-BOOK INVESTMENTS													
Residential Mortgages (CAD)													
Mortgage ID	Borrower	Rate	Principal	Balance	Funding Date	Type of Mortgage	Status	Repaid Date	Payment	Principal	Recorded Value Less Collections	Unrealizable Value	Residual Value
4371	Mortgagor #18	10.75%	26,294	26,536	1-Nov-16	Second	Repaid	22-Sep-17	26,528	26,294	-	-	-
4689	Mortgagor #19	10.75%	174,451	179,537	17-May-16	Second	Repaid	26-Sep-17	181,581	174,451	-	-	-
4418	Mortgagor #20	13.50%	197,955	203,352	6-Feb-17	Second	Repaid	29-Sep-17	202,413	197,955	-	-	-
4482	Mortgagor #21	12.50%	62,815	63,000	1-Jan-17	Second	Repaid	11-Oct-17	63,127	62,815	-	-	-
4858	Mortgagor #22	9.95%	54,826	55,280	26-Sep-16	Second	Repaid	13-Oct-17	55,796	54,826	-	-	-
4649	Mortgagor #23	9.00%	148,797	148,797	17-Apr-17	First	Repaid	27-Oct-17	148,729	148,797	67.60	67.60	-
10308	Mortgagor #24	11.75%	55,072	55,082	23-Oct-16	Second	Repaid	3-Nov-17	55,699	55,072	-	-	-
4757	Mortgagor #25	12.25%	39,937	40,154	1-Jul-16	Second	Repaid	9-Nov-17	40,224	39,937	-	-	-
4425	Mortgagor #26	9.75%	333,868	334,013	1-Dec-16	First	Repaid	15-Nov-17	334,412	333,868	-	-	-
4198	Mortgagor #27	9.85%	70,305	70,534	15-Nov-16	First	Repaid	16-Nov-17	70,481	70,305	-	-	-
4483	Mortgagor #28	14.50%	143,367	143,761	3-Jan-17	Second	Repaid	20-Nov-17	144,761	143,367	-	-	-
10421	Mortgagor #29	11.99%	55,000	54,969	30-Nov-16	Second	Repaid	30-Nov-17	55,501	55,000	-	-	-
10347	Mortgagor #30	10.95%	29,909	30,202	7-Dec-16	Second	Repaid	1-Dec-17	30,546	29,909	-	-	-
10409	Mortgagor #31	10.95%	140,000	139,809	27-Oct-16	Second	Repaid	15-Dec-17	140,764	140,000	-	-	-
10472	Mortgagor #32	9.95%	160,000	160,000	30-Mar-17	Second	Repaid	15-Dec-17	161,703	160,000	-	-	-
4659	Mortgagor #33	10.25%	59,820	59,891	20-Apr-16	Second	Repaid	22-Dec-17	60,514	59,820	-	-	-
10433	Mortgagor #34	12.50%	45,500	44,499	22-Dec-16	Second	Repaid	25-Dec-17	41,423	45,500	4,077.03	4,077.03	-
10434	Mortgagor #35	11.99%	32,000	31,987	23-Dec-16	Second	Repaid	25-Dec-17	32,313	32,000	-	-	-
10474	Mortgagor #36	11.00%	72,000	72,000	31-Mar-17	Second	Repaid	27-Dec-17	72,425	72,000	-	-	-
4862	Mortgagor #37	9.00%	106,332	106,484	29-Sep-16	First	Repaid	29-Dec-17	81,955	106,332	24,376.88	24,376.88	-
10425	Mortgagor #38	13.00%	30,000	29,993	7-Dec-16	Second	Repaid	8-Jan-18	30,329	30,000	-	-	-
10441	Mortgagor #39	10.50%	40,000	35,711	19-Jan-17	Second	Repaid	9-Jan-18	39,134	40,000	865.66	865.66	-
10466	Mortgagor #40	11.75%	40,000	39,995	15-Mar-17	Second	Repaid	11-Jan-18	40,223	40,000	-	-	-
10481	Mortgagor #41	9.50%	66,000	66,000	31-Mar-17	Second	Repaid	12-Jan-18	66,203	66,000	-	-	-
4496	Mortgagor #42	9.00%	129,318	129,434	15-Jan-17	First	Repaid	29-Jan-18	129,883	129,318	-	-	-
10473	Mortgagor #43	11.99%	35,000	35,000	27-Mar-17	Second	Repaid	2-Feb-18	34,986	35,000	14.37	14.37	-
10478	Mortgagor #44	8.25%	160,000	160,000	31-Mar-17	Second	Repaid	9-Feb-18	159,292	160,000	707.92	707.92	-
10414	Mortgagor #45	12.99%	78,000	78,115	10-Nov-16	Second	Repaid	12-Feb-18	79,604	78,000	-	-	-
4833	Mortgagor #46	12.00%	21,532	22,043	1-Sep-16	Second	Repaid	8-Mar-18	22,353	21,532	-	-	-
4350	Mortgagor #47	9.25%	169,204	168,746	1-Sep-16	First	Repaid	13-Mar-18	170,013	169,204	-	-	-
10470	Mortgagor #48	10.50%	76,000	76,000	28-Mar-17	Second	Repaid	23-Mar-18	76,559	76,000	-	-	-
4861	Mortgagor #49	10.95%	35,043	35,555	28-Sep-16	Second	Repaid	29-Mar-18	35,844	35,043	-	-	-
4697	Mortgagor #50	9.50%	140,514	135,928	1-Jun-16	First	Repaid	30-Mar-18	142,924	140,514	-	-	-
10485	Mortgagor #51	11.99%	40,000	40,000	10-Apr-17	Second	Repaid	3-Apr-18	40,148	40,000	-	-	-
4215	Mortgagor #52	10.75%	27,838	27,761	1-Jun-16	Second	Repaid	6-Apr-18	27,928	27,838	-	-	-
4462	Mortgagor #53	9.25%	109,015	109,224	11-Dec-16	First	Repaid	16-Apr-18	109,968	109,015	-	-	-
4762	Mortgagor #54	12.50%	85,800	85,811	3-Jul-15	Second	Repaid	17-Apr-18	86,872	85,800	-	-	-
10471	Mortgagor #55	10.95%	40,000	40,000	29-Mar-17	Second	Repaid	24-Apr-18	40,180	40,000	-	-	-
4734	Mortgagor #56	11.50%	33,000	19,743	8-Jun-15	First	Repaid	25-Apr-18	11,290	33,000	21,710.38	21,710.38	-
4414	Mortgagor #57	12.50%	80,022	80,254	1-Dec-16	Second	Repaid	1-May-18	80,490	80,022	-	-	-
10378	Mortgagor #58	10.50%	53,000	52,851	29-Apr-16	Second	Repaid	15-May-18	53,579	53,000	-	-	-
Squire_03	Mortgagor #59	13.00%	70,000	70,404	31-Mar-15	First	Repaid	23-Jun-18	70,573	70,000	-	-	-
Squire_04	Mortgagor #60	12.00%	126,000	126,756	21-Jul-15	First	Repaid	23-Jun-18	126,953	126,000	-	-	-
4455	Mortgagor #61	9.25%	155,040	159,008	3-Dec-14	First	Repaid	Jul 14/Aug 21	163,094	155,040	-	-	-
4132	Mortgagor #62	8.00%	57,205	57,455	15-Apr-17	Second	Repaid	6-May-18	30,000	57,205	27,205	27,205.31	-
4178	Mortgagor #63	9.00%	55,037	55,013	1-Nov-16	Second	Repaid	8-Mar-19	54,551	55,037	486	485.89	-
4391	Mortgagor #64	11.50%	20,560	20,515	31-Oct-16	Second	Repaid	3-Feb-23	23,270	20,560	-	-	-
4440	Mortgagor #65	10.50%	59,187	59,081	8-Dec-16	First	Repaid	30-Apr-21	77,938	59,187	-	-	-
4443	Mortgagor #66	9.25%	84,636	84,748	30-Nov-16	First	Repaid	23-Dec-23	71,700	84,636	12,936	12,935.56	-
4446	Mortgagor #67	12.50%	174,765	175,402	1-Dec-16	Second	Repaid	8-Mar-19	176,120	174,765	-	-	-
4449	Mortgagor #68	11.20%	39,518	39,769	1-Dec-16	Second	Repaid	1-Jun-18	40,397	39,518	-	-	-
4456	Mortgagor #69	9.50%	74,717	74,843	5-Dec-16	First	Repaid	N/A	-	74,717	74,717	74,716.69	-
4485	Mortgagor #70	11.00%	11,161	11,144	8-Jan-17	Second	Repaid	1-Jan-22	309	11,161	10,852	10,851.90	-
4489	Mortgagor #71	9.25%	104,482	104,779	2-Jan-17	First	Repaid	8-Mar-19	103,956	104,482	526	526.00	-
4502	Mortgagor #72	9.25%	112,273	120,905	23-Jan-17	First	Repaid	24-May-23	48,356	112,273	63,917	63,916.86	-
4510	Mortgagor #73	10.00%	65,649	66,083	3-Feb-17	First	Repaid	N/A	-	65,649	65,649	65,649.30	-
4535	Mortgagor #74	9.75%	87,360	86,836	17-Feb-17	First	Repaid	1-Oct-21	66,429	87,360	20,931	20,931.38	-
4544	Mortgagor #75	10.50%	25,383	25,875	15-Mar-17	Second	Repaid	12-Apr-23	27,777	25,383	-	-	-
4548	Mortgagor #76	9.50%	183,196	185,134	16-Feb-17	First	Repaid	4-Aug-23	188,036	183,196	-	-	-
4550	Mortgagor #77	9.50%	124,106	125,439	15-Feb-17	First	Repaid	4-Jul-23	125,489	124,106	-	-	-
4559	Mortgagor #78	9.50%	39,759	39,857	27-Dec-16	Second	Repaid	8-Mar-19	38,652	39,759	1,107	1,107.40	-
4571	Mortgagor #79	13.00%	51,736	51,941	28-Feb-17	Second	Repaid	5-Jun-18	52,877	51,736	-	-	-
4573	Mortgagor #80	11.00%	35,731	35,987	1-Mar-17	Second	Repaid	8-Mar-19	35,313	35,731	418	418.27	-
4574	Mortgagor #81	11.00%	23,367	23,592	1-Mar-17	Second	Repaid	28-Apr-23	25,724	23,367	-	-	-
4609	Mortgagor #82	10.50%	77,557	77,897	27-Mar-17	First	Repaid	20-Oct-22	78,332	77,557	-	-	-
4614	Mortgagor #83	8.50%	280,775	281,425	31-Mar-17	First	Repaid	4-Feb-19	285,157	280,775	-	-	-
4627	Mortgagor #84	9.75%	46,656	46,907	4-Apr-17	First	Repaid	29-Nov-19	37,746	46,656	8,910	8,909.95	-
4630	Mortgagor #85	12.75%	30,602	30,852	5-Apr-17	Second	Repaid	8-Mar-19	24,342	30,602	6,260	6,259.91	-
4643	Mortgagor #86	24.50%	65,500	81,750	16-Apr-15	Second	Repaid	N/A	-	65,500	65,500	65,500.00	-
4663	Mortgagor #87	12.50%	77,103	77,566	24-Oct-16	Second	Repaid	30-Oct-19	81,643	77,103	-	-	-
4664	Mortgagor #88	12.25%	39,937	40,137	24-Apr-16	Second	Repaid	1-May-23	39,937	39,937	-	-	-
4677	Mortgagor #89	10.75%	80,854	80,854	1-May-16	Second	Repaid	8-Mar-19	79,112	80,854	1,742	1,742.14	-
4692	Mortgagor #90	9.25%	159,316	159,404	13-May-16	First	Repaid	8-Mar-19	158,908	159,316	408	408.25	-
4712	Mortgagor #91	11.00%	68,148	67,889	15-May-16	Second	Repaid	18-Mar-24	69,609	68,148	-	-	-
4718	Mortgagor #92	8.50%	110,923	111,402	20-Jun-16	First	Repaid	8-Mar-19	111,868	110,923	-	-	-
4719	Mortgagor #93	8.50%	115,797	116,276	15-Jun-16	First	Repaid	8-Mar-19	116,918	115,797	-	-	-
4733	Mortgagor #94	12.35%	49,931	47,551	1-Jul-16	Second	Repaid	8-Mar-19	38,055	49,931	11,877	11,876.74	-

Crystal Wealth Management System Limited
Mortgage Fund

OFF-BOOK INVESTMENTS															
Residential Mortgages [CAD]															
Mortgage ID	Borrower	Rate	Principal	Balance	Funding Date	Type of Mortgage	Status	Repaid Date	Payment	Principal	Recorded Value Less Collections	Unrealizable Value	Residual Value		
4756	Mortgagor #95	9.00%	50,014	50,007	26-Jun-16	First	Repaid	7-Jun-19	51,202	50,014	-	-	-		
4759	Mortgagor #96	8.95%	134,314	134,255	27-Jun-16	First	Repaid	4-Aug-22	137,030	134,314	-	-	-		
4779	Mortgagor #97	11.00%	95,936	93,678	3-Jun-16	Second	Repaid	N/A	-	95,936	95,936	95,936	-		
4783	Mortgagor #98	9.00%	294,243	294,268	31-Jul-16	First	Repaid	4-Feb-19	295,319	294,243	-	-	-		
4784	Mortgagor #99	11.99%	74,685	75,092	1-Aug-16	Second	Repaid	5-Sep-24	109,835	74,685	-	-	-		
4785	Mortgagor #100	10.50%	39,763	40,297	31-Jul-16	Second	Repaid	8-Mar-19	39,908	39,763	-	-	-		
4796	Mortgagor #101	16.00%	260,603	259,393	3-Aug-16	Third	Repaid	20-Jul-23	101,305	260,603	159,298	159,298	-		
4797	Mortgagor #102	18.00%	62,915	63,045	3-Aug-16	Second	Repaid	6-Mar-19	792	62,915	62,123	62,123	-		
4798	Mortgagor #103	12.00%	20,380	20,919	13-Aug-16	Second	Repaid	6-Jul-18	21,663	20,380	-	-	-		
4804	Mortgagor #104	9.75%	182,153	184,337	15-Aug-16	First	Repaid	1-Jan-22	1,362	182,153	180,791	180,791	-		
4809	Mortgagor #105	9.25%	163,990	164,596	24-Aug-16	Second	Repaid	8-Mar-19	162,941	163,990	1,049	1,049	-		
4823	Mortgagor #106	10.50%	55,054	55,555	1-Sep-16	Second	Repaid	8-Mar-19	55,110	55,054	-	-	-		
4824	Mortgagor #107	7.15%	539,926	540,868	1-Sep-16	First	Repaid	16-Feb-22	601,900	539,926	-	-	-		
4836	Mortgagor #108	13.00%	386,055	387,374	9-Sep-15	Second	Repaid	2018-08	163,786	386,055	222,269	222,269	-		
4839	Mortgagor #109	8.50%	286,522	287,213	10-Mar-17	First	Repaid	4-Feb-19	290,352	286,522	-	-	-		
4849	Mortgagor #110	10.00%	126,760	128,081	30-Sep-16	First	Repaid	3-Feb-23	132,701	126,760	-	-	-		
4856	Mortgagor #111	10.50%	46,877	47,060	1-Oct-16	Second	Repaid	8-Mar-19	46,368	46,877	510	510	-		
10311	Mortgagor #112	9.75%	74,806	79,499	28-Oct-16	First	Repaid	19-May-21	95,222	74,806	-	-	-		
10324	Mortgagor #113	8.99%	95,340	95,823	24-Nov-16	First	Repaid	16-Aug-19	128,002	95,340	-	-	-		
10330	Mortgagor #114	9.00%	49,798	49,698	26-Nov-16	Second	Repaid	6-Sep-18	500,981	49,798	-	-	-		
10332	Mortgagor #115	10.00%	99,675	99,769	30-Nov-16	First	Repaid	8-Mar-19	98,385	99,675	1,290	1,290	-		
10350	Mortgagor #116	11.50%	46,911	47,113	11-Dec-16	Second	Repaid	16-Jul-18	48,428	46,911	-	-	-		
10353	Mortgagor #117	12.00%	139,706	140,035	16-Dec-16	Second	Outstanding	N/A	-	139,706	139,706	139,706	-		
10383	Mortgagor #118	10.50%	330,000	329,647	28-Jul-16	Second	Repaid	24-Aug-18	353,787	330,000	-	-	-		
10404	Mortgagor #119	6.00%	70,000	69,740	21-Oct-16	First	Repaid	8-Mar-19	68,354	70,000	1,646	1,646	-		
10417	Mortgagor #120	13.25%	85,000	84,948	21-Nov-16	Second	Repaid	8-Mar-19	84,775	85,000	225	225	-		
10418	Mortgagor #121	11.65%	65,000	64,920	21-Nov-16	Second	Repaid	8-Mar-19	64,414	65,000	586	586	-		
10419	Mortgagor #122	13.00%	30,000	29,969	24-Nov-16	Second	Repaid	1-Dec-18	32,377	30,000	-	-	-		
10423	Mortgagor #123	10.99%	37,000	36,962	15-Dec-16	Second	Repaid	8-Mar-19	36,576	37,000	424	424	-		
10429	Mortgagor #124	9.50%	100,000	90,141	16-Dec-16	Second	Repaid	8-Mar-19	28,947	100,000	71,053	71,053	-		
10431	Mortgagor #125	11.99%	170,000	149,617	16-Dec-16	Second	Repaid	8-Mar-19	171,867	170,000	-	-	-		
10432	Mortgagor #126	9.50%	65,000	64,859	16-Dec-16	Second	Repaid	19-Oct-18	65,356	65,000	-	-	-		
10435	Mortgagor #127	11.50%	37,000	36,966	23-Dec-16	Second	Repaid	5-Mar-19	38,096	37,000	-	-	-		
10436	Mortgagor #128	10.99%	159,500	159,488	29-Dec-16	Second	Repaid	8-Mar-19	160,885	159,500	-	-	-		
10437	Mortgagor #129	10.50%	60,000	59,978	3-Jan-17	Second	Repaid	8-Mar-19	59,486	60,000	514	514	-		
10456	Mortgagor #130	10.50%	60,000	59,958	23-Feb-17	Second	Repaid	8-Mar-19	59,418	60,000	582	582	-		
10457	Mortgagor #131	12.50%	159,000	158,827	27-Feb-17	Second	Repaid	4-Oct-19	160,742	159,000	-	-	-		
10476	Mortgagor #132	10.50%	190,000	190,000	29-Mar-17	Second	Repaid	3-Jul-18	195,313	190,000	-	-	-		
10480	Mortgagor #133	12.99%	56,000	56,000	31-Mar-17	Second	Repaid	28-Jun-19	59,643	56,000	-	-	-		
10482	Mortgagor #134	9.99%	129,000	129,070	11-Apr-17	Second	Repaid	8-Mar-19	129,842	129,000	-	-	-		
10483	Mortgagor #135	10.99%	185,000	185,000	5-Apr-17	Second	Repaid	16-Oct-18	186,285	185,000	-	-	-		
10488	Mortgagor #136	11.25%	120,000	120,000	13-Apr-17	Second	Repaid	3-Sep-19	122,207	120,000	-	-	-		
			\$ 14,072,477	\$ 13,973,145							\$ 13,373,868	\$ 14,072,477	\$ 1,504,597	\$ 1,504,597	\$ -
Commercial Loans [CAD]															
Cur	Borrower	Interest	Advance Date	Maturity	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	Principal less Payments	Interest less Payments	A + B	Unrealizable Value	Remaining Principal	Remaining Interest	
CAD	MCShno recovery Inc.	11.00%	2-Nov-16	2-Nov-26	\$ 2,550,000	\$ 73,685	\$ -	\$ -	\$ 2,550,000	\$ 73,685	\$ 2,623,685	\$ -	\$ -	\$ -	
CAD	Kanwal Development Inc.	13.50%	17-Jun-08	On Demand	166,667	62,030	-	32,504	166,667	29,526	196,193	-	-	-	
CAD	2441472 Ontario Inc.	13.00%	4-Dec-14	7-Nov-29	1,697,199	76,743	603,312	76,743	1,093,886	-	1,093,886	-	-	-	
CAD	Pond Technologies Inc.	11.00%	15-Dec-15	6-Apr-18	2,950,000	344,482	3,378,502	2,137,033	-	-	-	-	-	-	
CAD	Magnitude CS Energy Inc.	13.00%	15-Dec-15	6-Jul-21	1,133,500	40,557	406,333	40,557	727,167	-	727,167	-	-	-	
					\$ 8,497,365	\$ 597,497	\$ 4,388,147	\$ 2,286,837	\$ 4,537,720	\$ 103,211	\$ 4,640,931	\$ -	\$ -	\$ -	

Crystal Wealth Management System Limited
Resource Fund

FUND SUMMARY	April 20th Package	July 2, 2025
On-Book Investments		
Cash	\$ 145,662	\$ -
USD Cash [In CAD]	(40,000)	-
AUD Cash [In CAD]	(172)	-
Convertible Debentures	50,000	-
CAD Equities	1,539,885	-
USD Equities [In CAD]	12,052	-
AUD Equities [In CAD]	25,883	-
Warrants	22,879	-
USD Futures	(4,718)	-
Inter-fund Investments	262,171	-
	2,013,641	-
Off-Book Investments		
Accrued Expenses and Fees	\$ (5,833)	-
	(5,833)	-
Recorded Value	\$ 2,007,808	\$ -
Units	604,501	604,501
Recorded Value per Unit	\$ 3.32	\$ -

CASH	CAD	USD	AUD
Cash Balance - April 20, 2017	\$ 145,661	\$(29,671)	\$ (170)
Receipts			
Sale of Equities and Warrants	3,478,336.70	-	26,260
Convertible Debentures	50,000.00	-	-
Inter-fund Investor Distribution	141,154.72	-	-
Proceeds from USD Futures	107,111.71	-	-
Interest Income	16,475.74	-	-
Transfer from AUD and USD Account	(44,774.85)	-	-
	3,748,304.02	-	26,260
Disbursements			
Interim Distributions	2,976,776.86	-	-
Proposed Distribution	179,516.62	-	-
Commissions	16,244.73	-	21
Exercising Shares and Warrants	589,844.25	-	-
Professional Fees	123,367.20	-	-
Bank Charge & Fees	8,215.41	-	26,069
Transfer to CAD Account	-	(29,671)	-
	3,893,965.07	(29,671)	26,090
Cash Balance - July 2, 2025	\$ -	\$ -	\$ -

ON-BOOK INVESTMENTS													
Convertible Debentures [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value
27Q070E	NORTHRN CV RD RST5%31MY21	V88390	CAD	50,000	\$ 50,000	\$ 50,000	50,000	\$ 50,000	-	\$ 50,000	\$ -	\$ -	\$ -
Equities [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value
27Q070E	ANGKOR GOLD CORP	ANK	CAD	62,500	\$ 25,000	\$ 20,625	(62,500)	\$ 17,554	176	\$ 17,378	\$ -	\$ -	\$ -
27Q070E	CENTURION MINERALS LT-NEW	CTN	CAD	357,143	25,000	22,321	(357,143)	19,142	191	18,951	-	-	-
27Q070E	COLORADO RESOURCES LTD	CXO	CAD	71,429	25,001	19,286	(71,429)	17,636	176	17,459	-	-	-
27Q070E	GOLDCLIFF RES CORP	GCN	CAD	131,600	25,004	24,346	(131,600)	19,269	193	19,076	-	-	-
27Q070E	GOLDEN RIDGE RES LTD	GLD	CAD	250,000	20,000	36,250	(250,000)	51,010	510	50,500	-	-	-
27Q070E	GREATBANKS RES LTD	GTB	CAD	363,637	20,000	43,636	(363,637)	10,910	110	10,800	-	-	-
27Q070E	HEMPOO FOOD AND FIBER INC	HEMP	CAD	50,000	25,000	23,250	(50,000)	18,860	189	18,671	-	-	-
27Q070E	KLONDIKE GOLD CORP 5AUG17	37619K	CAD	100,000	20,000	25,600	(100,000)	30,000	300	29,700	-	-	-
27Q070E	INCA ONE GOLD CORP	IO	CAD	609,975	198,447	91,496	(609,975)	51,665	516	51,150	-	-	-
27Q070E	LATIN AMERICAN MINLS INC	LAT	CAD	155,500	15,550	23,325	(155,500)	16,889	169	16,720	-	-	-
27Q070E	MEXICAN GOLD CORP	MEX	CAD	166,665	25,000	50,000	(166,665)	62,441	624	61,817	-	-	-
27Q070E	MONTAN MINING CORP	MNY	CAD	1,801,140	105,415	144,091	(1,801,140)	40,485	402	40,083	-	-	-
27Q070E	MX GOLD CORP	MXL	CAD	100,000	25,025	15,500	(100,000)	14,000	140	13,860	-	-	-
27Q070E	NORTHERN VERTEX MING CORP	NEE	CAD	2,516	1,205	1,308	(2,516)	1,258	83	1,175	-	-	-
27Q070E	NOVO RESOURCES CORP	NVO	CAD	662,760	559,220	523,580	(662,760)	554,949	9,929	545,020	-	-	-
27Q070E	NULEGACY GOLD CORP	NUJG	CAD	56,000	25,200	15,400	(56,000)	14,050	141	13,909	-	-	-
27Q070E	PACIFIC BOOKER MINERALS INC	BKM	CAD	3,500	24,546	2,835	(3,500)	2,275	23	2,252	-	-	-
27Q070E	ROCKHAVEN RESOURCES LTD	RK	CAD	150,000	25,500	24,000	(150,000)	24,850	249	24,602	-	-	-
27Q070E	TRIUMPH GOLD CORP	TIG	CAD	100,000	25,000	63,000	(100,000)	33,850	339	33,511	-	-	-
27Q070E	WALLBRIDGE MINING CO	WM	CAD	400,000	31,996	48,000	(400,000)	26,433	264	26,169	-	-	-
U4804316	INCA ONE GOLD CORP	IO	CAD	25,392	8,261	3,809	(25,392)	2,337	528	1,810	-	-	-
U4804316	PACIFIC BOOKER MINERALS INC	BKM	CAD	44,000	308,577	35,640	(44,000)	25,055	131	24,924	-	-	-

ON-BOOK INVESTMENTS													
Equities [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value
U4804316	ALMADEX MINERALS LTD	AMZ	CAD	8,400	\$ -	\$ 9,660	(8,400)	\$ 8,921	47	\$ 8,874	\$ -	\$ -	\$ -
U4804316	ASTORIUS RESOURCES LTD	ASQ	CAD	69,500	10,770	10,773	(69,500)	7,138	40	7,097	-	-	-
U4804316	FIRST MINING FINANCE CORP	FF	CAD	34,700	25,357	24,290	(34,700)	22,902	115	22,787	-	-	-
U4804316	ICONIC MINERALS LTD	ICM	CAD	201,700	60,548	15,128	(201,700)	12,102	66	12,036	-	-	-
U4804316	LARGO RESOURCES LTD	LGO	CAD	8,000	20,320	4,080	(8,000)	3,550	18	3,532	-	-	-
U4804316	LION ONE METALS LIMITED	LIO	CAD	60,000	54,565	45,600	(60,000)	34,900	178	34,722	-	-	-
U4804316	MIRANDA GOLD CORP	MAD	CAD	347,735	51,429	31,296	(347,735)	26,080	130	25,950	-	-	-
U4804316	PILOT GOLD INC	PLG	CAD	33,640	34,663	18,166	(33,640)	15,095	117	14,978	-	-	-
U4804316	RESOURCE CAPITAL GOLD CORP	RCG	CAD	37,700	10,045	6,409	(37,700)	6,710	35	6,674	-	-	-
U4804316	RIVERSIDE RESOURCES INC	RRI	CAD	57,250	22,284	25,476	(57,250)	22,938	117	22,821	-	-	-
U4804316	RUBICON MINERALS CORP	RMX	CAD	208	29,518	349	(208)	335	2	333	-	-	-
27Q070E	MOUNTAINSTAR GOLD INC	MSX	CAD	333,833	50,048	3,338	-	-	-	-	3,338	3,338.33	-

Crystal Wealth Management System Limited
Resource Fund

27Q070E	CHIEFTAIN METALS INC	CFB.H	CAD	69,351		19,831	3,121	-	-	-	-	3,121	3,120.80	-								
27Q070E	GARMATEX TECHS INC RSTD	27304A	CAD	70,000		35,000	35,000	-	-	-	-	35,000	35,000.00	-								
27Q070E	PALISADE RESOURCES CORP		CAD	125,000		50,000	50,000	50,000	11,209	-	11,209	38,791	38,790.71	-								
					\$	2,038,326	\$	1,539,885		\$	1,226,795	\$	16,245	\$	1,210,551	\$	80,250	\$	80,250	\$	-	
Equities [AUD]																						
							A		B		A - B											
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value									
U4804316	Silver Lake Resources Ltd	SLR	AUD	50,990	\$	153,554	\$	25,495	(50,990)	\$	26,260	\$	21	\$	26,239	\$	-	\$	-	\$	-	
Equities [USD]																						
							A		B		A - B											
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value									
27Q070F	ADVANCED VOICE RECOG33L	AVOI	USD	1,788,000	\$	95,357	\$	8,940	-	\$	-	\$	-	\$	-	\$	8,940	\$	8,940	\$	-	
Warrants [CAD]																						
							A		B		A - B											
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Cost of Equities	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value									
27Q070E	MONTAN MINING CORP 14AG17	45090H	CAD	363,640	\$	-	\$	(363,640)	\$	5,455	\$	-	\$	5,455	\$	-	\$	-	\$	-	\$	
27Q070E	WTS-HEMPOO FD&FBR 30NOV17	89371B	CAD	25,000	-	-	(25,000)	53,190	16,250	36,940	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-KLONDIKE GOLD 4APR20	89933K	CAD	100,000	-	-	(100,000)	31,500	30,000	1,500	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-MOUNTAINSTAR 31AUG17	904096	CAD	166,667	-	-	(166,667)	Expired	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-NOVO RES CORP 8MAR18	90589J	CAD	500,000	313,533	-	(500,000)	1,381,902	425,000	956,902	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-NOVO RES CORP 24JUL17	90589E	CAD	96,160	-	-	(96,160)	728,787	76,928	651,859	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-ROCKHAVEN RES 23DEC17	91143N	CAD	75,000	-	-	(75,000)	Expired	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-SOURCE EXPLOR 3MAR19	91344E	CAD	166,665	-	8,333	(166,665)	50,708	41,666	9,042	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-COLORADO RES 18MAY18	88242B	CAD	71,429	-	-	(71,429)	Expired	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-NULEGACY GOLD 17MAY18	90601M	CAD	56,000	-	-	(56,000)	Expired	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	GARMATEX TECHS INC RSTD	27304A	CAD	70,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-88 CAP CORP-A 17AG19	88990L	CAD	125,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-ANGKOR GOLD 29JUL18	87553B	CAD	31,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-CENTURION MN31AG17/18	88191M	CAD	357,143	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-GOLDCLIFF RES 16SEP18	89242A	CAD	65,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-GREATBANKS RES 22MR19	89282A	CAD	363,637	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-INCA ONE GOLD 30AUG19	90543C	CAD	760,404	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-INCA ONE-NEW 22DEC20	90543G	CAD	28,571	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-LATIN AMER MNLS10JUN18	90047B	CAD	250,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-MONTAN MING CRP 13AP19	90403R	CAD	181,820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-MONTAN MING CRP 25AG18	90403M	CAD	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-MONTAN MING CRP 27OC21	90403N	CAD	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-MX GOLD CORP 12AUG19	90211W	CAD	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-NORTHERN FREE 9NOV20	90604B	CAD	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27Q070E	WTS-WALLBRIDGE MNG 4OCT19	91998D	CAD	400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
					\$	313,533	\$	8,333		\$	2,251,541	\$	589,844	\$	1,661,697	\$	-	\$	-	\$	-	
USD Futures [USD]																						
							A		B		A - B											
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value									
U4804316	JNUG US 01/19/18 P2.7	JNUG1	USD	5,000	\$	(9,588)	\$	(3,500)	(5,000)	\$	79,454	\$	-	\$	79,454	\$	-	\$	-	\$	-	
Inter-fund Investments [CAD]																						
							A		B		A - B											
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value Less Collections	Unrealizable Value	Residual Value									
27Q070E	CRYS WLTH MTG STGY/NFRAC	AAG210A	CAD	0	\$	0	\$	0	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
27Q070E	CRYS WLTH EN F/S-A/NFRAC	AAG240	CAD	50		499		528	-	210	-	\$	210		318		318				-	
27Q070E	CRYS BULLION /NFRAC	AAG270	CAD	20,937		214,669		261,643	-	117,012	-	\$	117,012		144,632		144,632				-	
					\$	215,168	\$	262,171	\$	-	\$	117,222	\$	-	\$	117,222	\$	144,949	\$	144,949	\$	-

Crystal Wealth Management System Limited
Factoring Fund

FUND SUMMARY	April 20th Package	July 2, 2025
On-Book Investments		
CAD Cash	\$ 421,643	\$ -
USD Cash [In CAD]	\$ (9,937)	-
External Mutual Funds	\$ 67,405	-
Convertible Debenture	\$ 30,000	-
CAD Equities	\$ 313,383	-
USD Equities [In CAD]	\$ 610,608	-
CAD Warrants	\$ -	-
USD Warrants [In CAD]	\$ 64,035	-
USD Future	\$ (8,233)	-
Inter-fund Investments	\$ 2,982,804	-
CAD Gold Loans	\$ 2,207,280	-
USD Gold Loans [In CAD]	\$ 4,789,374	-
	11,438,362	-
Off-Book Investments		
Factoring Contracts - Principal	\$ 22,821,205	-
Factoring Contracts - Interest	\$ 1,641,268	-
US Real Estate LP - Principal [In CAD]	\$ 2,898,415	-
US Real Estate LP - Accrued Interest [In CAD]	\$ 201,151	-
Commercial Loan	\$ 209,849	-
Accrued Loss Provision	\$ (1,011,670)	-
Accrued Expenses and Fees	\$ (74,211)	-
	26,685,807	-
Recorded Value	\$ 38,124,169	\$ -
Units	3,608,683	3,608,683
Recorded Value per Unit	\$ 10.56	\$ -

CASH	CAD	USD
Cash Balance - April 20, 2017	\$ 421,643.24	\$ (7,371)
Receipts		
Sale of Equities	138,866.79	-
Proceeds from USD Futures	119,492.34	-
Proceeds from USD Futures	563,856.35	-
Factoring Contract Payments	33,690.18	-
Inter-fund Investor Distribution	54,491.57	-
Interest Income	69,269.68	-
Gold Loans	16,775,107.00	-
BDO Settlement	-	-
Transfer from CAD Account	-	7,371
	17,754,772.91	7,371
Disbursements		
Interim Distribution	15,173,585.38	-
Proposed Distribution	1,041,462.97	-
Commissions	1,381.91	-
Professional Fees	1,839,033.77	-
Bank Charges & Fees	112,020.70	-
Transfer to USD Account	8,931.42	-
	18,176,416.15	-
Cash Balance - July 2, 2025	\$ -	\$ -

ON-BOOK INVESTMENTS													
External Mutual Funds (CAD)													
				A	B			C	B - C		B - C		
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
	WESTERN HEALTH CAPITAL LP SUB A	WWC SUB	USD	50,000	67,115	50,000	0	\$ -	\$ -	\$ -	50,000	\$ 50,000	\$ -
Convertible Debentures (CAD)													
				A	B			C	B - C		B - C		
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27Q090E	GARMATEX RST CV 10%28JA16	T55426	CAD	30,000	30,000	30,000	0	\$ -	\$ -	\$ -	30,000	\$ 30,000	\$ -
Equities (CAD)													
				A	B			C	B - C		B - C		
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27Q090E	3D SIGNATURES INC.	DND	CAD	285,700	\$ 99,995	\$ 197,133	(285,700)	\$ 125,961	\$ 1,255	\$ 124,706	\$ -	\$ -	\$ -
27Q090E	URBAN COMMUNICATIONS INC.	UBN	CAD	250,000	25,000	16,250	(250,000)	12,905	127	12,778	-	-	-
27Q090E	GARMATEX TECHS INC RTS	27304A	CAD	200,000	100,000	100,000	0	-	-	-	100,000	100,000	-
					\$ 224,995	\$ 313,383		\$ 138,866	\$ 1,382	\$ 137,484	\$ 100,000	\$ 100,000	\$ -
Equities (USD)													
				A	B			C	B - C		B - C		
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27Q090F	DSG GLOBAL INC'33L	21295B	USD	580,000	\$ 198,200	\$ 203,000	0	\$ -	\$ -	\$ -	203,000	\$ 203,000	\$ -
27Q090F	GARMATEX HOLDINGS LTD'33L	27304D	USD	250,000	74,500	245,000	0	-	-	-	245,000	245,000	-
27Q090F	Advanced Voice Recognition'33L	006238	USD	988,000	49,339	4,940	0	-	-	-	4,940	4,940	-
					\$ 322,039	\$ 452,940		\$ -	\$ -	\$ -	\$ 452,940	\$ 452,940	\$ -

Crystal Wealth Management System Limited
Factoring Fund

ON-BOOK INVESTMENTS													
Warrants [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	A Gross Proceeds	B Com	A + B Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27Q090E	WTS-GARMATEX TECH 16JUN17	GARMATEX-W	CAD	60,000	\$ -	\$ -	(60,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27Q090E	WTS - URBAN COMMS 24AUG18	91779K	CAD	250,000	-	-	0	-	-	-	-	-	-
					\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Warrants [USD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	A Gross Proceeds	B Com	A + B Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27Q090F	WTS-GARMATEX TECH 16MAY18	GRMX-0.60	USD	125,000	-	47,500	(125,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
USD Futures [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	A Gross Proceeds	B Com	A + B Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
U4897964	CDM7 C\$ CURRENCY FUTURE 20JUN17 CDM7		USD	33	-	(6,107)	(33)	\$ 119,492	\$ -	\$ 119,492	\$ -	\$ -	\$ -
Inter-fund Investments [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	A Gross Proceeds	B Com	A + B Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27Q090E	CRY\$ ENLIGHTND IN/INFRAC	AAG340	CAD	265,775	\$ 2,888,113	\$ 2,951,950	0	\$ 33,161	\$ -	\$ 33,161	\$ 2,918,790	\$ 2,918,790	\$ -
27Q090E	CRY\$ WLTH MED/S-A INFRAC	AAG300A	CAD	85	857	853	0	529	-	529	324	324	-
27Q090E	CRY\$ WLTH MTG STGY/NFRAC	AAG210A	CAD	0	0	0	0	0	-	0	0	0	-
					\$ 2,888,970	\$ 2,952,804		\$ 33,690	\$ -	\$ 33,690	\$ 2,919,114	\$ 2,919,114	\$ -
Gold Loans [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	A Gross Proceeds	B Com	A + B Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
	611802 BC LTD Four	BC 4	CAD	336	\$ 548,528	\$ 555,244	0	\$ -	\$ -	\$ -	\$ 555,244	\$ 555,244	\$ -
	GOLD Onstar Exploration Three	STAR 3	CAD	1,000	900,000	1,318,720	0	-	-	-	1,318,720	1,318,720	-
	SOLID HOLDINGS	SH 1	CAD	198	331,961	333,316	0	69,270	-	69,270	264,046	264,046	-
					\$ 1,380,489	\$ 2,207,280		\$ 69,270	\$ -	\$ 69,270	\$ 2,138,011	\$ 2,138,011	\$ -
Gold Loans [USD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	A Gross Proceeds	B Com	A + B Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
	GOLD Onstar Exploration One	STAR 1	USD	2,000	\$ 2,000,000	\$ 2,545,620	0	\$ -	\$ -	\$ -	\$ 2,545,620	\$ 2,545,620	\$ -
	GOLD Onstar Exploration Two	STAR 2	USD	800	760,000	1,007,064	0	-	-	-	1,007,064	1,007,064	-
					\$ 2,760,000	\$ 3,552,684		\$ -	\$ -	\$ -	\$ 3,552,684	\$ 3,552,684	\$ -
OFF-BOOK INVESTMENTS													
Factoring Contracts [CAD]													
Cur	Borrower	Daily Interest	Invoices	Maturity	Principal Apr 2017	Accrued Int Apr 2017	Principal Payments	Interest Payments	Principal less Payments	Interest less Payments	Unrealizable Value	Remaining Principal	Remaining Interest
CAD	Zomongo TV Corp	\$ 3.102		N/A	\$ 6,204,373	\$ 262,182	\$ 23,129.21	\$ -	\$ 6,181,244	\$ 262,182	\$ 6,443,426	\$ 0	\$ -
CAD	Dome Mountain	6,300		N/A	12,600,607	1,014,348	\$ 95,019.03	-	12,505,588	1,014,348	13,519,936	0	-
CAD	Advanced Metal	628		N/A	1,256,311	183,029	350,000	-	906,311	183,029	1,089,340	-	-
CAD	1566496 Alberta Ltd.	412		N/A	824,039	62,859	-	-	824,039	62,859	886,897	-	-
CAD	647497 Bc Ltd	220		N/A	439,698	67,931	-	-	439,698	67,931	507,629	-	-
CAD	Restoration Energy	-		N/A	1,402,193	39,548	42,614	-	1,359,579	39,548	1,399,127	-	-
CAD	Single Source Services	47		N/A	93,985	11,372	-	-	93,985	11,372	105,356	-	-
					\$ 22,821,205	\$ 1,641,268	\$ 510,762	\$ -	\$ 22,310,443	\$ 1,641,268	\$ 23,951,711	\$ 0	\$ -
US Real Estate LP [USD]													
Cur	Borrower	Interest	Currency	Units	Principal Apr 2017	Accrued Int Apr 2017	Principal Payments	Interest Payments	Principal less Payments	Interest less Payments	Unrealizable Value	Remaining Principal	Remaining Interest
USD	US Real Estate LP	N/A	USD	2,150,000	\$ 2,150,000	\$ 149,211	-	\$ -	\$ 2,150,000	\$ 149,211	\$ 2,299,211	\$ -	\$ -
Commercial Loan [USD]													
Cur	Borrower	Interest	Advance Date	Maturity	Principal Apr 2017	Accrued Int Apr 2017	Principal Payments	Interest Payments	Remaining Principal	Remaining Interest	Remaining Recorded Value	Unrealizable Value	Residual Value
USD	1092545 BC Ltd.	10.00%	2-Nov-16	2-Nov-17	\$ 125,000	\$ 30,514	\$ -	\$ -	\$ 125,000	\$ 30,514	\$ 155,514	\$ 155,514	\$ -

Crystal Wealth Management System Limited
Medical Fund

FUND SUMMARY				April 20th Package	July 2, 2025
On-Book Investments					
Cash		\$	421,542	\$	-
USD Cash [In CAD]			28,228		-
External Mutual Funds			25,288		-
USD Equities [In CAD]			7,846		-
USD Futures [In CAD]			(18,812)		-
Inter-fund Investments			1,526,605		-
			1,990,597		-
Off-Book Investments					
Medical Factoring Contracts - Principal [In CAD]			1,643,621		-
Medical Factoring Contracts - Fees [In CAD]			178,488		-
NFL Participation Agreements - Principal [In CAD]			4,855,472		-
NFL Participation Agreements - Fees [In CAD]			599,973		-
Accrued Expenses and Fees			1,840		-
			7,279,393		-
Recorded Value		\$	9,270,090	\$	-
Units			683,071		683,071
Recorded Value per Unit		\$	13.57	\$	-

CASH				CAD	USD
Cash Balance - April 20, 2017					
		\$	421,542	\$	20,939
Receipts					
Sale of Geodata & SSI Medical Factoring Contracts		-			906,434
Media and Enlightened Res		-			1,380,843
Settlement of Medical Factoring Agreement		-			123,995
Proceeds from USD Futures		192,159			-
Inter-fund Investor Distributor		968,017			-
Redemption of Units in External Mutual Fund		25,345			-
Interest Income		25,871			8,027
Transfer from USD Account		2,987,277			-
BDO Settlement		1,408,443			-
		5,607,112			2,419,299
Disbursements					
Interim Distribution		5,377,664			-
Proposed Distribution		310,526			261,367
Professional Fees		324,785			-
Bank Charges & Fees		15,679			1,121
Transfer to CAD Account		-			2,177,750
		6,028,653			2,440,238
Cash Balance - July 2, 2025		\$	-	\$	-

ON-BOOK INVESTMENTS													
External Mutual Funds [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Value Less Collections	Unrealizable Value	Residual Value
27Q080E	HOL INV SIA-F	DYNS50	CAD	2,529	\$ 25,289	\$ 25,288	2,529	\$ 25,345	\$ -	\$ 25,345	\$ -	\$ -	\$ -
Equities [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Value Less Collections	Unrealizable Value	Residual Value
27Q080F	Advanced Voice Recognition/33L	006238	USD	1,164,000	\$ 58,898	\$ 5,820	0	\$ -	\$ -	\$ -	\$ 5,820	\$ 5,820	\$ -
USD Futures [USD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Value Less Collections	Unrealizable Value	Residual Value
U4895282	CDM7 OS Currency Future 20JUN17	CDM7	CAD	73	\$ -	\$ (13,954)	73	\$ 142,541	\$ -	\$ 142,541	\$ -	\$ -	\$ -
Inter-fund Investments [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Value Less Collections	Unrealizable Value	Residual Value
27Q080E	CRYS ENLIGHT RES&PMNFRAC	AAG230	CAD	0	\$ 0	\$ 0	0	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ -
27Q080E	CRYS WLTH MED/S-A INFRAC	AAG300A	CAD	151,855	1,537,291	1,526,605	0	947,106	\$ -	947,106	579,499	579,499	\$ -
					<u>\$ 1,537,292</u>	<u>\$ 1,526,605</u>		<u>\$ 947,106</u>	<u>\$ -</u>	<u>\$ 947,106</u>	<u>\$ 579,499</u>	<u>\$ 579,499</u>	<u>\$ -</u>

OFF-BOOK INVESTMENTS													
Medical Factoring Agreements [USD]													
Client	Balance	Xynergy's Fees	Principal	Accrued Fees	Cash Reserves	Status	Proceeds from Sale	Principal	Accrued Fees	Value Less Collections	Unrealizable Value	Residual Value	
GeodataPR International, Inc - XMC (GEOXMC)	\$ 827,761	\$ (39,053)	\$ 788,708	\$ (175,425)	\$ -	Sold	\$ 684,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Servicios de Salud Integrada, CSP (SSIXMC)	234,588	(12,075.10)	222,513	(22,154)	419,022	Sold	222,121	-	-	-	-	-	-
Unlimited Prosthetics, Inc - XMC (UNLIMXMC01)	248,237	(40,245.46)	207,992	75,419	(164,462)	Sold	123,995	-	-	-	-	-	-
	<u>\$ 1,310,586</u>	<u>\$ (91,373)</u>	<u>\$ 1,219,213</u>	<u>\$ (122,161)</u>	<u>\$ 254,560</u>		<u>\$ 1,030,428</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Crystal Wealth Management System Limited
Medical Fund

OFF-BOOK INVESTMENTS												
NFL Participation Agreements (USD)												
	A	B	A+B	C	D	(A+B) + C + D						
Client	Balance	Xynergy's Fees	Principal	Accrued Fees	Cash Reserves	Total Value Pre-Sale	Status	Proceeds from Sale	Outstanding Balance	Unrealizable Value (Write-off)	Residual Value	
NFL ██████████	\$ 265,000	\$ (11,300)	\$ 253,700	\$ 22,601	\$ -	\$ 276,300	Sold	\$ 282,404	\$ -	\$ -	\$ -	-
NFL ██████████	132,500	(8,452)	124,048	16,903	-	140,952	Sold	144,105	-	-	-	-
NFL ██████████	53,000	(2,548)	50,452	5,096	-	55,548	Sold	56,707	-	-	-	-
NFL ██████████	212,000	(15,315)	196,685	30,631	-	227,315	Sold	231,471	-	-	-	-
NFL ██████████	159,000	(11,486)	147,514	162,188	-	309,702	Sold	14,240	295,462	139,215	-	-
NFL ██████████	159,000	(7,645)	151,355	154,465	-	305,820	Sold	14,060	291,760	139,175	-	-
NFL ██████████	143,100	(6,880)	136,220	142,512	-	278,731	Sold	12,816	265,915	128,751	-	-
NFL ██████████	162,000	(8,816)	153,184	17,633	-	170,816	Sold	61,170	109,646	-	-	-
NFL ██████████	238,500	(17,230)	221,270	34,459	-	255,730	Sold	119,327	136,403	-	-	-
NFL ██████████	121,900	(4,940)	116,960	116,621	-	233,580	Sold	10,740	222,840	106,740	-	-
NFL ██████████	148,400	(7,135)	141,265	14,270	-	155,535	Sold	90,271	65,264	-	-	-
NFL ██████████	233,200	(16,847)	216,353	237,876	-	454,229	Sold	20,884	433,345	204,182	-	-
NFL ██████████	106,000	(4,872)	101,128	102,561	-	203,688	Sold	9,364	194,324	92,816	-	-
NFL ██████████	162,000	(11,410)	150,590	164,662	-	315,252	Sold	14,494	300,758	141,842	-	-
NFL ██████████	243,000	(17,114)	225,886	34,229	-	260,114	Sold	132,570	127,544	-	-	-
NFL ██████████	212,000	(2,317)	209,683	190,283	-	399,966	Sold	18,390	381,576	185,648	-	-
NFL ██████████	159,000	(11,486)	147,514	162,188	-	309,702	Sold	14,240	295,462	139,215	-	-
NFL ██████████	159,000	(10,142)	148,858	159,550	-	308,408	Sold	14,180	294,228	139,266	-	-
NFL ██████████	79,500	(4,447)	75,053	78,480	-	153,533	Sold	7,058	146,475	69,586	-	-
NFL ██████████	79,500	(5,743)	73,757	81,094	-	154,851	Sold	7,120	147,731	69,608	-	-
NFL ██████████	79,500	(3,654)	75,846	7,309	-	83,154	Sold	37,370	45,784	-	-	-
NFL ██████████	86,400	(6,085)	80,315	87,820	-	168,134	Sold	7,730	160,404	75,649	-	-
NFL ██████████	148,400	(9,466)	138,934	148,913	-	287,847	Sold	13,234	274,613	129,981	-	-
NFL ██████████	41,340	(2,637)	38,703	5,274	-	43,977	Sold	25,448	18,528	-	-	-
NFL ██████████	135,000	(6,898)	128,102	132,005	-	260,106	Sold	11,958	248,148	118,208	-	-
NFL ██████████	106,000	(7,658)	98,342	108,125	-	206,468	Sold	9,492	196,976	92,810	-	-
	\$ 3,824,240	\$ (222,525)	\$ 3,601,715	\$ 2,417,744	\$ -	\$ 6,019,459		\$ 1,380,843	\$ 4,653,188	\$ 1,972,694	\$ -	-

Crystal Wealth Management System Limited
Bullion Fund

FUND SUMMARY	April 20th Package	July 2, 2025
On-Book Investments		
CAD Cash	\$ 271,161	\$ -
Gold Loans	\$ 763,006	-
	1,034,166	-
Off-Book Investments		
Accrued Expenses and Fees	\$ (4,611)	-
	(4,611)	-
Recorded Value	\$ 1,029,555	\$ -
Units	82,387	82,387
Recorded Value per Unit	\$ 12.50	\$ -

CASH		
	CAD	USD
Cash Balance - April 20, 2017	\$ 279,763	\$ (6,381)
Receipts		
Inc Gold Settlement	155,556	
BDO Settlement	226,174	
Interest Income	6,655	-
Transfer from USD to CAD A	-	6,605
	388,384	6,605
Disbursements		
Interim Distribution	460,436	-
Proposed Distribution	94,118	-
Professional Fees	94,523	-
Bank Charges & Fees	10,478	224
Transfer to USD Account	8,592	-
	668,147	224
Cash Balance - July 2, 2025	\$ -	\$ -

ON-BOOK INVESTMENTS													
Gold Loans [CAD]													
				A		B		A - B		A - B			
										Value Less			
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recoveries	Unrealizable Value	Residual Value
	611802 BC LTD	BC 2	CAD	101	\$ 160,166	\$ 166,421	0	\$ -	\$ -	\$ -	\$ 166,421	\$ 166,421	\$ -
	Inco One Gold F	IOG 1	CAD	365	584,533	596,585	0	155,556	-	155,556	441,029	441,029	-
					<u>\$ 744,699</u>	<u>\$ 763,006</u>		<u>\$ 155,556</u>	<u>\$ -</u>	<u>\$ 155,556</u>	<u>\$ 607,450</u>	<u>\$ 607,450</u>	<u>\$ -</u>

Crystal Wealth Management System Limited
Media Fund

FUND SUMMARY	April 29th Package	July 2, 2025
On-Book Investments		
CAD Cash	\$ 307,817	\$ -
USD Cash [In CAD]	423,488	-
External Mutual Funds	1,042,228	-
USD Futures [In CAD]	(23,509)	-
Inter-fund Investments	-	-
	1,750,024	-
Off-Book Investments		
Media Loans - Principal	33,649,959	-
USD Media Loans - Principal [In CAD]	5,325,456	-
Media Loans - Interest	11,873,156	-
USD Media Loans - Interest [In CAD]	2,671,968	-
Accrued Loss Provision	(803,721)	-
	52,716,818	-
Recorded Value	\$ 54,466,842	\$ -
Units	5,406,129	5,406,129
Recorded Value per Unit	\$ 10.08	\$ -

CASH	CAD	USD
Cash Balance - April 20, 2017	\$ 307,737	\$ 314,137
Receipts		
Redemption of Units in External Mutual Funds	1,044,604	-
Inter-Fund Investor Distributions	0	-
Repayment of Loans	6,883,087	229,690
Sale of Media Fund	14,375,000	-
Proceeds from USD Futures	232,970	-
BDO Settlement	12,790,246	-
Interest Income	126,580	213
Transfer from USD Account	676,719	-
	36,129,206	229,903
Disbursements		
Interim Distribution	33,671,625	-
Proposed Distribution	744,428	20
Consulting Fees	889,875	-
Professional Fees	1,030,877	-
Bank Charges & Fees	95,137	101
Transfer to CAD Account	-	543,919
Claimant Paid	5,000	-
	36,436,943	544,040
Cash Balance - July 2, 2025	\$ -	-

ON-BOOK INVESTMENTS													
External Mutual Funds [CAD]													
				A		B		A - B				Remaining	Unrealizable
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value	Value	Residual Value
27QA24E	DUNDEE INV SVG ACCT F-NL	DYN550	CAD	104,223	\$ 1,042,264	\$ 1,042,228	(104,223)	\$ 1,044,604	\$ -	\$ 1,044,604	\$ -	\$ -	\$ -
USD Futures [USD]													
				A		B		A - B				Remaining	Unrealizable
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value	Value	Residual Value
U4657920	CDM7 C\$ CURRENCY FUTURE 20JUN17	CDM7	CAD	49	\$ -	\$ (23,509)	(49)	\$ 232,970	\$ -	\$ 232,970	\$ -	\$ -	\$ -
Inter-fund Investments [CAD]													
				A		B		A - B				Remaining	Unrealizable
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Recorded Value	Value	Residual Value
270003E	CRYS MEDICAL STGY NFRAC	AA6250A	CAD	0	\$ 1	\$ 1	0	\$ 0	\$ -	\$ 0	\$ 0	\$ 0	\$ -

Crystal Wealth Management System Limited
Media Fund

OFF-BOOK INVESTMENTS						
Media Loans [CAD]						
Type	Name of Film	Principal	Accrued Interest	Total	Collections	Remaining RV
CAD	SOAG	\$ 1,457,853	\$ -	\$ 1,457,853	\$ 1,457,853	\$ -
CAD	ELECTRIC SLIDE	2,619,496	-	2,619,496	\$ 952,411	-
CAD	KINGDOM (COLLARD)	2,897,000	-	2,897,000	\$ 2,897,000	-
CAD	FOREVERLAND	990,131	-	990,131		-
CAD	GINGER AND ROSA	182,570	278,361	460,931		-
CAD	SINGLE SHOT	2,215,855	1,859,221	4,075,075		-
CAD	SILENT NIGHT	1,000,000	1,076,343	2,076,343		-
CAD	LULLABY (2')	2,488,134	2,254,865	4,742,999		-
CAD	SUPREMACY (2')	589,660	-	589,660		-
CAD	ELSA AND FRED	1,752,602	1,025,673	2,778,274		-
CAD	MISS JULIE	1,283,336	890,222	2,173,558		-
CAD	HENCHMEN	2,390,000	1,538,727	3,928,727	Included in Media Fund Sale	-
CAD	WELCOME TO ME	1,296,451	-	1,296,451		-
CAD	KILL ME 3 TIMES	1,811,784	-	1,811,784		-
CAD	MERCY	4,347,200	1,611,950	5,959,150		-
CAD	HAVANA	77,778	-	77,778		-
CAD	PHENOM	1,033,189	70,338	1,103,527		-
CAD	VINCENT N ROXXY	1,435,624	128,045	1,563,669		-
CAD	CHILDHOOD OF A LEADER	2,031,299	657,740	2,689,039		-
CAD	A GOOD DAY'S WORK	1,750,000	481,671	2,231,671		-
		\$ 33,649,959	\$ 11,873,156	\$ 45,523,115	\$ 5,307,264	\$ -
Media Loans [USD]						
Type	Name of Film	Principal	Accrued Interest	Total	Collections	Remaining RV
USD	THE ENGLISH TEACHER	\$ 486,054	\$ 345,953	\$ 832,006		-
USD	HENCHMEN	750,000	547,376	1,297,376	Included in Media Fund Sale	-
USD	HUNTERS OF THE STARS	1,648,000	678,964	2,326,964		-
USD	MIGHTY MONSTERS	1,066,288	409,732	1,476,020	1,066,288	-
		3,950,342	1,982,025	5,932,366	1,066,288	-

Crystal Wealth Management System Limited
High Yield Mortgage Fund

FUND SUMMARY	April 20th Package	July 2, 2025
On-Book Investments		
Cash	\$ 760,006	\$ -
Inter-fund Investments	1,378,911	-
	2,138,917	-
Off-Book Investments		
Residential Mortgages	2,457,789	-
Commercial Loans - Principal	550,000	-
Commercial Loans - Interest	53,238	-
Inter-fund Loan - Principal	274,000	-
Inter-fund Loan - Interest	2,897	-
Accrued Loss Provision	(34,675)	-
	3,303,249	-
Recorded Value	\$ 5,442,166	\$ -
Units	542,310	542,310
Recorded Value per Unit	\$ 10.04	\$ -

CASH	CAD	USD
Cash Balance - April 20, 2017	\$ 760,006	\$ -
Receipts		
Collection of Mortgage Interest	403,218	-
Collection of Mortgage Principal	2,429,890	-
Collection of Commercial Loan Principal	629,890	-
Collection of Commercial Loan Interest	398,430	-
Inter-fund Investor Distribution	1,121,889	-
BDO Settlement	308,872	-
Interest Income	43,106	-
	5,335,295	-
Disbursements		
Interim Distribution	4,288,277	-
Proposed Distribution	1,502,886	-
Professional Fees	253,907	-
Bank Charges & Fees	50,231.11	-
	6,095,301	-
Cash Balance - July 2, 2025	\$ -	\$ -

ON-BOOK INVESTMENTS													
Inter-fund Investments [CAD]													
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QB26E	CRYSTAL MEDIA /NFRAC	AAG300	CAD	51,409	\$ 521,098	\$ 516,818	0	\$ 320,635	\$ -	\$ 320,635	\$ 196,183	\$ 196,183	\$ -
27QB26E	CRYSTAL MORTGAGE /NFRAC	AAG210	CAD	85,542	862,042	862,093	0	572,443	-	572,443	289,650	289,650	-
					\$ 1,383,140	\$ 1,378,911		\$ 893,078	\$ -	\$ 893,078	\$ 485,833	\$ 485,833	\$ -

OFF-BOOK INVESTMENTS													
Residential Mortgages [CAD]													
Mortgage ID	Borrower	Rate	Principal	Balance	Funding Date	Type of Mortgage	Status	Repaid Date	Payment	Outstanding Balance	Remaining Recorded Value	Unrealizable Value	Residual Value
4526	Mortgagor #1	15.00%	39,593	38,279	1-Jan-17	Second	Repaid	8-Mar-19	\$ 23,401	\$ 38,279	\$ 14,878	\$ 14,878	\$ -
4530	Mortgagor #2	14.00%	35,224	35,576	1-Feb-17	Second	Repaid	15-Mar-19	36,744	35,576	-	-	-
4588	Mortgagor #3	13.99%	45,333	45,585	18-Mar-17	Second	Repaid	22-Jun-18	45,925	45,585	-	-	-
4625	Mortgagor #4	14.95%	41,240	41,501	20-Mar-17	Second	Repaid	7-Mar-19	17,539	41,501	23,962	23,962	-
4656	Mortgagor #5	14.50%	35,313	35,564	8-Apr-17	Second	Repaid	7-Apr-19	36,489	35,564	-	-	-
4703	Mortgagor #6	15.50%	22,994	22,990	1-May-16	Second	Repaid	8-Mar-19	21,721	22,990	1,269	1,269	-
4744	Mortgagor #7	14.25%	35,938	35,867	29-May-16	Second	Repaid	9-May-16	36,577	35,867	-	-	-
4806	Mortgagor #8	15.00%	26,569	27,052	1-Sep-16	Second	Repaid	8-Mar-19	28,650	27,052	-	-	-
4854	Mortgagor #9	14.50%	59,818	60,286	25-Sep-16	Second	Repaid	8-Feb-21	61,284	60,286	-	-	-
10352	Mortgagor #10	14.99%	36,120	36,361	23-Dec-16	Second	Repaid	8-Mar-19	24,691	36,361	11,670	11,670	-
10369	Mortgagor #11	15.00%	40,077	40,862	16-Feb-17	Second	Repaid	22-Jul-16	40,823	40,862	40	40	-
10399	Mortgagor #12	15.50%	50,000	49,949	29-Sep-16	Second	Repaid	5-Aug-22	54,139	49,949	-	-	-
10405	Mortgagor #13	13.46%	43,000	42,960	21-Oct-16	Second	Repaid	10-Oct-19	44,196	42,960	-	-	-
10410	Mortgagor #14	13.95%	36,000	35,969	28-Oct-16	Second	Repaid	8-Mar-19	35,524	35,969	445	445	-
10438	Mortgagor #15	11.50%	63,500	63,475	11-Jan-17	Second	Repaid	31-May-18	65,343	63,475	-	-	-
10446	Mortgagor #16	14.50%	30,000	30,014	31-Jan-17	Second	Repaid	8-Mar-19	30,371	30,014	-	-	-
10454	Mortgagor #17	12.00%	60,000	59,963	15-Feb-17	Second	Repaid	11-Sep-23	54,620	59,963	5,343	5,343	-
10458	Mortgagor #18	14.75%	28,000	27,973	27-Feb-17	Second	Repaid	8-Mar-19	27,363	27,973	610	610	-
10461	Mortgagor #19	10.95%	40,000	39,652	8-Mar-17	Second	Repaid	25-Jul-18	40,461	39,652	-	-	-
10314	Mortgagor #22	14.99%	36,622	37,502	2-Nov-16	Second	Repaid	21-Apr-17	37,496	37,502	6	6	-
10453	Mortgagor #21	13.95%	27,000	26,983	14-Feb-17	Second	Repaid	1-Feb-18	27,185	26,983	-	-	-
Squire_01	Mortgagor #54	12.00%	40,000	40,213	6-Apr-15	Second	Repaid	22-Apr-17	40,000	40,213	213	213	-
Squire_02	Mortgagor #55	12.00%	56,000	56,224	9-Apr-15	Second	Repaid	22-Apr-17	56,000	56,224	224	224	-
4523	Mortgagor #23	10.00%	50,317	49,996	7-Nov-16	Second	Repaid	28-Apr-17	50,254	49,996	-	-	-
10455	Mortgagor #24	13.95%	60,000	59,944	23-Feb-17	Second	Repaid	19-May-17	60,510	59,944	-	-	-

Crystal Wealth Management System Limited
High Yield Mortgage Fund

OFF-BOOK INVESTMENTS														
Residential Mortgages (CAD)														
Mortgage ID	Borrower	Rate	Principal	Balance	Funding Date	Type of Mortgage	Status	Repaid Date	Payment	Principal	Remaining Recorded Value	Unrealizable Value	Residual Value	
10305	Mortgagor #25	13.99%	60,026	60,283	16-Oct-16	Second	Repaid	29-May-17	\$ 60,554	\$ 60,283	\$ -	\$ -	\$ -	-
10406	Mortgagor #26	14.50%	44,000	44,214	24-Oct-16	Second	Repaid	30-May-17	44,449	44,214	-	-	-	-
10394	Mortgagor #27	14.00%	55,000	54,944	2-Sep-16	Second	Repaid	1-Jun-17	55,517	54,944	-	-	-	-
10462	Mortgagor #28	14.65%	40,000	40,006	13-Mar-17	Second	Repaid	9-Jun-17	40,400	40,006	-	-	-	-
10401	Mortgagor #20	13.99%	19,000	18,975	6-Oct-16	Second	Repaid	1-Aug-17	19,663	18,975	-	-	-	-
10451	Mortgagor #29	6.00%	60,000	59,982	10-Feb-17	Second	Repaid	11-Aug-17	60,242	59,982	-	-	-	-
10397	Mortgagor #30	14.50%	26,000	25,972	28-Sep-16	Second	Repaid	18-Aug-17	26,167	25,972	-	-	-	-
10407	Mortgagor #31	15.00%	20,207	20,056	28-Oct-16	Second	Repaid	22-Aug-17	20,206	20,056	-	-	-	-
4794	Mortgagor #32	14.00%	52,077	52,352	1-Aug-16	Second	Repaid	29-Aug-17	53,166	52,352	-	-	-	-
10390	Mortgagor #33	13.99%	36,000	35,988	26-Aug-16	Second	Repaid	1-Sep-17	36,077	35,988	-	-	-	-
4840	Mortgagor #34	14.99%	36,500	36,267	11-Sep-15	Second	Repaid	5-Sep-17	36,319	36,267	-	-	-	-
10400	Mortgagor #35	13.00%	46,500	46,441	29-Sep-16	Second	Repaid	15-Sep-17	46,684	46,441	-	-	-	-
10403	Mortgagor #36	12.95%	32,000	31,971	7-Oct-16	Second	Repaid	17-Oct-17	32,379	31,971	-	-	-	-
10452	Mortgagor #37	11.95%	60,000	59,963	14-Feb-17	Second	Repaid	17-Oct-17	60,555	59,963	-	-	-	-
10486	Mortgagor #38	12.50%	28,000	28,010	12-Apr-17	Second	Repaid	25-Oct-17	28,389	28,010	-	-	-	-
10398	Mortgagor #39	12.50%	44,000	43,940	30-Sep-16	Second	Repaid	27-Oct-17	44,319	43,940	-	-	-	-
4593	Mortgagor #42	14.50%	40,304	40,514	27-Feb-17	Second	Repaid	15-Feb-18	40,825	40,514	-	-	-	-
10363	Mortgagor #43	13.99%	35,016	35,262	23-Dec-16	Second	Repaid	24-Jan-18	35,999	35,262	-	-	-	-
10415	Mortgagor #44	13.99%	57,500	57,476	16-Nov-16	Second	Repaid	12-Jan-18	58,316	57,476	-	-	-	-
10443	Mortgagor #45	11.99%	60,000	52,858	20-Jan-17	Second	Repaid	22-Feb-18	59,360	52,858	-	-	-	-
10448	Mortgagor #46	11.65%	65,000	64,940	3-Feb-17	Second	Repaid	9-Apr-18	65,503	64,940	-	-	-	-
10460	Mortgagor #47	12.50%	80,000	79,933	28-Feb-17	Second	Repaid	29-Mar-18	81,035	79,933	-	-	-	-
10463	Mortgagor #48	15.90%	25,000	25,005	10-Mar-17	Second	Repaid	13-Feb-18	25,355	25,005	-	-	-	-
10465	Mortgagor #49	12.75%	28,000	28,002	14-Mar-17	Second	Repaid	14-Mar-18	28,236	28,002	-	-	-	-
10467	Mortgagor #50	15.00%	45,000	45,064	17-Mar-17	Second	Repaid	29-Mar-18	45,779	45,064	-	-	-	-
10475	Mortgagor #51	14.50%	31,000	31,000	28-Mar-17	Second	Repaid	29-Mar-18	31,336	31,000	-	-	-	-
10477	Mortgagor #52	12.00%	50,000	50,000	31-Mar-17	Second	Repaid	1-May-18	50,466	50,000	-	-	-	-
10479	Mortgagor #53	15.65%	48,000	48,000	29-Mar-17	Second	Repaid	29-Mar-18	48,591	48,000	-	-	-	-
10402	Mortgagor #40	14.99%	60,000	59,988	7-Oct-16	Second	Repaid	27-Oct-17	61,165	59,988	-	-	-	-
10439	Mortgagor #41	11.95%	135,000	134,879	12-Jan-17	Second	Repaid	1-Dec-17	135,532	134,879	-	-	-	-
									\$ 2,429,890	\$ 2,453,029	\$ 58,660	\$ 58,660	\$ -	-
Commercial Loans														
Cur	Borrower	Interest	Advance Date	Maturity	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	A	B	A + B	Unrealizable Value	Remaining Principal	Remaining Interest
CAD	Pond Technologies Inc.	11.00%	15-Dec-15	6-Apr-18	\$ 550,000	\$ 53,238	\$ 629,890	\$ 398,430	\$ (79,890)	\$ -	\$ (79,890)	\$ -	\$ -	-
Inter-Fund loan														
Cur	Borrower	Interest	Advance Date	Maturity	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	A	B	A + B	Unrealizable Value	Remaining Principal	Remaining Interest
CAD	Conscious Capital Fund	Prime + 1%	1-Dec-15	N/A	\$ 274,000	\$ 2,897	\$ 9,233	\$ 2,897	\$ 264,767	\$ -	\$ 264,767	\$ -	\$ -	-

Crystal Wealth Management System Limited
Infrastructure Fund

FUND SUMMARY		April 20th Package	July 2, 2025
On-Book Investments			
Cash	\$	2,087,302	\$ -
		2,087,302	-
Off-Book Investments			
Commercial Loans - Principal		5,469,571	-
Commercial Loans - Interest		207,728	-
		5,677,300	-
Recorded Value	\$	7,764,601	\$ -
Units		767,622	767,622
Recorded Value per Unit	\$	10.12	\$ -

CASH			
	CAD	USD	
Cash Balance - April 20, 2017	\$ 2,087,300	\$	1
Receipts			
Interest Income	18,732	-	
Transfer from USD Account	1	-	
	18,734	-	
Disbursements			
Interim Distribution	1,683,234	-	
Proposed Distribution	166,536	-	
Professional Fees	232,468	-	
Bank Charges & Fees	23,796	-	
Transfer to CAD Account	-	1	
	2,106,034	1	
Cash Balance - July 2, 2025	\$ -	\$ -	1

OFF-BOOK INVESTMENTS													
Commercial Loans [CAD]													
					A		B		A + B				
Cur	Borrower	Interest	Advance Date	Maturity	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	Principal Less Payments	Interest Less Payments	Remaining Recorded Value	Residual Principal	Residual Interest
CAD	Energy Inc.	13%	2016 - 2017	On Demand	\$ 5,154,571	\$ 193,782	-	\$ -	\$ 5,154,571	\$ 193,782	\$ 5,348,353	-	\$ -
CAD	Critical	8%	30-Sep-16	28-Sep-18	315,000	(2,944,119)	-	-	315,000	13,946	328,946	-	-
					\$ 5,469,571	\$ (2,750,337)	\$ -	\$ -	\$ 5,469,571	\$ 207,728	\$ 5,677,300	\$ -	\$ -

Crystal Wealth Management System Limited
Hedge Fund

FUND SUMMARY		April 20th Package	July 2, 2025
On-Book Investments			
CAD Cash	\$	531,127	\$ -
USD Cash [In CAD]		66	-
External Mutual Fund		52,991	-
Equities		172,506	-
Private Equities		100,002	-
Warrants		-	-
CAD Gold Loans		896,367	-
USD Gold Loans [In CAD]		339,406	-
		2,092,464	-
Off-Book Investments			
Factoring Contracts - Principal		2,992,362	-
Factoring Contracts - Interest		574,676	-
US Real Estate LP - Principal [In CAD]		7,751,576	-
US Real Estate LP - Accrued Interest [In CAD]		503,909	-
Loan to Real Estate LP		46,000	-
Accrued Fees and Expenses		(42,036)	-
		11,826,486	-
Recorded Value	\$	13,918,950	\$ -
Units		1,253,175	1,253,175
Recorded Value per Unit	\$	11.11	\$ -

CASH		CAD	USD
Cash Balance - April 20, 2017	\$	531,127	\$ 49
Receipts			
Sale of Equities		119,624	-
Redemption of Units in External Mutual Funds		50,205	-
Interest Income		12,121	-
Gold Settlement		94,444	-
Factoring Loans		14,157	-
Transfer from USD Account		63	-
		290,614	-
Disbursements			
Interim Distribution		156,358	-
Proposed Distribution		-	-
Commissions		1,196	-
Professional Fees		657,630	-
Bank Charges & Fees		6,357	-
Transfer to CAD Account		-	49
		821,741	49
Cash Balance - July 2, 2025	\$	-	\$ -

ON-BOOK INVESTMENTS													
External Mutual Funds [CAD]													
		A		B		A - B							
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
Private	COLUMBIA STREET CAPITAL FUND LP	COL	CAD	4,282	\$ 50,000	\$ 52,991	(4,282)	\$ 50,205	\$ -	\$ 50,205	\$ -	\$ -	\$ -
Equities [CAD]													
		A		B		A - B							
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QF14E	APPIA ENERGY CORP	API	CAD	125,000	\$ 25,000	\$ 31,875	(125,000)	\$ 19,162	\$ 192	\$ 18,970	\$ -	\$ -	\$ -
27QF14E	HEALTH SPACE DATA SYSTEMS LTD	HS	CAD	799,400	62,514	47,964	(799,400)	38,499	385	38,114	-	-	-
27QF14E	3D SIGNATURES INC.	DXD	CAD	134,300	100,725	92,667	(134,300)	61,963	620	61,343	-	-	-
					\$ 188,239	\$ 172,506		\$ 119,624	\$ 1,196	\$ 118,428	\$ -	\$ -	\$ -
Private Equities [CAD]													
		A		B		A - B							
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
Private	RONIN8 TECHNOLOGIES	RO8 SUB	CAD	4,762	\$ 100,002	\$ 100,002	0	\$ -	\$ -	\$ -	\$ 100,002	\$ 100,002	\$ -
Warrants [CAD]													
		A		B		A - B							
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QF14E	WTS-APPIA ENERGY CORP 31JAN22	87549A	CAD	125,000	\$ -	\$ -	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27QF14E	WTS - 3D SIGNATURES 16DEC18	91528F	CAD	134,300	-	-	0	-	-	-	-	-	-
					\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gold Loans [CAD]													
		A		B		A - B							
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
Gold	611802 BC LTD Two	BC 2	CAD	162	\$ 257,837	\$ 267,906	0	\$ -	\$ -	\$ -	\$ 267,906	\$ 267,906	\$ -
Gold	611802 BC LTD Three	BC 3	CAD	162	264,394	266,248	0	-	-	-	266,248	266,248	-
Gold	INCA ONE GOLD Purchase Ag 2	IOG 2	CAD	221	354,895	362,212	0	94,444	-	94,444	267,768	267,768	-
					\$ 877,126	\$ 896,367		\$ 94,444	\$ -	\$ 94,444	\$ 801,922	\$ 801,922	\$ -

Crystal Wealth Management System Limited
Hedge Fund

ON-BOOK INVESTMENTS														
Gold Loans [USD]														
									A	B	A - B			
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value	
Gold	GOLD Onstar Exploration	STAR 2	USD	200	\$ 190,000	\$ 251,766	0	\$ -	\$ -	\$ -	\$ 251,766	\$ 251,766	\$ -	

OFF-BOOK INVESTMENTS														
Factoring Loans [CAD]														
									A	B	A + B			
Cur	Borrower	Daily Interest	Invoices	Maturity	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	Remaining Principal	Remaining Interest	Remaining Recorded Value	Residual Principal	Residual Interest	
CAD	Zomongo TV Corp	\$ 1,245		N/A	\$ 1,494,737	\$ 426,226	\$ 6,871	\$ -	\$ 1,487,866	\$ 426,226	\$ 1,914,092	\$ 0	\$ -	
CAD	Dome Mountain	498		N/A	996,625	80,228	7,287	-	989,338	80,228	1,069,566	-	-	
CAD	Restoration Energy	417		N/A	501,000	68,222	-	-	501,000	68,222	569,222	-	-	
					\$ 2,992,362	\$ 574,676	\$ 14,157	\$ -	\$ 2,978,204	\$ 574,676	\$ 3,552,880	\$ 0	\$ -	

US Real Estate LP [USD]														
									A	B	A + B			
Cur	Borrower	Interest	Currency	Units	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	Remaining Principal	Remaining Interest	Remaining Recorded Value	Residual Principal	Residual Interest	
USD	US Real Estate LP	N/A	USD	5,750,000	\$ 5,750,000	\$ 373,792	\$ -	\$ -	\$ 5,750,000	\$ 373,792	\$ 6,123,792	\$ -	\$ -	

US Real Estate LP Promissory Note [USD]														
									A	B	A + B			
Cur	Borrower	Interest	Currency	Maturity	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	Remaining Principal	Remaining Interest	Remaining Recorded Value	Residual Principal	Residual Interest	
CAD	US Real Estate LP	0%	CAD	N/A	\$ 46,000	\$ -	\$ -	\$ -	\$ 46,000	\$ -	\$ 46,000	\$ -	\$ -	

Crystal Wealth Management System Limited
Conscious Capital Fund

FUND SUMMARY				April 20th Package	July 2, 2025
On-Book Investments					
CAD Cash				\$ 27,905	\$ -
				27,905	-
Off-Book Investments					
Private Equities				632,753	-
Private Warrants				25,445	-
Inter-fund Loan - Principal				(274,000)	-
Inter-fund Loan - Interest				(2,897)	-
				381,301	-
Recorded Value				\$ 409,206	\$ -
Units				27,767	27,767
Recorded Value per Unit				\$ 14.74	\$ -

CASH				CAD	USD
Cash Balance - April 20, 2017				\$ 27,905	\$ -
Receipts					
Interest Income				1,038	-
Private Equities and Warrants				3,366	-
				4,403	-
Disbursements					
Bond Repayment				12,130	-
Professional Fees				19,953	-
Bank Charges & Fees				225	-
				32,308	-
Cash Balance - July 2, 2025				\$ -	\$ -

OFF-BOOK INVESTMENTS													
Private Equities [CAD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
N/A	POND TECHNOLOGIES INC.	POND	CAD	336,571	\$ 448,986	\$ 632,753	336,571	\$ 3,366	\$ -	\$ 3,366	\$ 445,620	\$ 445,620	\$ -
Private Warrants [CAD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
N/A	POND TECHNOLOGIES INC 1NOV18	POND-2.50	CAD	212,040	\$ -	\$ 25,445	0	\$ -	\$ -	\$ -	\$ 25,445	\$ 25,445	\$ -

OFF-BOOK LIABILITIES													
Inter-fund Loan [CAD]													
				A		B		A + B					
Cur	Borrower	Interest	Currency	Maturity	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	Remaining Principal	Remaining Interest	Unpayable Amount	Residual Principal	Residual Interest
CAD	Conscious Capital Fund	Prime + 1%	CAD	Prime + 1%	\$ (274,000)	\$ (2,897)	\$ -	\$ 12,130	\$ (264,767)	\$ -	\$ (264,767)	\$ -	\$ 264,767

Crystal Wealth Management System Limited
ACM Income Fund

FUND SUMMARY				April 20th Package	July 2, 2025
On-Book Investments					
CAD Cash	\$	368,113	\$	-	
USD Cash [In CAD]	\$	2,940		-	
External Mutual Funds	\$	560,025		-	
Inter-fund Investments	\$	9,898,493		-	
		10,829,570		-	
Off-Book Investments					
Accrued Expenses and Fees	\$	(14,153)		-	
		(14,153)		-	
Recorded Value	\$	10,815,417	\$	-	
Units		1,056,201		1,056,201	
Recorded Value per Unit	\$	10.24	\$	-	

CASH				CAD	USD
Cash Balance - April 20, 2017	\$	368,113	\$	2,180	
Receipts					
Redemption of Units in Exter		564,897		-	
Inter-fund Investor Distributic		5,578,689		-	
Interest Income		22,802		-	
Transfer from USD Account		2,810		-	
		6,169,198		-	
Disbursements					
Bond Repayment		5,956,101		-	
Proposed Distribution		437,767		-	
Professional Fees		130,050		-	
Bank Charges		13,394		-	
Transfer to CAD Account		-		2,180	
		6,537,311		2,180	
Cash Balance - July 2, 2025	\$	-	\$	-	

ON-BOOK INVESTMENTS													
External Mutual Funds [CAD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QA24E	MLY YLD OPP-I	MMF4624	CAD	49,895	\$ 553,894	\$ 560,025	(49,895)	\$ 564,897	\$ -	\$ 564,897	\$ -	\$ -	\$ -
Inter-fund Investments [CAD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QA24E	ENLIGHT HEDC	AAG340	CAD	28,570	\$ 294,150	\$ 317,328	0	\$ 3,565	\$ -	\$ 3,565	\$ 313,763	\$ 313,763	\$ -
27QA24E	CRYSTAL MED	AAG250	CAD	40,849	538,728	560,297	0	321,594	-	321,594	238,703	238,703	-
27QA24E	ENLIGHT FACT	AAG240	CAD	229,668	2,293,477	2,426,339	0	965,693	-	965,693	1,460,646	1,460,646	-
27QA24E	CRYSTAL MED	AAG300	CAD	655,974	6,641,141	6,594,529	0	4,091,245	-	4,091,245	2,503,284	2,503,284	-
					\$ 9,767,496	\$ 9,898,493		\$ 5,382,097	\$ -	\$ 5,382,097	\$ 4,516,396	\$ 4,516,396	\$ -

Crystal Wealth Management System Limited
ACM Growth Fund

FUND SUMMARY	April 20th Package	July 2, 2025
On-Book Investments		
CAD Cash	\$ (1,739,873)	\$ -
USD Cash [In CAD]	(303,820)	-
CAD Equities	4,875,430	-
USD Equities [In CAD]	576,972	-
External Mutual Funds	3,482,518	-
Inter-fund Investments	4,739,753	-
	11,630,980	-
Off-Book Investments		
Accrued Expenses and Fees	(21,916)	-
	(21,916)	-
Recorded Value	\$ 11,609,064	\$ -
Units	1,195,161	1,195,161
Recorded Value per Unit	\$ 9.71	\$ -

CASH	CAD	USD
Cash Balance - April 20, 2017	\$ (1,739,873)	\$ (225,369)
Receipts		
Sale of Equities	4,304,672	398,394
Redemption of Units in External Mutual Funds	3,410,855	-
Inter-fund Investor Distribution	1,450,158	-
BDO Settlement Proceeds	111,026	-
Interest Income	20,661	-
Transfer from USD Account	209,234	-
	9,506,605	398,394
Disbursements		
Interim Distributions	7,271,286	-
Proposed Distribution	301,677	-
Commissions	45,151	9,420
Professional Fees	135,484	-
Bank Charges	13,134	93
Interest Expense	-	1,151
Transfer to CAD Account	-	162,360
	7,766,732	173,025
Cash Balance - July 2, 2025	\$ -	\$ -

ON-BOOK INVESTMENTS													
Equities (CAD)													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QA23E	NEXGEN ENERGY LTD	NXE	CAD	249,700	\$ 573,329	\$ 776,567	(249,700)	\$ 664,903	\$ 5,260	\$ 659,644	\$ -	\$ -	\$ -
27QA23E	CONTINENTAL GOLD INC	CNL	CAD	25,000	100,250	83,250	(25,000)	87,600	645	86,955	-	-	-
27QA23E	DENISON MINES CORP	DML	CAD	400,000	251,581	320,000	(400,000)	224,043	2,240	221,803	-	-	-
27QA23E	FISSION URANIUM CORP	FCU	CAD	200,000	194,000	158,000	(200,000)	114,186	3,046	111,140	-	-	-
27QA23E	FISSION URANIUM CORP	FCU	CAD	0	-	-	(210,000)	(210,000)	-	(210,000)	-	-	-
27QA23E	FISSION URANIUM CORP	FCU	CAD	300,000	-	-	(300,000)	171,279	4,569	166,710	-	-	-
27QA23E	IVANHOE MINES LTD	IVN	CAD	150,000	626,500	759,000	(150,000)	734,550	3,770	730,780	-	-	-
27QA23E	LEADING EDGE MATLS CORP	LEM	CAD	343,500	227,100	219,840	(343,500)	244,097	2,680	241,418	-	-	-
27QA23E	NORBORD INC	OSB	CAD	5,000	198,900	201,000	(5,000)	206,639	-	206,639	-	-	-
27QA23E	PACIFIC BOOKER MINLS INC	BKM	CAD	73,300	301,494	59,373	(73,300)	34,793	348	34,445	-	-	-
27QA23E	UEX CORPORATION	UEX	CAD	2,500,000	613,333	725,000	(2,500,000)	476,854	4,769	472,085	-	-	-
27QA23E	EMBLEM CORP	EMC	CAD	250,000	911,217	660,000	(250,000)	424,523	5,381	419,143	-	-	-
27QA23E	PATIENT HOME MONITORING	PHM	CAD	1,000,000	250,000	235,000	(1,000,000)	442,532	4,425	438,106	-	-	-
27QA23E	PROMETIC LIFE SCIENCES	PLI	CAD	320,000	698,900	678,400	(320,000)	688,672	8,020	680,652	-	-	-
					\$ 4,946,605	\$ 4,875,430		\$ 4,304,672	\$ 45,151	\$ 4,259,521	\$ -	\$ -	\$ -
Equities (USD)													
				A		B		B - A		C		B - C	
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QA23E	TORCHLIGHT ENERGY RESOURCES INC.	TRCH	USD	268,543	\$ 381,690	\$ 421,138	(268,543)	\$ 389,251	\$ 9,329	\$ 379,922	\$ -	\$ -	\$ -
27QA23F	PACIFIC BOOKER MINLS INC	PBMLF	USD	11,390	67,406	6,851	(11,390)	9,143	91	9,052	-	-	-
					\$ 449,096	\$ 427,989		\$ 398,394	\$ 9,420	\$ 388,974	\$ -	\$ -	\$ -
External Mutual Funds (CAD)													
				A		B		B - A		C		B - C	
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QA23E	SEN MNY MKT-I /NLNFRAC	NCE819	CAD	125,089	\$ 1,250,889	\$ 1,250,889	(125,089)	\$ 1,251,796	\$ -	\$ 1,251,796	-	\$ -	\$ -
27QA23E	SEN PRC MTL-I /NLNFRAC	NCE803	CAD	18,559	984,065	944,995	(18,559)	899,381	-	899,381	-	-	-
27QA23E	SPR SIL EQ-F /NLNFRAC	SPR423	CAD	112,783	800,609	792,978	(112,783)	750,639	-	750,639	-	-	-
27QA23E	NBI WW EIM-F /NLNFRAC	NBC769	CAD	37,313	500,015	493,657	(37,313)	509,039	-	509,039	-	-	-
					\$ 3,535,578	\$ 3,482,518		\$ 3,410,855	\$ -	\$ 3,410,855	\$ -	\$ -	\$ -

Crystal Wealth Management System Limited
ACM Growth Fund

ON-BOOK INVESTMENTS														
Inter-fund Investments (CAD)					B		B - A		C		B - C			
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value	
27QA23E	ENLIGHT HEDGE /NFRAC	AAG340	CAD	148,011	\$ 1,508,439	\$ 1,655,059	0	\$ 18,592	\$ -	\$ 18,592	\$ 1,636,467	\$ 1,636,467	\$ -	
27QA23E	ENLIGHT FACTORING /NFRAC	AAG240	CAD	237,770	2,354,851	2,511,933	0	146,802	-	146,802	2,365,131	2,365,130.81	-	
27QA23E	CRYSTAL MEDIA /NFRAC	AAG300	CAD	56,974	576,764	572,761	0	208,539	-	208,539	364,222	364,221.89	-	
27QA23E	CRYSTAL MORTGAGE /NFRAC	AAG210	CAD	0	1	1	0	999,760	-	999,760	(999,759)	(999,759.14)	-	
					\$ 4,440,055	\$ 4,739,753		\$ 1,373,693	\$ -	\$ 1,373,693	\$ 3,366,060	\$ 3,366,060	\$ -	

Crystal Wealth Management System Limited
Sustainable Dividend Fund

FUND SUMMARY				April 20th Package	July 2, 2025
On-Book Investments					
CAD Cash	\$	115,376	\$	-	
USD Cash [In CAD]		5,964		-	
CAD Equities		1,440,897		-	
USD Equities [In CAD]		5,008,398		-	
Inter-fund Investments		75,893		-	
		6,646,327		-	
Off-Book Investments					
Accrued Dividends		3,475		-	
Accrued Fees and Expenses		(19,628)		-	
		(16,153)		-	
Recorded Value	\$	6,630,174	\$	-	
Units		604,117		604,117	
Recorded Value per Unit	\$	10.97	\$	-	

CASH				CAD	USD
Cash Balance - April 20, 2017	\$	115,376	\$	4,424	
Receipts					
Sale of Equities		1,478,092		3,829,828	
Dividends		7,711		13,496	
Inter-fund Investor Distributions		38,471		-	
Transfer from USD Account		5,060,724		-	
		6,584,998		3,843,324	
Disbursements					
Interim Distribution		6,500,807		-	
Proposed Distribution		38,034		-	
Commission		924		2,140	
Professional Fees		142,105		-	
Bank Charges & Fees		18,503		-	
Transfer to CAD Account		-		3,845,608	
		6,700,374		3,847,749	
Cash Balance - July 2, 2025	\$	-	\$	-	

ON-BOOK INVESTMENTS													
Equities [CAD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QD93A	CANADIAN NATIONAL RAILWAY	CNR	CAD	2,860	\$ 247,532	\$ 287,030	(2,860)	\$ 302,442	\$ 92	\$ 302,350	\$ -	\$ -	\$ -
27QD93A	DOLLARAMA INC	DOL	CAD	1,150	108,764	136,850	(1,150)	140,462	49	140,413	-	-	-
27QD93A	ENBRIDGE INCOME FD HLDS	ENF	CAD	3,720	113,902	125,327	(3,720)	118,625	113	118,512	-	-	-
27QD93A	GILDAN ACTIVEWEAR INC	GIL	CAD	2,000	70,855	74,840	(2,000)	81,610	70	81,540	-	-	-
27QD93A	MAGNA INTL INC	MG	CAD	2,905	161,248	160,966	(2,905)	167,127	78	167,049	-	-	-
27QD93A	PEMBINA PIPELINE CORP	PPL	CAD	2,000	77,930	88,380	(2,000)	86,490	70	86,420	-	-	-
27QD93A	SILVER WHEATON CORP	SLW	CAD	4,000	105,874	114,520	(4,000)	101,585	120	101,465	-	-	-
27QD93A	SLEEP COUNTRY CDA HLD INC	ZZZ	CAD	8,200	242,966	293,478	(8,200)	318,135	225	317,910	-	-	-
27QD93A	TOROMONT INDUSTRIES LTD	TIH	CAD	3,525	127,151	159,506	(3,525)	161,616	108	161,508	-	-	-
					\$ 1,256,220	\$ 1,440,897		\$ 1,478,092	\$ 924	\$ 1,477,168	\$ -	\$ -	\$ -
Equities [USD]													
				A		B		A - B					
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value
27QD93B	ADOBE SYS INC	ADBE	USD	750	\$ 96,909	\$ 98,565	(750)	\$ 102,851	\$ 46	\$ 102,804	\$ -	\$ -	\$ -
27QD93B	ALPHABET INC CL-C	GOOG	USD	280	208,669	235,662	(280)	263,036	30	263,006	-	-	-
27QD93B	APPLE INC	AAPL	USD	1,950	222,375	277,758	(1,950)	280,150	88	280,062	-	-	-
27QD93B	APPLIED MATERIALS INC	AMAT	USD	8,135	243,466	324,505	(8,135)	353,382	305	353,077	-	-	-
27QD93B	BROADCOM LTD	AVGO	USD	550	96,837	120,016	(550)	130,964	39	130,924	-	-	-
27QD93B	CVS HEALTH CORP	CVS	USD	2,835	262,145	225,184	(2,835)	218,183	119	218,063	-	-	-
27QD93B	CELGENE CORP	CELG	USD	750	88,249	92,452	(750)	91,266	46	91,220	-	-	-
27QD93B	FACEBOOK INC CL-A	FB	USD	1,500	177,967	215,700	(1,500)	224,761	73	224,689	-	-	-
27QD93B	GILEAD SCIENCES INC	GILD	USD	1,300	95,370	86,450	(1,300)	83,558	66	83,492	-	-	-
27QD93B	GLAXO SMITHKLINE-PLC-ADR	GSK	USD	2,500	96,324	101,775	(2,500)	108,987	108	108,880	-	-	-
27QD93B	ILLINOIS TOOL WORKS	ITW	USD	1,120	124,243	150,730	(1,120)	165,936	59	165,876	-	-	-
27QD93B	JOHNSON & JOHNSON	JNJ	USD	1,805	200,450	219,975	(1,805)	240,042	83	239,959	-	-	-
27QD93B	ELI LILLY & CO	LLY	USD	1,175	93,946	96,279	(1,175)	96,418	61	96,357	-	-	-
27QD93B	MICROSOFT CORP	MSFT	USD	1,500	97,926	98,250	(1,500)	104,873	73	104,800	-	-	-
27QD93B	NIKE INC CL-B	NKE	USD	3,260	179,436	183,864	(3,260)	167,073	134	166,939	-	-	-
27QD93B	NOVO-NORDISK A/S-ADR	NVO	USD	2,320	112,807	84,448	(2,320)	98,830	101	98,729	-	-	-
27QD93B	PEPSICO INC	PEP	USD	1,015	101,741	115,294	(1,015)	118,915	56	118,859	-	-	-

Crystal Wealth Management System Limited
Sustainable Dividend Fund

ON-BOOK INVESTMENTS														
Equities (CAD)														
					A			B		A - B				
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value	
27QD938	PFIZER INC	PFE	USD	5,390	166,867	181,859	(5,390)	176,788	209	176,579	-	-	-	
27QD938	P P G INDUSTRIES	PPG	USD	830	81,999	88,287	(830)	92,394	49	92,345	-	-	-	
27QD938	PROCTER & GAMBLE CO.	PG	USD	1,245	99,574	111,216	(1,245)	111,201	64	111,137	-	-	-	
27QD938	SNAP-ON INC	SNA	USD	720	122,556	124,654	(720)	112,404	45	112,359	-	-	-	
27QD938	SPLUNK INC	SPLK	USD	2,200	122,315	136,466	(2,200)	127,111	97	127,014	-	-	-	
27QD938	TJX COMPANIES INC	TJX	USD	1,320	99,998	103,184	(1,320)	95,088	66	95,022	-	-	-	
27QD938	3M COMPANY	MMM	USD	860	153,871	164,398	(860)	181,611	50	181,561	-	-	-	
27QD938	UNILEVER PLC ADR	UL	USD	1,550	66,641	78,182	(1,550)	84,008	74	83,934	-	-	-	
					\$ 3,412,682	\$ 3,715,153								
								\$ 3,829,828	\$ 2,140	\$ 3,827,688	\$ -	\$ -	\$ -	
Inter-fund Investments (CAD)														
					A			B		A - B				
Account	Description	Symbol	Currency	Quantity	Recorded Cost	Recorded Value	Qty Sold	Gross Proceeds	Com	Net Proceeds	Remaining Recorded Value	Unrealizable Value	Residual Value	
27QD93A	ABSOLUTE PROPERTY I/FRAC	AAG786	CAD	7,548	\$ 75,690	\$ 75,693	0	\$ 34,901	\$ -	\$ 34,901	\$ 40,791	40,791.40	-	

Crystal Wealth Management System Limited
Sustainable Property Fund

FUND SUMMARY	April 20th Package	July 2, 2025
On-Book Investments		
Cash	\$ 245,796	\$ -
	245,796	-
Off-Book Investments		
Residential Mortgages	2,220,592	-
Commercial Loans - Princip	2,000,000	-
Commercial Loan - Service	94,027	-
Accrued Loss Provision	(12,480)	-
	4,302,139	-
Recorded Value	\$ 4,547,935	\$ -
Units	453,503	604,117
Recorded Value per Unit	\$ 10.03	\$ -

CASH			
	CAD	USD	
Cash Balance - April 20, 2017	\$ 245,796	\$ -	
Receipts			
Collection of Mortgage Serv	218,816	-	
Collection of Mortgage Prin	2,177,533	-	
	2,396,348	-	
Disbursements			
Interim Distributions	2,097,013	-	
Proposed Distribution	214,480	-	
Professional Fees	316,258	-	
Bank Charges	14,393	-	
	2,642,144	-	
Cash Balance - July 2, 2025	\$ -	\$ -	

OFF-BOOK INVESTMENTS														
Residential Mortgages [CAD]														
Mortgage ID	Borrower	Rate	Principal	Balance	Funding Date	Type of Mortgage	Status	Repaid Date	Payment	Principal	Remaining Recorded Value	Unrealizable Value	Residual Value	Residual Interest
10408	Mortgagor #1	5.75%	\$ 528,000	\$ 527,055	27-Oct-16	First	Repaid	18-Jul-17	\$ 524,989	\$ 528,000	\$ 3,011	\$ 3,011	\$ -	-
10392	Mortgagor #2	5.50%	282,000	282,800	31-Aug-16	First	Repaid	31-Aug-17	283,152	282,000	-	-	-	-
10440	Mortgagor #3	5.00%	750,000	747,031	17-Jan-17	First	Repaid	30-Mar-18	732,547	750,000	17,453	17,453.36	-	-
10445	Mortgagor #4	6.40%	274,000	274,100	31-Jan-17	First	Repaid	14-May-18	268,604	274,000	5,396	5,396.29	-	-
10395	Mortgagor #5	6.00%	165,000	164,084	9-Sep-16	First	Repaid	23-Jan-20	157,985	165,000	7,015	7,015.43	-	-
10459	Mortgagor #6	5.99%	225,000	225,521	28-Feb-17	First	Repaid	1-Mar-22	210,257	225,000	14,743	14,743.33	-	-
			\$ 2,224,000	\$ 2,220,592					\$ 2,177,533	\$ 2,224,000	\$ 47,619	\$ 47,619	\$ -	-
Commercial Loans [CAD]														
Cur	Borrower	User Fee	Advance Date	Term	Principal Apr 20/17	Accrued Int Apr 20/17	Principal Payments	Interest Payments	A	B	A + B	Remaining Recorded Value	Residual Principal	Residual Interest
CAD	MCSAB10 Inc.	13.00%	9-Dec-16	28-Jun-00	\$ 2,000,000	\$ 94,027	\$ -	\$ -	\$ 2,000,000	\$ 94,027	\$ 2,094,027	\$ -	\$ -	-

APPENDIX 39

Court File No.: CV-17-579357-00CP

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE MR. JUSTICE)
)
PAUL PERELL) OF JULY, 2022

BETWEEN:

(Court Seal)

ANTHONY WHITEHOUSE,
CARRIE COUCH AND JASON COUCH

Plaintiffs

- and -

BDO CANADA LLP

Defendant

ORDER

THIS MOTION, made by the Plaintiffs, Carrie Couch and Jason Couch, for an Order dismissing the Action, with prejudice and without costs, was read this day at the court house, 330 University Avenue, 7th Floor, Toronto ON M5H 1R7.

ON READING the Consent of the Parties, filed,

1. THIS COURT ORDERS that this Action is dismissed with prejudice and without costs.

(Signature of judge, officer or registrar)

RCP-E 59A (September 1, 2020)

ENTERED July 21/2022

ANTHONY WHITEHOUSE et al.
Plaintiffs

-and- BDO CANADA LLP
Defendant

Court File No. CV-17-579357-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
TORONTO

ORDER

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Lawyers for the Plaintiffs
Carrie Couch and Jason Couch

RCP-E 4C (September 1, 2020)

APPENDIX 40

District of Ontario
Court No. CV-17-11779-00CL

**IN THE MATTER OF THE RECEIVERSHIP OF
CRYSTAL WEALTH MANAGEMENT SYSTEMS LIMITED - CLJ EVEREST**

**FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS
AS OF JULY 2, 2025**

RECEIPTS

Proceeds of sale of asset	\$ 2,100,000.00
Interest	10,198.40
Miscellaneous	1,945.47

TOTAL RECEIPTS	\$ 2,112,143.87
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CASH DISBURSEMENTS

Realtor Commissions	\$ 94,500.00
Mortgage Discharge	1,394,080.06
Insurance	56,308.48
Security	6,205.00
Utilities	5,633.57
Repairs and Maintenance	24,193.95
Bank charges	17.00
HST Paid	16,970.64

TOTAL DISBURSEMENTS	\$ 1,597,908.70
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PROFESSIONAL FEES

Receiver's fees	\$ 431,325.81
HST on above	56,072.36
Legal Fees	23,749.56
HST on Legal Fees	3,087.44

\$ 514,235.17

RECEIPTS LESS DISBURSEMENTS

\$ -

APPENDIX 41

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

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

BETWEEN:

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**AFFIDAVIT OF BRUCE BANDO
(sworn June 25, 2025)**

**I, BRUCE BANDO, of the City of Mississauga, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:**

1. I am a Vice President of Grant Thornton Limited ("GTL") and, as such, I have knowledge of the matters to which I hereinafter depose. Where I do not have direct knowledge, I have identified the source of the information and believe it to be true.
2. GTL was appointed as the receiver and manager (in such capacities, the "Receiver"), without security, of: (i) all of the assets, undertakings, and properties of 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

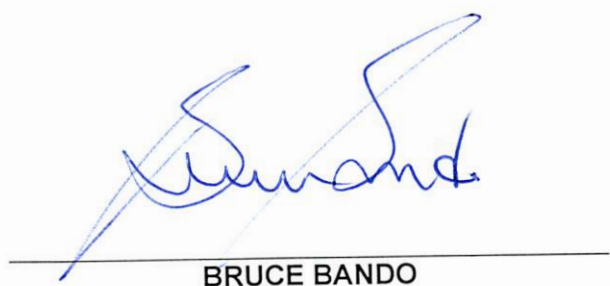
"Crystal Wealth Group"); and (ii) the account of the Respondent, Chrysalis Yoga, No. 87296 00518 10 at Bank of Nova Scotia (the "Chrysalis Account").

3. Attached and marked as **Exhibit "A"** to this affidavit is a summary billing setting out the fees and disbursements of GTL incurred in its role as the Receiver from March 1, 2020, to June 20, 2025, in the amount of \$1,312,935.03, disbursements of \$599.31 and HST of \$170,759.43, for a total of \$1,484,293.77. The average hourly rate is \$397.69.
4. Attached and marked as **Exhibit "B"** to this affidavit are detailed billings of the Receiver by individual and date of services rendered for the aforementioned period.
5. Given the complexity of this insolvency matter, I believe the hourly rates and the total amount of fees are reasonable and comparable for insolvency services of this nature rendered by other firms in the City of Toronto.
6. This affidavit is sworn in connection with the approval of the fees and disbursements of GTL and for no improper purpose.

SWORN by Jason Kanji, at the City of Toronto in the Province of Ontario before me on June 25th, 2025, in the City of Toronto in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)


BRUCE BANDO

Jason Nadir Kanji
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited
Expires September 27, 2026

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF BRUCE BANDO

Sworn before me

This 25th day of June, 2025



Commissioner for taking Affidavits, etc

Jason Nadir Kanji
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited
Expires September 27, 2026

Crystal Wealth Group
Summary of Billings
March 1, 2020 to June 20, 2025

Date	Hours	Fees	Disbursements	Subtotal	HST	Total
March 1, 2020 to April 30, 2020	256.25	\$ 117,017.46	\$ 131.67	\$ 117,149.13	\$ 15,229.39	\$ 132,378.52
May 1, 2020 to September 30, 2020	381.55	\$ 126,636.56	\$ 155.88	\$ 126,792.44	\$ 16,483.01	\$ 143,275.45
October 1, 2020 to December 31, 2020	173.05	\$ 51,698.59	-	\$ 51,698.59	\$ 6,720.82	\$ 58,419.41
January 1, 2021 to March 31, 2021	290.75	\$ 107,456.27	-	\$ 107,456.27	\$ 13,969.31	\$ 121,425.58
April 1, 2021 to May 31, 2021	177.20	\$ 64,599.68	-	\$ 64,599.68	\$ 8,397.96	\$ 72,997.64
June 1-30, 2021	68.50	\$ 23,314.20	-	\$ 23,314.20	\$ 3,030.85	\$ 26,345.05
July 1, 2021 to August 31, 2021	84.10	\$ 33,407.85	\$ 155.88	\$ 33,563.73	\$ 4,363.28	\$ 37,927.01
September 1-30, 2021	58.10	\$ 27,417.60	-	\$ 27,417.60	\$ 3,564.29	\$ 30,981.89
October 1, 2021 to November 30, 2021	63.80	\$ 24,289.65	-	\$ 24,289.65	\$ 3,157.65	\$ 27,447.30
December 1, 2021 to January 31, 2022	42.40	\$ 15,823.50	-	\$ 15,823.50	\$ 2,057.06	\$ 17,880.56
February 1, 2022 to March 31, 2022	97.75	\$ 48,984.34	-	\$ 48,984.34	\$ 6,367.96	\$ 55,352.30
April 1, 2022 to June 30, 2022	111.10	\$ 39,897.38	\$ 155.88	\$ 40,053.26	\$ 5,206.92	\$ 45,260.18
To September 30, 2022	111.65	\$ 37,843.58	-	\$ 37,843.58	\$ 4,919.66	\$ 42,763.24
October 1, 2022 to December 31, 2022	103.60	\$ 35,925.75	-	\$ 35,925.75	\$ 4,670.35	\$ 40,596.10
January 1-31, 2023	43.80	\$ 17,802.75	-	\$ 17,802.75	\$ 2,314.36	\$ 20,117.11
To February 28, 2023	50.00	\$ 20,683.95	-	\$ 20,683.95	\$ 2,688.91	\$ 23,372.86
March 1, 2023 to April 30, 2023	115.80	\$ 49,571.03	-	\$ 49,571.03	\$ 6,444.23	\$ 56,015.26
May 1-31, 2023	93.30	\$ 44,403.45	-	\$ 44,403.45	\$ 5,772.45	\$ 50,175.90
June 1, 2023 to July 31, 2023	66.20	\$ 34,329.75	-	\$ 34,329.75	\$ 4,462.87	\$ 38,792.62
August 1, 2023 to January 31, 2024	97.20	\$ 44,619.23	-	\$ 44,619.23	\$ 5,800.50	\$ 50,419.73
February 1-29, 2024	47.50	\$ 17,516.10	-	\$ 17,516.10	\$ 2,277.09	\$ 19,793.19
March 1-31, 2024	60.30	\$ 23,229.68	-	\$ 23,229.68	\$ 3,019.86	\$ 26,249.54
April 1, 2024 to May 31, 2024	59.40	\$ 28,358.93	-	\$ 28,358.93	\$ 3,686.66	\$ 32,045.59
June 1-30, 2024	40.80	\$ 16,610.48	-	\$ 16,610.48	\$ 2,159.36	\$ 18,769.84
July 1-31, 2024	58.90	\$ 22,718.33	-	\$ 22,718.33	\$ 2,953.38	\$ 25,671.71
August 1-31, 2024	19.00	\$ 9,346.05	-	\$ 9,346.05	\$ 1,214.99	\$ 10,561.04
September 1, 2024 to October 31, 2024	143.20	\$ 58,934.40	-	\$ 58,934.40	\$ 7,661.47	\$ 66,595.87
November 1-30, 2024	76.00	\$ 27,070.58	-	\$ 27,070.58	\$ 3,519.18	\$ 30,589.76
December 1, 2024 to January 31, 2025	83.60	\$ 35,705.25	-	\$ 35,705.25	\$ 4,641.68	\$ 40,346.93
February 1-28, 2025	61.40	\$ 23,165.10	-	\$ 23,165.10	\$ 3,011.46	\$ 26,176.56
March 1-31, 2025	32.00	\$ 14,820.75	-	\$ 14,820.75	\$ 1,926.70	\$ 16,747.45
April 1-30, 2025	43.70	\$ 21,114.98	-	\$ 21,114.98	\$ 2,744.95	\$ 23,859.93
May 1-31, 2025	74.60	\$ 41,246.10	-	\$ 41,246.10	\$ 5,361.99	\$ 46,608.09
June 1-20, 2025	14.90	\$ 7,375.73	-	\$ 7,375.73	\$ 958.84	\$ 8,334.57
	3,301.40	\$ 1,312,935.03	\$ 599.31	\$ 1,313,534.34	\$ 170,759.43	\$ 1,484,293.77

Average Hourly Rate:

397.69

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF BRUCE BANDO

Sworn before me

This 25th day of June, 2025



Commissioner for taking Affidavits, etc

Jason Nadir Kanji
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited
Expires September 27, 2026



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

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

BETWEEN:**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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-6251**

To professional services as Receiver rendered for the period from March 1, 2020 to April 30, 2020.

Date	Full Name	Hours	Detail
March 1, 2020	Jason Knight	3.20	Prepare T3 worksheets for ACM Income Fund, ACM Growth Fund, Sustainable Dividend Fund, Sustainable Property Fund, Mortgage Fund, and High Yield Mortgage Fund; Perform preliminary review of T3 worksheets re: other funds; Draft correspondence to team re: status of workbook and next steps.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
March 2, 2020	Bruce Bando	2.60	Continue with the report; Correspondence from Spectrum; Correspondence from Trustee of Dome Mountain; Correspondence from counsel in BC re: Zomongo.
March 2, 2020	Jason Knight	0.20	Review correspondence from counsel re: judgement registrations in Alberta; Correspondence with Spectrum re: mortgage reports.
March 3, 2020	Bruce Bando	0.50	Review personal loan matter and various correspondence with Spectrum.
March 3, 2020	Jason Knight	2.00	Finalize T3 worksheets for Mortgage Fund and High Yield Mortgage Fund; Perform final review of T3 workbook and discuss same internally.
March 4, 2020	Bruce Bando	1.70	Various correspondence with counsel to Pallisades; Report matters; Correspondence from Spectrum; Proof of claim re: Zomongo; Correspondence with counsel re: US LP.
March 4, 2020	Arsheel Muhit	3.70	Correspondence with investor; Work on fund summary analysis.
March 4, 2020	Jason Knight	0.40	Review monthly report provided by Spectrum; Correspondence re: personal loan; Correspondence re: Zomongo matters.
March 5, 2020	Arsheel Muhit	3.30	Fund summary analysis; Correspondence with NBIN re: wire transfer request.
March 5, 2020	Bruce Bando	0.20	Discussion counsel re: US LP.
March 5, 2020	Jason Knight	0.10	Administration of case website.
March 6, 2020	Jason Knight	0.20	Review renewal report provided by Spectrum re: Residential Mortgages.
March 6, 2020	Arsheel Muhit	3.00	Fund summary analysis.
March 6, 2020	Rosa Wilford	0.50	Review internal email instructions from team re: Banking; Review account: On-line banking; Review print screens for expecting wire; Provide team with wire confirmations; Prepare receipt and disbursement requisition forms; Post invoice and payment entries; General banking administration.
March 6, 2020	Valerie Naccarato	0.20	General filing administration on account re: January bank statements.
March 6, 2020	Bruce Bando	0.50	Various correspondence and discussion with counsel re: OOM Energy; Correspondence with Spectrum re: renewals.

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Date	Full Name	Hours	Detail
March 7, 2020	Bruce Bando	2.00	Continue with the Fifth Report.
March 8, 2020	Bruce Bando	3.80	Drafting of Fifth Report and review of files and documents thereof.
March 9, 2020	Bruce Bando	5.70	Continue with the Fifth Report; Correspondence with counsel re: OOM Energy; Various correspondence from Spectrum re: appraisal on mortgage in default; Various correspondence with AGB LLP.
March 9, 2020	Rosa Wilford	1.30	Review various estate bank accounts; Post EFT entries; and reconcile February statements.
March 9, 2020	Valerie Naccarato	0.20	General filing administration on account re January bank statements.
March 9, 2020	Arsheel Muhit	1.10	Correspondence with investors re: status of next court report.
March 10, 2020	Bruce Bando	9.30	Fifth Report matters; Conference call with SMS followed by discussion with counsel thereafter; Various correspondence with Spectrum on mortgages in default; Review, execute and return various mortgage discharges.
March 10, 2020	Jonathan Krieger	0.50	Correspondence with team re: report to Court; materials required.
March 10, 2020	Jason Knight	0.90	Call with team to discuss T3 workbook and status of same; Revise T3 workbook based on discussions and draft correspondence to tax team re: same; Draft correspondence to retained company re: investor slips.
March 11, 2020	Adam Shell	0.75	Review of T3 workbook and set up of meeting with analysts.
March 11, 2020	Rosa Wilford	1.00	Review internal email instructions from team re Banking; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheques; General banking administration.
March 11, 2020	Bruce Bando	7.30	Continue with the Fifth Report; Discussion with counsel re: same; Correspondence with counsel re: US LP.
March 11, 2020	Jason Knight	0.20	Internal discussion re: Fifth Report and schedules for same; Correspondence with tax team.
March 12, 2020	Jonathan Krieger	0.80	Review of preliminary information re: draft Court report.

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Date	Full Name	Hours	Detail
March 12, 2020	Bruce Bando	3.10	Fifth Report matters; Various correspondence with counsel re: same; Discussion with counsel re: same. Various internal discussions thereof; Various correspondence with Spectrum, execute mortgage discharge and send.
March 13, 2020	Zishan Zhao	0.50	Discuss the client's background with Adam and Erica; Review information in client file.
March 13, 2020	Erica Clayton	1.00	Skype meeting with Adam and Zishan to discuss the trust return preparation etc.
March 13, 2020	Adam Shell	1.00	Planning call with analysts and review of prior year's returns and working papers.
March 13, 2020	Jason Knight	0.20	Review information and upload same to shared Dropbox; Correspondence with team and counsel re: information uploaded.
March 13, 2020	Bruce Bando	0.80	Report matters; Review draft releases re: BDO action; Correspondence from counsel re: US LP examination.
March 14, 2020	Jason Knight	0.20	Administer Dropbox folder; Draft response to correspondence from investor re: distribution and tax slips.
March 16, 2020	Erica Clayton	6.50	Prepare 8 trust returns for Crystal Wealth Group: Mortgage Fund, Resource fund, Factoring fund, Medical Fund, Media Fund, Bullion Fund, High Yield Mortgage Fund and Infrastructure Fund.
March 16, 2020	Valerie Naccarato	0.20	General banking administration.
March 16, 2020	Bruce Bando	1.90	Various correspondence with AGB LLP, review draft letter and internal discussions thereof; Various correspondence with Spectrum re: mortgage in default; Various correspondence and review of shares re: Pallisades and research thereof; Various correspondence with Counsel re: Fifth Report and review changes thereof; Consider next steps re: next interim distribution.
March 16, 2020	Jason Knight	0.50	Correspondence with counsel re: information uploaded to Dropbox; Administration of Dropbox; Correspondence with Spectrum re: discharge; Complete discharge documents.
March 16, 2020	Jonathan Krieger	0.50	Review of draft memo from counsel; Call with team thereto.
March 17, 2020	Adam Shell	1.00	Assisting analysts with preparation and reviewing of materials.
March 17, 2020	Erica Clayton	5.50	Continue working on returns.

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Date	Full Name	Hours	Detail
March 17, 2020	Bruce Bando	1.40	Review draft interim receivership order re: OOM Energy; Fifth Report and interim distribution matters and various discussions thereof.
March 17, 2020	Rosa Wilford	0.80	Review estate bank accounts: Post accrued interest; Reconcile February statements. Review and reconcile February GIC term deposit and approve estate balances.
March 17, 2020	Jonathan Krieger	0.20	Matters related to reporting, creditor inquiries.
March 17, 2020	Jason Knight	0.30	Internal phone call to discuss Fifth Report and upcoming distribution of proceeds.
March 18, 2020	Bruce Bando	5.90	Internal discussion re: investor inquiries; Prepare for and attend conference call with counsel; Perform analysis re: future interim distribution and estimated shortfall thereof; Various discussions re: same; Correspondence from Spectrum re: mortgage discharge; Discussion with potential purchaser of Dome Mountain; File management; Discussion with Pond; Draft notice to investors.
March 18, 2020	Jonathan Krieger	1.30	Review of notice; Review of proposed amendments; Call with counsel re: report, proposed court relief; Correspondence with counsel re: required document.
March 18, 2020	Paul Kouadio	1.30	Briefings from B. Bando and A. Muhit on file and outstanding matters and review thereof.
March 18, 2020	Jason Knight	0.20	Correspondence with Spectrum re: discharge of mortgage.
March 18, 2020	Arsheel Muhit	2.00	Transition matters to include discussion and correspondence.
March 19, 2020	Paul Kouadio	0.80	Crystal Wealth email access matters.
March 19, 2020	Valerie Naccarato	0.20	Review internal instructions from Team; Assist with preparing payment requests; General administration.
March 19, 2020	Rosa Wilford	0.50	Review internal email instructions from team re: Banking: Review account: On-line banking; Review print screens for expecting wire; Provide team with wire confirmations: Prepare receipt and disbursement requisition forms; Post invoice and payment entries; General banking administration.
March 19, 2020	Bruce Bando	2.40	Discussion on interim distribution model; Various correspondence NBIN; Review form of release re: BDO Action followed by correspondence with counsel; Discussion with Dome Mountain trustee re: offer followed by discussion with counsel.

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Date	Full Name	Hours	Detail
March 19, 2020	Jason Knight	3.20	Begin drafting Third Distribution analysis; Review materials re: BDO Settlement; Internal call to discuss allocation of BDO Settlement and analysis prepared; Review allocation analysis and provide commentary on same; Draft correspondence to counsel re: allocation of fees; Draft correspondence to NBIN re: transfer of USD Funds; Prepare reconciliation of fees paid by the mortgage fund and amounts outstanding from other Funds to same.
March 20, 2020	Jason Knight	4.60	Prepare allocation of Receiver and legal counsel fees and disbursements for January 2020 and February 2020; Continue to prepare third distribution work book; Perform final review of third distribution workbook and draft correspondence to team re: same; Phone call with team to review third distribution analysis; Revise third distribution workbook and draft correspondence internally re: same.
March 20, 2020	Rosa Wilford	0.30	Review internal email instructions from team re: Banking; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; General banking administration.
March 20, 2020	Bruce Bando	2.50	Continue with third interim distribution matters to include various correspondence and discussions thereof; Various correspondence with NBIN.
March 20, 2020	Jonathan Krieger	0.60	Correspondence with team re: investor communications, workbook.
March 23, 2020	Valerie Naccarato	0.30	General banking administration.
March 23, 2020	Bruce Bando	0.60	Various correspondence with Spectrum; Correspondence re: Dome Mountain and Pond.
March 23, 2020	Jason Knight	0.10	Correspondence with Spectrum.
March 24, 2020	Jonathan Krieger	1.10	Review of schedules and methodology for distribution; Call with team re: review of worksheet.
March 24, 2020	Jason Knight	0.80	Review correspondence from counsel re: Zomongo matters; Review details re: Dome Mountain share purchase matter and provide comments on same; Conference call with team to discuss third distribution workbook.

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Date	Full Name	Hours	Detail
March 24, 2020	Bruce Bando	2.20	Various correspondence with counsel re: Zomongo and review thereof; Correspondence and discussion with purchaser of shares of Metal Mountain; Various internal discussions and correspondence re: third distribution methodology and review thereof.
March 25, 2020	Bruce Bando	0.50	Various correspondence from counsel re: Pond and review thereof; Correspondence with Pond; Notes on discussion re: Metal Mountain.
March 26, 2020	Bruce Bando	2.90	Fifth Report matters and notes to draft, schedules and distribution model and amend thereof; Conference call with counsel re: same; Correspondence from Spectrum; Various correspondence with Pond; Investor inquiries and discussions thereof.
March 26, 2020	Jason Knight	2.60	Rework and update interim distribution workbook and draft correspondence to team and counsel re: same; Correspondence with tax group re: T3 returns; Conference call with counsel to review the allocation of the settlement proceeds and the third distribution workbook.
March 26, 2020	Paul Kouadio	0.50	Reviewed emails and calls to be answered and brief call with B Bando.
March 27, 2020	Bruce Bando	2.20	Continue with the Fifth Report and appendices; Various correspondence and discussions with counsel re: fee affidavit and swearing thereof; Correspondence with counsel and trustee of J. Maljaars proposal; Correspondence with Pond and counsel and review thereof.
March 30, 2020	Rosa Wilford	0.30	Review internal email instructions from team re: Banking; Review payment requests; Provide direction to team; Post payment entries; Issue cheque; General banking administration.
March 30, 2020	Bruce Bando	2.00	Correspondence with MLT Aikins; Various correspondence with Pond, review documentation and discussion with counsel; Discussion with counsel re: OOM Energy; Various correspondence with NBIN; Internal correspondence re: Fifth Report.
March 30, 2020	Rosa Wilford	0.10	On-line banking: Review print screens for expecting wire; Notify team; Email; General banking administration.
March 30, 2020	Valerie Naccarato	0.20	Review internal instructions from team; Assist with preparing payment requests; General administration.

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Date	Full Name	Hours	Detail
March 30, 2020	Jason Knight	3.60	Correspondence with counsel re: D. Pahl bankruptcy; Review MLT Aikins invoice and allocate same; Prepare summary of MLT Aikins invoices and prepare consolidated summary of same; Draft correspondence to NBIN re: wire transfer requests; Begin preparing combined statement of receipts and disbursements for various funds (Mortgage, Resource, Factoring, Bullion and Media Funds.
March 31, 2020	Rosa Wilford	1.00	Review internal email instructions from team re: Banking; Review account: On-line banking; Review print screens for expecting wires; Provide team with wire confirmations; Prepare receipt and disbursement requisition forms; Post invoice and payment entries; General banking administration.
March 31, 2020	Bruce Bando	1.50	Various correspondence with Pond, review attachment and execute amendment; Internal discussion re: status; Investor inquiry, draft response and internal correspondence thereof; Correspondence from counsel re: OOM Energy.
March 31, 2020	Jason Knight	3.50	Prepare statement of receipts and disbursements for various funds (Media; High Yield Mortgage; Infrastructure, Hedge, Conscious Capital, ACM Funds, Sustainable Funds); Prepare statement of receipts and disbursements for various trust accounts.
March 31, 2020	Paul Kouadio	1.00	Call with B. Bando on responding to investors inquiries; Review of court reports.
April 1, 2020	Bruce Bando	0.70	Correspondence with counsel and internal correspondence re: Fifth Report; Investor inquiries matters; Various correspondence with NBIN and review investor situation.
April 1, 2020	Jason Knight	7.60	Prepare statement of receipts and disbursements for Crystal Wealth general trust account; Perform detailed review of analysis and reconcile account transfers; Internal correspondence re: draft interim statement of receipts and disbursements.
April 2, 2020	Rosa Wilford	0.20	Review internal instructions from team; Provide supporting documentation; General banking and filing administration.
April 2, 2020	Jonathan Krieger	0.80	Review of materials re: court report; Calls with team thereto; Discussion with team re: matters related to court materials.
April 2, 2020	Bruce Bando	3.00	Review SRD followed by various correspondence and discussions thereof; Correspondence with counsel re: OOM Energy; Investor correspondence and internal discussion thereof; Various correspondence with AGB LLP;

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Date	Full Name	Hours	Detail
			Correspondence with counsel re: Fifth Report.
April 2, 2020	Jason Knight	1.60	Internal call to discuss statement of receipts and disbursements (SRD); Revise interim SRD and third distribution workbook and draft correspondence to team re: same; Various internal discussions re: documents; Make further revisions to third interim distribution workbook re: cash balances.
April 2, 2020	Paul Kouadio	2.20	Return investor calls and responded to inquiries of investors; Internal discussion re: same.
April 3, 2020	Bruce Bando	3.70	Various correspondence with counsel; Review and amend the Fifth Report to include the appendices, confidential appendices and discussions thereof; Correspondence with AGB LLP.
April 3, 2020	Jonathan Krieger	0.50	Correspondence with team re: reporting letter; Discussions thereto.
April 3, 2020	Jason Knight	0.50	Correspondence with counsel re: Fifth Report; Review interim distribution workbook and draft correspondence internally re: same.
April 3, 2020	Paul Kouadio	2.70	Respond to various emails and calls from investors and returned missed calls; Internal discussion re: same.
April 4, 2020	Bruce Bando	1.80	Continue with Fifth Report including various internal correspondence and discussion thereof; Correspondence with counsel.
April 4, 2020	Jason Knight	0.80	Review updated settlement allocation workbook; Update third distribution workbook and draft correspondence to team re: same.
April 6, 2020	Bruce Bando	1.00	Various correspondence with counsel re: SK registration and arrange payment; Correspondence from AGB LLP; Correspondence with counsel; Internal correspondence re: Pahl FMOC; Various correspondence from counsel re: Fifth Report confidential appendix and make changes thereof.
April 6, 2020	Jonathan Krieger	0.80	Correspondence re: matters related to report; Review of letter; Correspondence from counsel.
April 6, 2020	Jason Knight	0.40	Correspondence re: bankruptcy of D. Pahl; Review letter from AGB LLP.

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Date	Full Name	Hours	Detail
April 6, 2020	Rosa Wilford	0.30	Review internal instructions from team re: Banking; Review payment requests: Review account ledger; Prepare disbursement requisition forms; Prepare transfer; Bank letter; Setup accrual payment; General banking administration.
April 7, 2020	Paul Kouadio	2.90	Return calls and respond to emails from investors and discussed specific investors questions with B Bando; Reviewed second distribution workbook from 2018.
April 7, 2020	Rosa Wilford	0.30	Review internal instructions from team re Banking; Review payment requests: Prepare disbursement requisition forms: Post transfer entries; Issue cheque; General banking administration.
April 7, 2020	Bruce Bando	0.80	Tend to various investor inquiries and internal discussions re: same; Correspondence from Spectrum.
April 7, 2020	Jason Knight	0.30	Correspondence re: Maljaars bankruptcy; Review monthly reporting from Spectrum and file same; Review investor correspondence.
April 7, 2020	Valerie Naccarato	0.20	Follow internal email instructions, cheque requisition form.
April 8, 2020	Rosa Wilford	1.00	On-line banking; Print statements; Review estate bank accounts; Post EFT entries and reconcile March statements.
April 8, 2020	Bruce Bando	0.50	Various correspondence with counsel re: report; Review and execute SK return and forward to counsel; Onstar and Zomongo matters.
April 8, 2020	Paul Kouadio	0.80	Respond to emails and calls from investors.
April 9, 2020	Paul Kouadio	1.20	Respond to emails and calls from investors.
April 9, 2020	Jason Knight	0.10	Correspondence re: T3 and investor returns;
April 9, 2020	Rosa Wilford	0.50	Wire payment; Letter; Correspondences to and from Bank for authorization of transfer; Emails; Fax; Provide team and vendor with wire confirmation: Post wire payment entries; General banking administration.
April 9, 2020	Bruce Bando	0.40	T3 matters with SS&C; Tend to an investor inquiry.
April 10, 2020	Paul Kouadio	0.50	Respond to emails and calls from investors.
April 12, 2020	Adam Shell	5.00	Tax Return Review.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
April 13, 2020	Michael Zimnicki	1.00	Review T3 returns.
April 13, 2020	Adam Shell	0.75	Email to partner for review and review thereof
April 13, 2020	Erica Clayton	1.00	Make changes to the returns.
April 13, 2020	Paul Kouadio	1.40	Respond to emails and return calls from investors; Call with B Bando on an investor's request.
April 13, 2020	Valerie Naccarato	0.20	General banking administration.
April 13, 2020	Bruce Bando	1.20	Various correspondence with counsel re: US LP and review files; Correspondence with counsel re: Single Source and review information; Correspondence with counsel re: AB filing; Correspondence with NBIN re: government pronouncement and changes to monthly amounts; Investor inquiries.
April 13, 2020	Jason Knight	0.50	Correspondence with tax group re: completion of returns; Review storage invoice and prepare same for payment.
April 14, 2020	Erica Clayton	1.00	Update the T3 letters.
April 14, 2020	Rosa Wilford	1.00	Review estate bank accounts: Post accrued interest: Review and reconcile March GIC term deposit and approve estate balances.
April 14, 2020	Bruce Bando	2.90	Review and amend draft of Fifth Report, appendices and motion materials; Various correspondence with NBIN re: RRIFs; Various correspondence from Spectrum re: mortgage in default; Correspondence with Pond; Review Clayton Smith matter; Various correspondence with counsel re: same; Correspondence to C. Smith from counsel re: statutory declaration.
April 14, 2020	Jason Knight	0.80	Review correspondence from NBIN re: changes to RRIF and discuss same internally; Review correspondence from counsel re: D. Pahl bankruptcy; Review statement of claim and correspondence from Spectrum re: residential mortgage.
April 14, 2020	Paul Kouadio	0.10	Respond to emails and calls from investors.
April 15, 2020	Jason Knight	0.40	Review correspondence re: Pond Loan and discuss same internally.
April 15, 2020	Paul Kouadio	1.00	Emails with NBIN re NBIN's custody fees for March 2020; Respond to emails and return calls from investors; Call with B Bando on an investor's request.

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Date	Full Name	Hours	Detail
April 15, 2020	Bruce Bando	3.30	Investigate C. Smith matters and discussion with counsel; Prepare for and attend conference call with Pond; Review information package from Pond, including financial and liquidity analyses; Correspondence with Pond thereof; Correspondence with counsel re: AB registrations; Correspondence re: US LP; Correspondence from counsel re: Releases and review thereof.
April 16, 2020	Adam Shell	1.00	Preparing returns to file
April 16, 2020	Paul Kouadio	0.60	Respond to emails and return calls from investors.
April 16, 2020	Bruce Bando	2.30	Correspondence with counsel re: releases; Prepare for and attend conference call with Pond to include review of information; Discussion thereafter; Various correspondence with Pond.
April 16, 2020	Jason Knight	1.70	Continue to review cash flow information provided by Pond Technologies; Prepare for and attend conference call with Pond Technologies to discuss request; Debrief of call.
April 16, 2020	Valerie Naccarato	0.40	General filing administration on account re: March bank statements.
April 17, 2020	Bruce Bando	2.00	Various correspondence re: 2019 tax matters; Prepare for and attend conference call with Pond; Internal discussion thereafter; Various correspondence from Spectrum re: discharge; Investor matter.
April 17, 2020	Paul Kouadio	0.90	Prepare NBIN's custody fees for March 2020; Respond to emails and return calls from investors.
April 17, 2020	Jason Knight	1.20	Prepare for and attend conference call with Pond Technologies; Internal debrief; Correspondence with tax group re: filing of tax returns; Review correspondence from Spectrum and execute document re: discharge of mortgage; Review correspondence from counsel re: Ostrowski accounts.
April 18, 2020	Adam Shell	0.75	Prepare returns for filing.
April 19, 2020	Jonathan Krieger	3.30	Review of draft report, comments thereto; Review of supporting materials.
April 20, 2020	Paul Kouadio	0.40	Return calls from investors and review of NBIN Bank Statement for March 2020.
April 20, 2020	Bruce Bando	4.20	Various correspondence with Spectrum re: mortgage discharge; Review response from Pond, analyze amended cash flow, draft and release response; Correspondence from Pond thereof; Discussion on Fifth Report and amendment's

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Date	Full Name	Hours	Detail
			thereto; Correspondence with AGB LLP; General correspondence matters re: mail.
April 20, 2020	Jonathan Krieger	0.80	Call with team re: matters related to comments, considerations in draft report.
April 20, 2020	Jason Knight	1.60	Review information provided by Pond Technologies and discuss same internally; Internal discussions re: Fifth Report; Review completed T3 returns and discuss same with tax group; Draft letter to CRA re: mailing of T3 returns for Funds and coordinate mailing of same.
April 21, 2020	Paul Kouadio	0.90	Respond to emails and return calls from investors; Discuss with B Bando on an investor's request.
April 21, 2020	Bruce Bando	3.20	Investor inquiries, draft responses and discussion thereof; Review and amend Fifth Report and appendices, various internal discussion and discussion and various correspondence with counsel; Correspondence with Tax re: Covid requirements.
April 21, 2020	Jonathan Krieger	1.00	Review of further amendments to report; Correspondence with team thereto.
April 21, 2020	Jason Knight	0.60	Internal correspondence re: investor email received; Review Fifth Report and revise investor distribution table; Internal discussions re: Fifth Report.
April 22, 2020	Jonathan Krieger	0.60	Correspondence re: matters related to report, attachments, considerations re: disclosure.
April 22, 2020	Rosa Wilford	0.30	Review mail re Banking; Prepare requisition forms; Post deposit entries; General banking administration.
April 22, 2020	Bruce Bando	1.30	Review correspondence from Pond, consider alternatives and provide response; Various correspondence from BLG re: Ostrowski and forward to counsel; Correspondence from counsel and amend the Fifth Report and appendices.
April 22, 2020	Valerie Naccarato	0.40	General banking administration; Deposit at bank.
April 22, 2020	Jason Knight	0.60	Review correspondence re: Pond Technologies; Review revised version of the Fifth Report and correspondence from counsel: re same; Internal call to discuss interim distribution chart and statement of receipts and disbursements.

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Date	Full Name	Hours	Detail
April 23, 2020	Jason Knight	1.50	Prepare for and attend first meeting of creditors re: bankruptcy of D. Pahl; Attend inspector's meeting re: bankruptcy of D. Pahl; Organize documents re: D. Pahl bankruptcy; Draft correspondence to counsel and team re: update on first meeting of creditors; Internal discussions; Review correspondence from counsel re: Ostrowski / Zomongo matters.
April 23, 2020	Paul Kouadio	0.50	Return calls from investors.
April 23, 2020	Bruce Bando	2.20	Various correspondence from counsel re: AGB LLP; Correspondence and discussion re: Pahl FMO; Review materials from counsel re: Ostrowski followed by discussion and correspondence with counsel; Correspondence from AGB LLP, review thereof re: Fifth Report and correspondence with counsel; Correspondence from Pond and review attachment; Internal correspondence thereof.
April 23, 2020	Valerie Naccarato	0.10	General banking administration.
April 23, 2020	Rosa Wilford	0.50	Review email enquiry from vendor re: wire verification; Review ledger; Review payee and address; Provide supporting documentation and wire confirmation re MLT; Respond to email. General banking and filing administration.
April 24, 2020	Jonathan Krieger	0.60	Review of further amendments to report, considerations thereto.
April 24, 2020	Bruce Bando	1.20	Correspondence from counsel re: C. Smith statutory declaration; Various correspondence with Pond; Prepare for and attend conference call with Pond.
April 24, 2020	Paul Kouadio	0.30	Return calls from investors.
April 24, 2020	Jason Knight	1.20	Review revised cash flow provided by Pond Tech and discuss same internally; Prepare for and attend conference call with Pond Tech; Debrief of call.
April 26, 2020	Jason Knight	0.10	Review correspondence from counsel re: Ostrowski bankruptcy.
April 27, 2020	Bruce Bando	2.00	Various correspondence from Xynergy re: settlement; Correspondence from BC counsel and Ontario counsel re: US LP principal personal search and review thereof; Correspondence from counsel re: AB filings; Billing matters re: A&B and MLT Aikins; Summarize status of Pond followed by internal correspondence thereof.

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Date	Full Name	Hours	Detail
April 27, 2020	Jason Knight	0.90	Internal discussions re: Pond Tech loan; Review correspondence from Trustee re: D. Pahl bankruptcy and prepare draft response to same for counsel's review.
April 28, 2020	Rosa Wilford	1.00	Review internal instructions from team re: Banking; Review payment requests; Review account ledger; Prepare disbursement requisition forms; Bank letters; Setup accrual payments; General banking administration.
April 28, 2020	Bruce Bando	2.40	Administrative billing matters with NBIN; Various correspondence and discussion with Pond, consider issues and draft responses; Review of information and Internal correspondence and discussions thereof re: same; Various correspondence with NBIN on processing of disbursements.
April 28, 2020	Jason Knight	3.20	Correspondence with Pond Tech; Compile listing of MLT Aikins invoices paid and prepare reconciliation summary schedule re: same; Correspondence with team re: payment of MLT Aikins invoice; Review draft correspondence to Pond Tech and provide comments on same; Review invoice from Aird & Berlis LLP and provide payment instructions re: same; Various internal discussions re: Pond Tech; Correspondence with Trustee re: D. Pahl bankruptcy.
April 28, 2020	Valerie Naccarato	0.20	Follow internal email instructions, prepare cheque requisition form.
April 28, 2020	Paul Kouadio	0.50	Internal discussion re: allocation schedule.
April 28, 2020	Valerie Naccarato	0.10	General filing administration.
April 29, 2020	Jason Knight	3.50	Various correspondence with counsel and Trustee for D. Pahl; Review correspondence from Pond; Prepare loan summary schedule for Pond Loan; Various internal discussions and correspondence with Pond Tech re: loan amendment; Correspondence with Xynergy re: NFL settlement; Phone call with Pond.
April 29, 2020	Bruce Bando	2.90	Various internal discussions on Pond; Various correspondence and discussion with Pond and analysis thereof; Various correspondence with counsel re: D. Pahl bankruptcy; Correspondence from Spectrum re: legal action on a mortgage.
April 29, 2020	Rosa Wilford	0.60	Email correspondences to Bank for authorization of wire transfers; Faxes; Emails; General banking administration.

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Date	Full Name	Hours	Detail
April 30, 2020	Paul Kouadio	2.60	Respond to emails and return calls from investors; Prepare allocation schedule among the funds.
April 30, 2020	Valerie Naccarato	0.10	General administration.
April 30, 2020	Rosa Wilford	1.00	Review correspondences from Bank; Review wire confirmations; Review accounts; Post EFT payment entries; Notify team; Emails: Provide supporting documentation; General banking administration.
April 30, 2020	Bruce Bando	1.40	Various matters regarding an investor inquiry, review, investigate and draft response; Correspondence with counsel re: Blakes.
April 30, 2020	Jason Knight	0.40	Review draft correspondence to investor; Internal discussions re: correspondence received re: Single Source; Perform preliminary review of bank statements re: D. Pahl and draft correspondence to counsel re: same.

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Time Summary

J. Krieger, Sr. Vice President	13.40	hours @	\$595.00	per hour \$	7,973.00
M. Zimnicki, Tax Partner	1.00	hours @	\$595.00	per hour \$	595.00
B. Bando, Vice President	107.90	hours @	\$525.00	per hour \$	56,647.50
J. Knight, Manager	56.50	hours @	\$450.00	per hour \$	25,425.00
A. Shell, Tax Manager	10.25	hours @	\$412.00	per hour \$	4,223.00
E. Clayton, Sr. Tax Analyst	15.00	hours @	\$303.00	per hour \$	4,545.00
R. Wilford, Manager	12.50	hours @	\$275.00	per hour \$	3,437.50
A. Muhit, Senior Associate	13.10	hours @	\$295.00	per hour \$	3,864.50
Z. Zhao, Tax Analyst	0.50	hours @	\$267.00	per hour \$	133.50
P. Kouadio, Senior Associate	23.10	hours @	\$180.00	per hour \$	4,158.00
V. Naccarato, Analyst	3.00	hours @	\$145.00	per hour \$	435.00
	<u>256.25</u>			\$	<u>111,437.00</u>
5% Technology and Administration				\$	<u>5,580.46</u>
				\$	<u>117,017.46</u>
Disbursements					
Courier				\$	10.98
Website renewal				\$	120.69
				\$	<u>131.67</u>
Subtotal time and disbursements				\$	117,149.13
HST				\$	<u>15,229.39</u>
Total Invoice				\$	<u>132,378.52</u>

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSO-6752

To professional services as Receiver rendered for the period from May 1, 2020 to September 30, 2020.

Date	Full Name	Hours	Detail
May 1, 2020	Bruce Bando	1.60	Various correspondence with Pond, review previous amendments and various discussions thereof; Investor inquiry matters; Correspondence from counsel re: BDO.
May 1, 2020	Jason Knight	0.70	Various correspondence re: Pond Tech; Internal discussions re: Pond Tech.

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Date	Full Name	Hours	Detail
May 1, 2020	Jonathan Krieger	0.50	Correspondence re: matters related to Pond request; Communications with team re: considerations thereto.
May 4, 2020	Bruce Bando	1.10	Correspondence from Pond; Correspondence to counsel thereof; File management; Correspondence with SS&C.
May 4, 2020	Jason Knight	1.80	Correspondence re: Pond Tech; Draft correspondence to Trustee re: D. Pahl bankruptcy; Prepare third distribution workbook sheets to be provided to custodians who hold accounts; Draft correspondence to third party service provider.
May 4, 2020	Valerie Naccarato	0.20	General banking administration.
May 5, 2020	Bruce Bando	2.20	Investor correspondence and investigation thereof; Pond matters to include discussion with counsel; Billing and banking matters; Various correspondence with Spectrum on mortgage renewal; Review changes to the report and various correspondence with counsel; Internal discussion thereof.
May 5, 2020	Jason Knight	1.00	Internal correspondence re: allocation and payment of invoices; Banking matters; Review correspondence from Spectrum re: mortgage; Review correspondence from counsel re: revisions to Fifth Report and motion materials; Review suggested comments on Fifth Report.
May 5, 2020	Jonathan Krieger	1.00	Review of correspondence from counsel re: Blakes comments; Comments thereto.
May 5, 2020	Paul Kouadio	0.30	Responded to emails and attended calls to investors.
May 5, 2020	Rosa Wilford	1.70	Review internal instructions from team re Banking; On-line banking; Review account for expecting wires; Prepare receipt and disbursement requisition forms; Post wire and EFT entries; Notify team; Review account ledger; Provide supporting documentation with cash-flow; Review payment request; Setup accrual payments; Prepare wire; Letter; Emails: General banking administration.

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Date	Full Name	Hours	Detail
May 6, 2020	Bruce Bando	2.40	Correspondence from counsel re: OSC and Blakes matters, review suggested changes and comments thereto.; Internal discussion on report and correspondence with counsel re: same; Inquiry from IFDS; Various correspondence with Pond; Correspondence with Spectrum; Review various draft amendments re: Pond followed by various correspondence and discussions with counsel.
May 6, 2020	Jason Knight	0.70	Review correspondence from counsel re: Fifth Report; Correspondence re: Pond Loan; Preliminary review of draft loan amendment; Review weekly reports provided by Spectrum.
May 6, 2020	Jonathan Krieger	1.10	Review of correspondence re: Blakes comments, OSC queries.
May 6, 2020	Paul Kouadio	2.40	Prepared court materials; Call with Bruce on same; Responded to emails and attended calls to investors.
May 6, 2020	Rosa Wilford	1.00	On-line banking; Print various statements; Review estate bank accounts; Post multiple eft entries and reconcile April statements.
May 7, 2020	Bruce Bando	3.30	Various correspondence with Pond; Various discussions and correspondence with counsel re: same; Assemble previous correspondence and forward to counsel; Review draft response to Pond; Attend to investor inquiries; Review response to the OSC followed by various correspondence with counsel; Various correspondence re: Pahl bankruptcy.
May 7, 2020	Jason Knight	2.60	Review various correspondence from counsel re: Fifth Report; Review revised loan amendment re: Pond Tech and correspondence with counsel and Pond Tech re: same and discuss same internally; Review information provided by Trustee re: D. Pahl bankruptcy and summarize banking details; Draft correspondence to counsel re: analysis of banking transactions; Additional correspondence with counsel re: D. Pahl bankruptcy; Various correspondence re: Pond Tech; Draft correspondence to Trustee in D. Pahl bankruptcy.
May 7, 2020	Jonathan Krieger	0.70	Review of correspondence re: OSC queries; Correspondence re: matters related to Court report.

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Date	Full Name	Hours	Detail
May 7, 2020	Valerie Naccarato	0.10	General banking administration.
May 8, 2020	Bruce Bando	0.50	Various correspondence and discussion with counsel and review of documents related to the BDO settlement.
May 8, 2020	Jason Knight	0.30	Review comments from counsel re: releases provided in settlement and correspondence re: same.
May 8, 2020	Paul Kouadio	1.50	Finalized allocation of professional fees; Responded to emails and attended calls to investors.
May 10, 2020	Jason Knight	0.20	Correspondence with Trustee re: D. Pahl bankruptcy; Draft correspondence to counsel re: D. Pahl bankruptcy.
May 11, 2020	Bruce Bando	0.40	Review investment package from estate; Internal discussion thereof.
May 11, 2020	Jason Knight	0.40	Internal discussions re: D. Pahl bankruptcy; Draft correspondence to Trustee re: examination of D. Pahl.
May 11, 2020	Paul Kouadio	0.80	Responded to emails and attended calls to investors.
May 11, 2020	Valerie Naccarato	0.10	General banking administration.
May 12, 2020	Bruce Bando	0.10	Investor inquiry.
May 12, 2020	Paul Kouadio	3.50	Fund summary and allocation analysis; Correspondence with NBIN re: wire transfer request.
May 12, 2020	Rosa Wilford	1.00	Review and reconcile April GIC term deposits and approve various estate balances.
May 13, 2020	Bruce Bando	0.20	Various correspondence from counsel and review thereof.
May 13, 2020	Jason Knight	0.30	Review correspondence from counsel re: Fifth Report and revised blacklined version of same.
May 13, 2020	Paul Kouadio	0.40	Prepared NBIN fee payment for April 2020.
May 14, 2020	Bruce Bando	0.20	Investor matter and response thereof.

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Date	Full Name	Hours	Detail
May 14, 2020	Jason Knight	2.10	Internal correspondence re: Maljaars consumer proposal; Review allocation of professional fees and prepare reconciliation of amounts to reimbursed to the Mortgage Fund; Internal discussions re: correspondence received from investor; Draft email to NBIN re: transfer of funds.
May 14, 2020	Paul Kouadio	2.20	Reviewed distribution workbook and fund summary; Discussed best practices with J Knight; Changed addresses of investors as requested; Responded to emails and attended calls to investors.
May 15, 2020	Bruce Bando	1.30	J. Maljaars review and correspondence re: same; Various discussions with counsel re: Pond; Various correspondence with counsel and review changes to the report.
May 15, 2020	Jason Knight	3.20	Review materials re: J. Maljaars proposal; Leave voicemails for Farber re: requested information; Draft response to inquiry received from investment advisor; Preparing reconciliation of professional fees paid by the Mortgage Fund and the required reimbursement of same; Review correspondence re: Pond Tech; Review correspondence from counsel re: Fifth Report and review comments and changes made to same.
May 15, 2020	Jonathan Krieger	1.00	Review of correspondence from counsel, updated documents;
May 15, 2020	Paul Kouadio	1.20	Responded to emails from investors and returned calls of same.
May 18, 2020	Jason Knight	0.10	Correspondence with banking team re: wire transfer.
May 19, 2020	Bruce Bando	2.50	Correspondence with counsel; Review and amend the Fifth Report and finalization thereof; D. Paul bankruptcy matters; Investor inquiry.
May 19, 2020	Jason Knight	2.30	Prepare proof of claim and compile supporting documents for same for J. Maljaars consumer proposal and draft letter to trustee re: same; Correspondence with counsel re: Fifth Report and timing of same; Correspondence with banking team re: wire transfer; Finalize proof of claim re: J. Maljaars and draft correspondence to trustee re: same; Draft correspondence to counsel re: submitted proof of claim.

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Date	Full Name	Hours	Detail
May 19, 2020	Jonathan Krieger	1.20	Final review of report.
May 19, 2020	Paul Kouadio	0.40	Responded to emails and attended calls to investors.
May 19, 2020	Rosa Wilford	0.60	Review internal instructions re Banking; On-line banking; Review print screens for expecting wire; Prepare receipt and disbursement requisition forms; Post entries; Email team notification of wire. General banking administration.
May 19, 2020	Valerie Naccarato	0.10	General banking administration.
May 20, 2020	Bruce Bando	1.50	Fifth report matters; Various correspondence with counsel thereof; Investor inquiry.
May 20, 2020	Jason Knight	0.80	Correspondence re: Fifth Report; Continue to draft professional fee reconciliation analysis and perform final review of same.
May 20, 2020	Jonathan Krieger	1.10	Final review and sign off of report; Correspondence with team re: final comments.
May 20, 2020	Paul Kouadio	0.10	Responded to emails from investors.
May 20, 2020	Rosa Wilford	0.60	Review payment requests; Prepare disbursement requisition forms; Prepare wire transfer; Email correspondences to and from Bank for authorization of transfer; Fax; Posting entries; Email wire confirmation to team. General banking administration.
May 21, 2020	Bruce Bando	0.30	Review worksheet re: Pond and discussion thereof.
May 21, 2020	Jason Knight	2.40	Prepare reconciliation of Pond Loan and payments received to determine funds to be transferred to NBIN accounts; Discuss Pond Loan matters internally; Review correspondence re: Fifth Report.
May 21, 2020	Paul Kouadio	0.50	Attend to emails to investors and calls re: update release, court report and notice to investors.
May 21, 2020	Valerie Naccarato	0.10	General banking administration.

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Date	Full Name	Hours	Detail
May 22, 2020	Bruce Bando	3.70	Draft notice to investors and send to counsel; Amend same to include comments from counsel; Correspondence from counsel re: hearing on June 2, 2020; Correspondence re: J. Maljaars; Update lead in words on website; Coordinate release of Notice to Investors; Pond matters re: investor; Case website matters and amending lead in thereto.
May 22, 2020	Jason Knight	1.10	Review notice to investors and counsel's comments on same; Correspondence with counsel re: J. Maljaars; Administration of case website; Prepare revised claim for J. Maljaars proposal and draft correspondence to trustee re: same; Correspondence re: Pond Loan matters.
May 22, 2020	Jonathan Krieger	0.50	Review of materials and correspondence from counsel re: Court report.
May 22, 2020	Paul Kouadio	2.30	Send notice to investors dated May 22, 2020; Attend to calls with investors re: notice and report to court; Discuss funds distribution with investors.
May 22, 2020	Rania Erian	0.10	Case website maintenance.
May 25, 2020	Bruce Bando	1.10	Case website matters; Discussion and correspondence on a specific investor inquiry; Discussion on investor inquiries in general; Correspondence and discussion with counsel re: OOM Energy and Pond.
May 25, 2020	Jason Knight	0.80	Review internal correspondence re: website administration and notice to investors; Draft response to email received from investor; Review correspondence from counsel re: Pond Loan; Internal discussions re: Pond Loan and investor correspondence received.
May 25, 2020	Paul Kouadio	2.70	Review fifth report to court; Attend to emails to investors and calls re: update release, court report and notice to investors.
May 26, 2020	Bruce Bando	1.50	Correspondence from Spectrum; Review specific investor situation and conduct discussions with investors; Pond matters with counsel.
May 26, 2020	Jason Knight	0.90	Finalize correspondence to investor; Correspondence with Spectrum; Draft email to counsel re: Pond Loan and next steps re: third party participation amount.

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Date	Full Name	Hours	Detail
May 26, 2020	Paul Kouadio	0.20	Return emails from investors on third distribution to investors and access to materials online.
May 27, 2020	Bruce Bando	0.10	Legal billing and tracking matters.
May 27, 2020	Paul Kouadio	0.50	Return several emails from investors including but not limited to third distribution to investors and access to materials online.
May 27, 2020	Valerie Naccarato	0.10	General banking administration.
May 28, 2020	Bruce Bando	0.60	Various correspondence re: Court appearance by principal of Solid Holdings; Discussion with counsel; Reply to correspondence from an investor.
May 28, 2020	Jason Knight	0.40	Correspondence re: NBIN matters; Review correspondence from third-party re: notice of appearance.
May 28, 2020	Jonathan Krieger	0.30	Correspondence re: position of alternate claim.
May 28, 2020	Paul Kouadio	0.60	Return calls from investors on third distribution and access from material, email on same; Call with B Bando on allocation of fees from MLT Aikins.
May 28, 2020	Valerie Naccarato	0.10	General administration.
May 29, 2020	Bruce Bando	2.30	Investigate investor inquiries, status and response thereof; Discussion on specific investor concern; Draft responses to investors; Internal discussion on Pond and correspondence to counsel thereof.
May 29, 2020	Jason Knight	0.20	Discuss correspondence received from investor re: deceased relative.
May 29, 2020	Paul Kouadio	2.80	Review fifth report to court and notice to investors and return several calls of investors; Call with B Bando and respond to several emails from investors including but not limited to accounts transfers, third distribution to investors and access to materials.
May 30, 2020	Bruce Bando	0.30	Various correspondence with counsel and review of submission.
May 30, 2020	Jason Knight	0.30	Review correspondence from investor re: Fifth Report; Review written submissions prepared by counsel.

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Date	Full Name	Hours	Detail
June 1, 2020	Bruce Bando	1.40	Various correspondence and discussion with counsel re: Court tomorrow; Discussion with counsel re: Pond; Correspondence from a previous investment advisor; Case website matters; BDO matters with counsel.
June 1, 2020	Jason Knight	0.50	Review correspondence re: Fifth Report and BDO matters; Revise Fifth Report and Motion Record to include correct appendix and draft correspondence to team re: same.
June 1, 2020	Jonathan Krieger	0.60	Correspondence from counsel; Correspondence re: matters related to Court motion.
June 1, 2020	Rania Erian	0.10	Case website uploads.
June 2, 2020	Bruce Bando	3.50	Review submission received; Various internal correspondence discussions and that with counsel regarding the subject submission and Court today; Prepare for and attend Court; Various discussions and correspondence thereafter; Correspondence with a former investment advisor; Correspondence from Spectrum re: mortgage in default.
June 2, 2020	Jason Knight	0.80	Review correspondence from J. Lopehandia re: adjournment request; Correspondence re: BDO matters and Fifth Report; Administration of case website.
June 2, 2020	Jonathan Krieger	1.30	Calls with team re: materials filed for adjournment; Correspondence from counsel; Participation in Court Motion; Correspondence from counsel re: order; Correspondence with team re: materials for distribution.
June 2, 2020	Paul Kouadio	0.80	Respond to emails from investors and return calls of same.
June 2, 2020	Rania Erian	0.10	Case website uploads.
June 3, 2020	Bruce Bando	0.80	Case website matters and amendment thereto; Various correspondence with counsel re: OSC and banking matters.
June 3, 2020	Jason Knight	0.10	Review correspondence from Spectrum re: default mortgage.
June 3, 2020	Jonathan Krieger	0.40	Review of materials from counsel re: Court order, OSC position.

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Date	Full Name	Hours	Detail
June 3, 2020	Paul Kouadio	0.40	Respond to emails from investors and return calls of same.
June 3, 2020	Rania Erian	0.10	Case website maintenance.
June 3, 2020	Valerie Naccarato	0.20	General administration.
June 4, 2020	Bruce Bando	1.10	Various correspondence with Spectrum and review attachments thereof; Various correspondence with Western Wealth and review thereof.
June 4, 2020	Jason Knight	0.30	Review mortgage renewal workbook provided by Spectrum; Various correspondence with Spectrum re: renewals and proposed next steps.
June 4, 2020	Paul Kouadio	0.20	Return call from investors.
June 4, 2020	Valerie Naccarato	0.10	General banking administration.
June 5, 2020	Bruce Bando	0.50	Correspondence and discussion with Western Wealth.
June 5, 2020	Jason Knight	0.30	Review of endorsement issued re: June 2, 2020 order; Correspondence re: Western Wealth Capital and distribution re: same; Review monthly Spectrum reports and file same.
June 5, 2020	Jonathan Krieger	0.40	Review of matters related to Court proceedings; Correspondence with counsel.
June 5, 2020	Paul Kouadio	2.70	Return several calls and emails from investors including but not limited to third distribution to investors and access to materials such as notice to investors and report to Court; Draft email to investor on Receiver's Settlement Agreement with BDO.
June 5, 2020	Rania Erian	0.10	Case website uploads.
June 8, 2020	Bruce Bando	0.30	Various correspondence with counsel re: Pond and review thereof.
June 8, 2020	Jonathan Krieger	0.50	Correspondence re: investor inquiries, matters related to distribution.
June 8, 2020	Paul Kouadio	0.80	Respond to emails from investors and return calls of same.
June 9, 2020	Bruce Bando	0.50	Discussion re: RRIF reductions and NBIN; Review of and discussion re: investor inquiry.

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Date	Full Name	Hours	Detail
June 9, 2020	Jason Knight	0.90	Draft responses to emails received from investors; Update service list to be posted on case website; Prepare for and attend call with tax group to discuss RRIF matters; Phone call with investor re: update on proceedings and third distribution.
June 9, 2020	Paul Kouadio	2.70	Review materials to answer specific inquiries from investors; Attend to call with B Bando on inquiries from investors; Respond to emails and return calls of same.
June 9, 2020	Rania Erian	0.10	Case website maintenance.
June 10, 2020	Bruce Bando	0.80	Correspondence from Trustee of J. Maljaars; Various correspondence from Spectrum re: mortgage in default; Third interim distribution matters; Draft response to an investor inquiry; Various correspondence with the Trustee of McCready.
June 10, 2020	Jason Knight	1.30	Review notice from trustee re: J. Maljaars; Review various correspondence from Spectrum re: mortgage enforcement; Review draft correspondence to investor and provide comments on same; Phone call with investor re: update on proceedings; Draft response to email received from investor; Draft correspondence to NBIN re: RRIF matters.
June 10, 2020	Paul Kouadio	0.70	Attend to call with investor on cash account and RRSP transfer; Respond to emails from investors and return calls of same; Attend to call with B Bando on inquiries from investors.
June 10, 2020	Valerie Naccarato	0.10	General banking administration.
June 11, 2020	Bruce Bando	0.30	Correspondence with counsel re: appeal period and J. Maljaars; Investor matters.
June 11, 2020	Jason Knight	0.20	Review correspondence from counsel re: appeal period.
June 11, 2020	Paul Kouadio	0.90	Attend to calls from investors and respond to inquiries from investors as well as inquiries sent to B Bando; Review allocation schedule.
June 12, 2020	Paul Kouadio	1.40	Prepare schedule for May 2020 custody invoice for NBIN; Respond to emails from investors and return calls of same.

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Date	Full Name	Hours	Detail
June 15, 2020	Bruce Bando	0.20	MLT Aikins matters and correspondence thereof.
June 15, 2020	Jason Knight	0.20	Review correspondence from investor and draft response re: same.
June 15, 2020	Paul Kouadio	1.40	Internal discussions re: fees processing; Respond to emails from investors and return calls of same; Review National Bank Investment Portfolio Statements as of May 31, 2020.
June 15, 2020	Rosa Wilford	1.00	On-line banking; Review estate bank accounts; Post EFT entries; and reconcile May statements.
June 15, 2020	Valerie Naccarato	0.10	Review mail/couriers; notify Team; General administration.
June 16, 2020	Bruce Bando	0.40	Various correspondence with counsel and banking related matters; Correspondence with Xynergy; Various correspondence with Spectrum re: mortgage in default.
June 16, 2020	Jason Knight	0.20	Correspondence with counsel re: payment from OSC; Follow-up correspondence with Xynergy re: NFL settlement.
June 16, 2020	Paul Kouadio	0.20	Return calls of investors.
June 17, 2020	Paul Kouadio	0.20	Return calls of investors.
June 17, 2020	Rosa Wilford	0.75	Review internal instructions re Banking; On-line banking; Review print screens for expecting wire; Prepare receipt and disbursement requisition forms; Post entries; Email team notification of wire. Emails; General banking administration.
June 18, 2020	Bruce Bando	0.80	Various correspondence with counsel re: proceeds from the BDO settlement; Interim distribution matters and various correspondence with NBIN thereof; Various correspondence with counsel re: Pond.

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Date	Full Name	Hours	Detail
June 18, 2020	Jason Knight	4.10	Review correspondence from counsel and team re: settlement payments; Draft letter to be issued to custodians re: third distribution and discuss same internally; Finalize individual letters to brokers re: third distribution and send same via email; Preparing individual distribution workbooks to be provided to the various brokers; Various correspondence with various brokers re: third distribution and details of schedules; Follow-up with brokers who's contact information has changed and/or no longer work at same.
June 18, 2020	Jonathan Krieger	0.60	Correspondence re: matters related to AMP; Correspondence re: matters related to distribution.
June 18, 2020	Paul Kouadio	2.70	Review professional firms invoices and allocations into funds; Respond to emails from investors and return calls of same.
June 18, 2020	Rosa Wilford	1.00	Review internal email instructions from team re Banking; Review payment requests; Notify authorized signing officers for approval; Prepare disbursement requisition forms; Prepare transfers; Bank letter; Setup accrual payments; General banking administration.
June 19, 2020	Bruce Bando	0.50	Review, execute and return releases re: BDO; Banking matters.
June 19, 2020	Jason Knight	1.20	Draft correspondence to various brokers re: distribution worksheets for third distribution and update master tracker re: same.
June 19, 2020	Jonathan Krieger	0.40	Correspondence with counsel re: matters related to settlement;
June 22, 2020	Bruce Bando	0.30	Various correspondence from NBIN re: third interim distribution; Correspondence with counsel re: BDO settlement.
June 22, 2020	Jason Knight	1.10	Review distribution workbooks and draft correspondence to NBIN re: same; Correspondence with other brokers re: distribution schedules and wire details.
June 22, 2020	Paul Kouadio	0.50	Attend to calls to investors and respond to their inquiries.
June 22, 2020	Rosa Wilford	0.80	Review and reconcile May GIC term deposit and approve estate balances.

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Date	Full Name	Hours	Detail
June 22, 2020	Valerie Naccarato	0.10	General banking administration.
June 23, 2020	Bruce Bando	0.10	Correspondence with counsel re: Pond.
June 23, 2020	Jason Knight	1.30	Correspondence re: Pond Loan; Draft response to email received from investor; Perform reconciliation analysis of bankruptcy legal fees and prepare summary of transfers required from certain Crystal Wealth Funds.
June 23, 2020	Jonathan Krieger	0.30	Correspondence re: matter related to AMP; Correspondence with team re: legal matters.
June 24, 2020	Jason Knight	2.20	Review correspondence from Richardson GMP re: investor listing; Revise account details for certain investors based on Richardson GMP's records and draft correspondence enclosing revised list; Continue to prepare legal invoice reconciliation analysis and draft correspondence to team re: same.
June 24, 2020	Paul Kouadio	1.20	Return several calls and emails from investors including but not limited to third distribution to investors and access to materials.
June 24, 2020	Rosa Wilford	0.70	Review internal instructions from team re Banking; On-line banking; Review account for expecting wire; Review payment requests; Prepare disbursement requisition forms; Setup accrual payments; Prepare wires; Letters; Emails: General banking administration.
June 25, 2020	Bruce Bando	0.70	Review MLT Aikins analysis followed by discussion thereof; Banking matters re: BDO funds; Various correspondence with counsel re: same.
June 25, 2020	Jason Knight	0.40	Internal call to discuss professional fee invoice analysis; Review correspondence from counsel re: BDO matters.
June 25, 2020	Jonathan Krieger	0.30	Correspondence re: matters related to settlement proceeds; Correspondence with team.
June 25, 2020	Paul Kouadio	1.80	Return several calls and emails from investors including but not limited to third distribution to investors and access to materials.

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Date	Full Name	Hours	Detail
June 25, 2020	Rosa Wilford	1.00	Correspondences to and from Bank for authorization of wire transfers/confirmations; re USD/CAD accounts; Faxes; Emails; Post various payment entries; Provide team with wire confirmations; General banking administration.
June 26, 2020	Bruce Bando	0.50	Various correspondence with counsel re: BDO matters; Review interim distribution worksheet; Correspondence re: Pallisades.
June 26, 2020	Jonathan Krieger	0.40	Review of materials re: settlement; Correspondence re: matters related to timing of distribution.
June 26, 2020	Paul Kouadio	2.50	Return several calls and emails from investors including but not limited to third distribution to investors and access to materials.
June 26, 2020	Rosa Wilford	0.60	Respond to phone call for banking verification; Respond to email re same; Notify team; Review internal instructions re Banking; On-line banking; Review print screens for expecting wire; Prepare receipt and disbursement requisition forms; Post entries; Email team notification of wire. General banking administration.
June 29, 2020	Bruce Bando	0.70	Third interim distribution matters and discussion thereof; Correspondence AGB LLP; Correspondence from Spectrum re: renewals; Banking matters.
June 29, 2020	Jason Knight	1.40	Review correspondence from NBIN re: RESPs and draft response to same; Internal discussions re: third distribution and banking details re: same; Draft email correspondence to NBIN re: wire transfer requests; Internal correspondence re: wire transfer requests related to third distribution and legal invoices; Review correspondence from Spectrum re: renewals; Review legal invoice and provide payment instructions re: same; Various correspondence with banking team re: transfers and other matters.
June 29, 2020	Paul Kouadio	1.20	Attend to several calls to investors and respond to their inquiries.

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Date	Full Name	Hours	Detail
June 29, 2020	Rosa Wilford	3.50	Review multiple internal email instructions from team re Banking; Review payment requests; Notify authorized signing officers for approvals; Prepare disbursement requisition forms; Prepare various transfers; Bank letters; Setup accrual payments; Post payment entries; Issue cheque; On-line banking; Review account for expecting wires; Respond to emails; General banking administration.
June 30, 2020	Jason Knight	0.10	Correspondence re: banking matters.
June 30, 2020	Rosa Wilford	1.00	On-line banking; Review print screens for expecting wires; Prepare receipt and disbursement requisition forms; Post deposit and disbursement entries; Email team notification of wires; General banking administration.
July 2, 2020	Bruce Bando	1.50	Various correspondence with Spectrum on various renewals and review thereof; Correspondence with Spectrum re: mortgage in default; Correspondence with Western Wealth and internal discussion thereof; Correspondence with AGB LLP re: BDO; Various correspondence from Pond and review interest thereof.
July 2, 2020	Jason Knight	0.40	Correspondence re: Factoring Fund payout; Review correspondence and mortgage renewal analysis from Spectrum; Various correspondence re: Pond Loan interest payment.
July 2, 2020	Paul Kouadio	2.50	Attend to several calls and emails from investors respond to their inquiries including but not limited to the third distribution and access to materials.
July 2, 2020	Rosa Wilford	0.90	Review internal instructions re Banking; On-line banking; Review print screens for expecting wires; Prepare receipt and disbursement requisition forms; Post entries; Email team notification of wire. General banking administration.
July 3, 2020	Bruce Bando	0.10	Correspondence with AGB LLP.
July 3, 2020	Jason Knight	0.20	Review various correspondence from banking team re: wire transfers.

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Date	Full Name	Hours	Detail
July 3, 2020	Paul Kouadio	3.50	Attend to several calls and emails from investors respond to their inquiries including but not limited to the third distribution and access to materials; Review 5th report to Court to answer specific inquiries from investors. Review documentation re: lien on truck from HDD Excavating and internal correspondence re: release on same.
July 3, 2020	Rosa Wilford	4.00	Correspondences to and from Bank for authorization of various wire transfers/confirmations; Faxes; Emails; Post multiple disbursement and payment entries; Provide team with wire confirmations; General banking administration.
July 6, 2020	Bruce Bando	0.50	Investor inquiry; Interim distribution matters; Pallasades matter.
July 6, 2020	Jason Knight	0.60	Internal correspondence re: third distribution; Review NBIN banking records; Draft correspondence to NBIN re: wire transfers sent; Correspondence with Western Wealth re: payout on Factoring Fund investment.
July 7, 2020	Bruce Bando	1.30	Correspondence from Spectrum; Draft Notice to Investors; Third interim distribution matters; Investor inquiry.
July 7, 2020	Jason Knight	1.30	Internal correspondence re: third distribution; Review NBIN accounts details re: wire transfers; Review weekly Spectrum reports and file same; Review draft notice to investors and provide comments on same; Internal discussions re: investor notice; Make further revisions to investor notice based on internal comments.
July 7, 2020	Paul Kouadio	2.10	Various emails on draft of notice to investors; Return several calls and emails from investors including but not limited to third distribution to investors.
July 7, 2020	Valerie Naccarato	0.40	General banking administration.
July 8, 2020	Bruce Bando	0.10	Notice to investor matters.
July 8, 2020	Paul Kouadio	2.30	Return several calls and emails from investors on third distribution to investors.
July 8, 2020	Valerie Naccarato	0.10	General banking administration.
July 9, 2020	Bruce Bando	0.20	Investor inquiries.

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Date	Full Name	Hours	Detail
July 9, 2020	Jason Knight	0.20	Review correspondence and documentation from trustee re: McCready proceedings; Review of NBIN transactions.
July 9, 2020	Paul Kouadio	2.80	Internal emails and calls regarding notice to investors; Attend to several calls and emails from investors respond to their inquiries including but not limited to the third distribution, update of emails and addresses.
July 9, 2020	Rania Erian	0.10	Case website maintenance.
July 9, 2020	Valerie Naccarato	0.20	General banking administration.
July 10, 2020	Jason Knight	1.20	Review details re: NBIN transfers and draft correspondence to NBIN re: same; Internal discussions re: third distribution; Review NBIN transaction details to determine the funds available to be distributed; Perform reconciliation of funds received to master third distribution workbook; Prepare wire transfer instructions for banking team; Draft instructions to banking team re: wire transfers.
July 10, 2020	Paul Kouadio	2.00	Internal call and email regarding publication of notice to investors; Return several calls and emails from investors including but not limited to third distribution to investors, notice to investors published, efforts of the Receiver to secure further funds.
July 13, 2020	Bruce Bando	0.20	Various correspondence re: third interim distribution.
July 13, 2020	Jason Knight	0.10	Correspondence with NBIN re: inter-fund distributions.
July 13, 2020	Jonathan Krieger	0.50	Review of matters re: distribution.
July 13, 2020	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment requests; Phone Notify authorized signing officer for approval GIC redemption and Invoice payment; Provide supporting documentations; Email; General banking administration.
July 14, 2020	Paul Kouadio	1.40	Return several calls and emails from investors on third distribution to investors.

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Date	Full Name	Hours	Detail
July 14, 2020	Rosa Wilford	1.30	Draft letter to Bank for redemption of GIC; Prepare receipt requisition forms; Email correspondences to and from Bank; Post entries; Review and print report; Review payment requests; Prepare transfer wires; Bank letters; Setup accrual payments; General banking administration.
July 15, 2020	Bruce Bando	0.30	Investor inquiry; NBIN matters re: third interim distribution; Single Source matters; Various billing matters of MLT Ailins.
July 15, 2020	Jason Knight	1.60	Internal correspondence re: banking matters; Review email correspondence and documentation re: security registration on asset previously owned by Single Source and draft correspondence to counsel re: same; Draft correspondence to party re: confirmation of security removal; Review clear title and removal of security and provide confirmation of same; Phone call with team to discuss various correspondence and inquiries received from investors.
July 15, 2020	Paul Kouadio	4.40	Attend to internal calls and draft of emails with regards to, among other things: Investors inquiries on third interim distribution, Investments in Wells Asset Management, Redemption of cash and Non-Crystal Wealth investments; Status of US Real Estate LP, Onstar, Dome Mountain; Lien on 2015 Kenworth vehicle; Return investors calls and emails.
July 15, 2020	Valerie Naccarato	0.40	Review internal instructions from team; Assist with preparing payment requests; General administration.
July 16, 2020	Bruce Bando	0.30	Various correspondence with Trustee of Dome Mountain; Investor inquiry.
July 16, 2020	Jonathan Krieger	0.60	Review of matters related to distribution, matrix, investor inquiries.
July 16, 2020	Paul Kouadio	3.90	Review 2019 and 2020 notices to investors for investors inquiries; Return several calls and emails from investors on third distribution to investors and on the notices.
July 16, 2020	Valerie Naccarato	0.40	General file administration.
July 17, 2020	Paul Kouadio	3.20	Review 2019 and 2020 notices to investors for investors inquiries; Return several calls and emails from investors on third distribution to investors and on the notices.

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Date	Full Name	Hours	Detail
July 17, 2020	Rosa Wilford	1.00	Correspondences to and from Bank for authorization of wire transfers/confirmations; Faxes; Emails; Post disbursement and payment entries; Provide team with wire confirmations; General banking administration.
July 20, 2020	Bruce Bando	1.00	Done Mountain inspector's meeting; Review, sign and return minutes of same; Various correspondence with NBIN re: third interim distribution; Review and approve storage charges; Review amended notice to investors and discussion thereof; Correspondence with an investor.
July 20, 2020	Jason Knight	1.90	Correspondence with NBIN; Draft email correspondence to multiple investors re: interim distribution; Internal correspondence re: investor address changes; Various correspondence with NBIN re: third interim distribution; Compile various wire distribution instruction emails for custodians whose investors are not with NBIN; Revise investor notice and draft correspondence to team re: same; Review bankruptcy trustee invoice re: Dome Mountain.
July 20, 2020	Rosa Wilford	0.50	Review banking reports and approve monthly estate balances.
July 21, 2020	Bruce Bando	0.20	Investor communication matters; Various correspondence from NBIB.
July 21, 2020	Jason Knight	0.90	Various correspondence with NBIN re: third distribution; Draft response to investor inquiry; Internal correspondence re: notice to investors; Correspondence with RBC re: wire instructions.
July 21, 2020	Paul Kouadio	6.20	Attend to various tasks in connection with third interim distribution including but not limited to sending notice to investors; Correspondence with NBIN on various investors inquiries including funds redemption, update of beneficiaries; Internal correspondence and calls on distribution of funds to investors, cash and registered accounts and investments from investors, further initiatives of the Receiver; Return calls and emails from investors on various inquiries such as third interim distribution; investments to Crystal Wealth through Wells Asset Management.
July 21, 2020	Rania Erian	0.10	Case website maintenance.

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Date	Full Name	Hours	Detail
July 21, 2020	Valerie Naccarato	0.50	Review internal instructions from team re: Banking; Prepare disbursement requisition forms; Post entries; Issue cheques; General banking administration.
July 22, 2020	Jason Knight	3.60	Draft responses to investor inquiries re: third distribution; Correspondence with NBIN re: third distribution; Draft correspondence to various custodians re: issuance of third distribution; Draft follow-up correspondence to custodians who had not responded to initial letter re: third distribution provide distribution schedules to those who responded to follow-up correspondence; Draft letters for distributions to be issued by cheque to investors; Draft email correspondence to banking team providing instructions of distributions to be issued by cheque.
July 22, 2020	Paul Kouadio	2.80	Return various calls and emails from investors including but not limited to third distribution to investors; Notice to investors and payout; Correspondence with NBIN on investor's value of original investment; Update of contact details.
July 22, 2020	Valerie Naccarato	0.50	On-line banking; Print screens; Review estate bank account and reconcile June statements.
July 23, 2020	Bruce Bando	0.10	Investor inquiry.
July 23, 2020	Jason Knight	1.40	Internal discussions re: third distributions to be issued via cheque; Correspondence with NBIN and team re: deceased investor; Correspondence with CIBC and RBC re: transfer of investor accounts; Draft instructions to NBIN re: third distribution to Qtrade, Scotia Capital, and TD Waterhouse.
July 23, 2020	Paul Kouadio	2.50	Respond to several investors re: their inquiries on third interim distribution and payout including payment amount, timeline of payment, updates of investors contact details.
July 24, 2020	Bruce Bando	0.20	Various correspondence with counsel re: AB registration; Investor inquiry.
July 24, 2020	Jason Knight	0.60	Correspondence with RBC and CIBC re: account transfers; Correspondence with NBIN; Draft email correspondence to Scotia Capital, TD Waterhouse and Qtrade Securities re: wire transfers.

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Date	Full Name	Hours	Detail
July 24, 2020	Paul Kouadio	1.90	Responded to various investors inquiries re: third interim distribution including issues with cashing payment on NBIN account; Cash and registered accounts; Difficulties accessing NBIN accounts; Correspondence with NBIN on various investors inquiries.
July 27, 2020	Bruce Bando	0.90	Review Mortgage Fund reconciliation and discussion thereof; Correspondence with NBIB; Discussion on status of third interim distribution; MLT Aikins matters.
July 27, 2020	Jason Knight	2.10	Finalize summary for repayment of professional fees between Mortgage Funds and other Funds and draft correspondence to team re: same; Correspondence with NBIN re: investor power of attorney; Internal call to discuss allocation of professional fees; Draft correspondence to investor re: third distribution inquiry; Various correspondence with CIBC and RBC re: transfer of accounts; Draft email to NBIN re: inter-fund transfers; Phone call with RBC re: account transfers; Correspondence with Scotia Capital re: distribution; Review Bowra Group invoices and perform allocation analysis of same; Draft correspondence to NBIN re: transfer of funds re: Bowra Group invoice; Phone call with investor.
July 27, 2020	Jonathan Krieger	0.50	Review of materials from MLT.
July 27, 2020	Paul Kouadio	1.00	Return calls and respond to various investors inquiries re: third interim distribution.
July 28, 2020	Bruce Bando	0.40	Various disbursement matters and analysis thereof; Investor inquiry; Correspondence from Spectrum re: mortgage in default.
July 28, 2020	Jason Knight	1.60	Provide banking instructions re: payment of legal invoices; Correspondence with Richardson GMP re: third distribution and tax slip matters; Review invoices received from bankruptcy counsel and allocate same amongst the relevant funds; Prepare summary email of allocation to team for approval; Finalize email to NBIN re: transfer of funds; Correspondence with CIBC and RBC re: accounts transfer matters; Draft response to investor correspondence.
July 28, 2020	Jonathan Krieger	0.60	Queries from creditors; Correspondence thereto.

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Date	Full Name	Hours	Detail
July 28, 2020	Paul Kouadio	2.70	Return calls and respond to various investors inquiries re: delayed third interim distribution.
July 28, 2020	Valerie Naccarato	0.40	Review internal instructions from team re: Banking; Review payment request; Prepare disbursement requisition form; Post entry; Issue cheque; General banking administration.
July 29, 2020	Bruce Bando	0.90	Various investor inquiries to include discussion with an investor; Various internal correspondence re: status of third interim distribution; Correspondence from NBIN re: same; Various correspondence with AGB LLP; Correspondence with counsel re: US LP.
July 29, 2020	Jason Knight	0.80	Internal correspondence re: correspondence from investors; Draft correspondence to NBIN re: status of third distribution; Review materials and correspondence from Spectrum re: foreclosure proceedings; Draft responses to various correspondence received from investors re: third distribution; Phone call with investor.
July 29, 2020	Paul Kouadio	2.10	Respond to several investors re: inquiries on delayed third interim distribution and payout including payment amount, timeline of payment, updates of investors contact details.
July 29, 2020	Valerie Naccarato	0.40	General banking administration.
July 30, 2020	Bruce Bando	0.30	Correspondence from Spectrum on mortgage in default; Investor and third interim distribution matters.
July 30, 2020	Jason Knight	0.20	Review update on foreclosure proceeding from Spectrum; Internal correspondence re: cheques issued for third distribution.
July 30, 2020	Paul Kouadio	2.40	Prepare allocation of NBIN's Custody Fees for June 2020; Return calls and respond to various investors inquiries re: delayed third interim distribution.
July 30, 2020	Valerie Naccarato	0.80	General administration; Prepare Registered Mail envelopes.
July 31, 2020	Bruce Bando	0.10	Correspondence with Trustee of McCready.

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Date	Full Name	Hours	Detail
August 4, 2020	Jason Knight	0.40	Review correspondence and documents from Spectrum re: foreclosure; Phone call with investor re: third distribution.
August 4, 2020	Paul Kouadio	1.40	Return calls and respond to various investors inquiries re: third interim distribution.
August 5, 2020	Bruce Bando	0.10	Internal correspondence re: investor inquiries.
August 5, 2020	Jason Knight	0.60	Prepare spreadsheet of inter-fund transfers and draft response to NBIN correspondence re: same; Review NBIN bank transactions to confirm issuances of wires; Internal correspondence re: website administration.
August 5, 2020	Paul Kouadio	1.50	Return calls and respond to various investors inquiries re: third interim distribution; Update investors contact details.
August 5, 2020	Valerie Naccarato	0.20	General banking administration.
August 6, 2020	Bruce Bando	0.50	Various correspondence with Spectrum on renewals; Review investor inquiry and discussion on response thereof.
August 6, 2020	Jason Knight	0.60	Review correspondence from Spectrum re: renewal of mortgages; Review correspondence from investor re: status of certain investments and draft response re: same; Internal discussions re: investor correspondence; Correspondence with Scotia Capital re: third distribution.
August 6, 2020	Paul Kouadio	2.00	Return calls and respond to various investors inquiries re: third interim distribution.
August 7, 2020	Bruce Bando	1.00	Prepare for and attend conference call with counsel; Investor inquiry.
August 7, 2020	Jason Knight	0.50	Review correspondence from AGB LLP re: investor and draft response re: same; Review correspondence from CIBC re: fund transfers and draft correspondence to RBC re: same; Review transaction history of investor accounts and draft correspondence to investor outlining the distributions deposited.

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Date	Full Name	Hours	Detail
August 7, 2020	Jonathan Krieger	1.00	Review of summaries re: status of asset recoveries; Correspondence with team thereto; Call with counsel re: alternatives and status of loans.
August 7, 2020	Paul Kouadio	1.30	Attend to inquiries of several investors re: third interim distribution and payout including timeline of payment, payment amount; Update investors contact details.
August 7, 2020	Valerie Naccarato	0.30	General banking administration.
August 10, 2020	Bruce Bando	0.30	Correspondence from Spectrum and review thereof; Correspondence re: investor inquiry on distributions; Correspondence from counsel re: Zomongo.
August 10, 2020	Jason Knight	0.30	Review email correspondence from investor and draft response to same; Correspondence with RBC re: unit transfers; Review monthly reports provided by Spectrum and file same.
August 10, 2020	Paul Kouadio	2.30	Attend to inquiries of several investors re: third interim distribution and payout including timeline of payment, payment amount; Update investors contact details.
August 11, 2020	Rosa Wilford	0.80	Review internal email instructions re Banking; Correspondences with Bank; Review print screens for expecting wires; Prepare receipt and disbursement requisition forms; Post entries; Email team; General banking administration.
August 12, 2020	Bruce Bando	0.50	Various correspondence from Spectrum and various correspondence with counsel; Investor matters.
August 12, 2020	Jason Knight	0.40	Review correspondence from Spectrum re: foreclosure action; Review inquiry from NBIN re: account details and draft correspondence internally re: same.
August 12, 2020	Paul Kouadio	2.50	Attend to inquiries of several investors re: third interim distribution and payout.
August 12, 2020	Rosa Wilford	0.30	Review payment requests; Prepare disbursement requisition forms; Post payment entries; Issue cheque; General banking administration.
August 13, 2020	Bruce Bando	0.20	Various correspondence with counsels re: mortgage in default.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Hours	Detail
August 13, 2020	Jason Knight	0.40	Correspondence with Spectrum re: foreclosure; Phone call with TD Waterhouse re: third distribution; Draft email correspondence to TD Waterhouse.
August 13, 2020	Paul Kouadio	0.70	Return calls from investors re: third interim distribution.
August 13, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Provide direction to team; Post payment entries; Issue cheques; General banking administration.
August 13, 2020	Valerie Naccarato	0.30	Follow internal email instructions, prepared cheque requisition form; general administration.
August 14, 2020	Bruce Bando	0.10	Review CRA notices of assessments.
August 14, 2020	Jason Knight	0.20	Review correspondence from RBC re: account transfers.
August 14, 2020	Paul Kouadio	1.00	Return calls and email from several investors re: third interim distribution and payout.
August 14, 2020	Valerie Naccarato	0.10	General banking administration.
August 17, 2020	Bruce Bando	0.20	Investor inquiries and internal correspondence thereof.
August 18, 2020	Bruce Bando	0.10	Investor inquiry.
August 19, 2020	Bruce Bando	0.40	CRA assessment matters re: Absolute Sustainable Dividend Fund; Investor inquiry matters.
August 20, 2020	Bruce Bando	0.20	Various internal correspondence on tax matters and review thereof.
August 20, 2020	Jason Knight	0.30	Email correspondence with investor; Review correspondence re: CRA matter; Review various tax return files to reconcile amount assessed; Draft correspondence to team re: documents reviewed.
August 20, 2020	Jonathan Krieger	0.70	Correspondence with team; Respond to investor inquiry; Correspondence re: matters related to go forward plan.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
August 20, 2020	Paul Kouadio	7.90	Attend to inquiries of various investors incl. returning emails and calls re: third interim distribution and payout including timeline of payment, payment amount; Update investors contact details.
August 21, 2020	Paul Kouadio	7.80	Prepare allocation of NBIN's Custody Fees for June 2020; Attend to inquiries of several investors incl. returning emails and calls re: third interim distribution and payout including timeline of payment, payment amount; Update investors contact details.
August 21, 2020	Rosa Wilford	1.50	On-line banking; Review various estate bank accounts; Post EFT entries; Reconcile July statements; Review banking reports and approve monthly estate balances.
August 21, 2020	Valerie Naccarato	0.10	General banking administration.
August 24, 2020	Bruce Bando	0.40	Investor inquiry; Internal correspondence re: allocation of fees; CRA assessment matters; Correspondence with counsel re" OOM Energy.
August 24, 2020	Jason Knight	1.70	Internal correspondence re: file administration; Draft email correspondence re: investor inquiry re: Wells Asset Management; Draft letter to CRA re: Sustainable Dividend Fund and coordinate delivery of same.
August 24, 2020	Paul Kouadio	3.30	Review email from J Knight on Wells Plus 6IX mortgage fund; Attend to inquiries of several investors including but not limited to returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount.
August 25, 2020	Bruce Bando	0.20	Various correspondence from Spectrum re: mortgage in default.
August 25, 2020	Jason Knight	0.20	Review correspondence and documentation from Spectrum re: mortgage foreclosure proceedings.
August 25, 2020	Paul Kouadio	4.80	Attend to inquiries of several investors including but not limited to returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Update investors contact details.
August 26, 2020	Bruce Bando	0.20	Various correspondence with Spectrum; Discussion re: investor inquiries.

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Date	Full Name	Hours	Detail
August 26, 2020	Jason Knight	1.20	Review correspondence re: mortgage discharge; Review draft statutory declaration and make revisions to same; Various correspondence with Spectrum re: affidavit; Finalize and execute statutory declaration and compile appendices.
August 26, 2020	Paul Kouadio	5.30	Prepare allocation of NBIN's Custody Fees for July 2020; Attend to inquiries of several investors including but not limited to returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Update investors contact details.
August 27, 2020	Bruce Bando	0.20	Various correspondence with Spectrum mortgage in default and mortgage discharge.
August 27, 2020	Jason Knight	0.40	Various correspondence with Spectrum re: mortgage discharge and foreclosure matters.
August 27, 2020	Paul Kouadio	2.20	Attend to inquiries of several investors including but not limited to returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount.
August 27, 2020	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment requests; Prepare transfer; Letter; Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Provide team with wire confirmation; General banking administration.
August 28, 2020	Jason Knight	0.90	Phone calls with numerous investors re: third distribution and allocation of same; Draft email correspondence to investor outlining third distribution.
August 31, 2020	Bruce Bando	0.60	Numerous correspondence with Spectrum re: mortgage discharge and internal discussion thereof; Investor inquiry.
August 31, 2020	Jason Knight	1.30	Review correspondence from NBIN and draft correspondence to RBC re: same; Various correspondence with Spectrum re: mortgage discharge; Correspondence with RBC re: wires; Compile information required for NBIN re: inter-fund transfers and draft correspondence to NBIN re: same.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
August 31, 2020	Paul Kouadio	4.80	Research re: determination of per unit distribution, tax on compensation; Attend to inquiries of several investors including returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Update investors contact details.
September 1, 2020	Jason Knight	0.80	Make revisions to statutory declaration re: mortgage discharge; Coordinate execution and commissioning of statutory declaration; Draft correspondence to Spectrum; Correspondence with RBC re: CIBC transfers of units; Correspondence with NBIN re: wire transfers.
September 1, 2020	Paul Kouadio	2.50	Attend to inquiries of several investors including returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Calls with NBIN re: investors inquiries.
September 2, 2020	Bruce Bando	0.30	Various correspondence with Spectrum re: mortgage in default and review of attachments thereof.
September 2, 2020	Jason Knight	0.90	Review correspondence from Spectrum re: mortgage discharge; Internal discussions re: various investor correspondence received and questions re: third distribution; Review correspondence from Spectrum re: foreclosure; Phone call with investor re: third interim distribution; Correspondence with NBIN re: third distribution wire transfer to RBC.
September 2, 2020	Paul Kouadio	4.60	Attend to call and emails with J Knight re: third distribution matters, determination of per unit distribution, tax on compensation; Attend to inquiries of several investors including returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount.
September 2, 2020	Valerie Naccarato	0.20	General banking administration.
September 3, 2020	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage in default and renewals.
September 3, 2020	Jason Knight	0.40	Review correspondence from RBC re: transferred investors and draft correspondence re: same; Review correspondence from Spectrum re: renewals and foreclosure matters; Review monthly report provided by Spectrum.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
September 3, 2020	Paul Kouadio	2.90	Attend to inquiries of numerous investors including returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Emails to NBIN re: investors inquiries.
September 3, 2020	Valerie Naccarato	0.30	General banking administration.
September 4, 2020	Bruce Bando	0.30	Correspondence from Spectrum re: mortgage in default; Various correspondence with NBIN; Internal correspondence thereof.
September 4, 2020	Jason Knight	0.90	Review NBIN banking transactions re: transfers; Correspondence with NBIN; Review email correspondence from investor re: tax slips and draft response to same; Review correspondence from NBIN and draft response re: same with additional details.
September 7, 2020	Bruce Bando	0.20	Investor inquiries.
September 8, 2020	Bruce Bando	0.20	Correspondence with counsel; Correspondence with McCready Trustee.
September 8, 2020	Rosa Wilford	1.00	On-line banking; Review various estate bank accounts; Post EFT entries; Reconcile August statements.
September 9, 2020	Bruce Bando	0.70	Correspondence and discussion with Spectrum regarding the portfolio; Various internal correspondence re: same.
September 9, 2020	Jonathan Krieger	0.50	Correspondence with team re: mortgage portfolio; Correspondence re: alternatives; Review of schedules.
September 9, 2020	Paul Kouadio	3.70	Attend to investors' inquiries including emails and calls re: third interim distribution and payout amount, timeline of payment; Contact NBIN re: outstanding distributions to particular investors.
September 9, 2020	Valerie Naccarato	0.20	General banking administration.
September 10, 2020	Bruce Bando	0.50	Review of files and various correspondence re: remaining mortgages; Correspondence with Spectrum.

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Date	Full Name	Hours	Detail
September 10, 2020	Paul Kouadio	3.40	Attend to inquiries of several investors re: third interim distribution; Discuss updates re: factoring and hedge funds with investors; Discuss US Real Estate inquiries with investor and email on same; Review fifth report and notices to investors re: update discussions.
September 11, 2020	Jonathan Krieger	0.80	Correspondence re: matters related to mortgage portfolio; Correspondence with team and potential parties.
September 11, 2020	Paul Kouadio	3.60	Attend to inquiries of various investors including returning emails and calls re: third interim distribution; Discuss delays re: payments; Issues from investors in dealing with NBIN; Discuss outcome of settlement between BDO and OSC with investors.
September 14, 2020	Bruce Bando	0.10	Investor inquiry.
September 15, 2020	Bruce Bando	0.30	Correspondence with NBIN; Various investor inquiries.
September 16, 2020	Bruce Bando	0.10	Investor inquiry.
September 16, 2020	Paul Kouadio	3.40	Prepare allocation of NBIN's Custody Fees for August 2020; Attend to inquiries of several investors including but not limited to returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Update investors contact details.
September 17, 2020	Bruce Bando	0.10	Correspondence with Spectrum re: mortgage in default.
September 17, 2020	Paul Kouadio	3.50	Attend to inquiries of numerous investors including returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Call to NBIN re: investors inquiries.
September 17, 2020	Rosa Wilford	0.80	Review banking reports and approve monthly estate balances.
September 17, 2020	Valerie Naccarato	0.10	Review mail/couriers; Notify Team; general administration.
September 18, 2020	Bruce Bando	0.50	Correspondence from NBIB re: statements; Investor inquiry; Various correspondence with Spectrum re: mortgage in default and review thereof.

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Date	Full Name	Hours	Detail
September 18, 2020	Jonathan Krieger	0.80	Correspondence re: investor matters; Correspondence re: matters related to remainder of mortgage portfolio;
September 18, 2020	Paul Kouadio	3.80	Attend to inquiries of several investors including but not limited to returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount; Discuss US real estate matters with investors.
September 21, 2020	Bruce Bando	0.10	Various correspondence with Spectrum re: mortgage in default.
September 21, 2020	Jason Knight	0.50	Review various correspondence re: Mortgage Fund and file same; Draft response to investor correspondence received; Correspondence with team re: investor matters.
September 21, 2020	Jonathan Krieger	0.40	Correspondence re: matters related to mortgage portfolio.
September 22, 2020	Bruce Bando	0.30	Various correspondence with counsel re: SS&C; Investor inquiry.
September 22, 2020	Jason Knight	0.40	Correspondence re: third party tax provider; Draft correspondence to creditor re: status of claims; Correspondence with RBC.
September 22, 2020	Paul Kouadio	3.40	Attend to inquiries of various investors including returning emails and calls re: third interim distribution; Discuss issues from investors in dealing with NBIN and delays re: payments, Internal calls on same.
September 23, 2020	Bruce Bando	0.20	Correspondence with Spectrum on renewal; Investor matters.
September 23, 2020	Jason Knight	0.50	Review correspondence from Spectrum re: renewals; Draft correspondence to NBIN re: wire transfers; Correspondence with RBC re: third interim distribution; Draft correspondence to investor re: proceedings.
September 23, 2020	Jonathan Krieger	0.30	Correspondence re: matters related to investor inquiry.
September 23, 2020	Paul Kouadio	2.70	Internal call and call with B Bando and NBIN re: issues in dealing with investors; Respond to inquiries of various investors including returning emails and calls re: third interim distribution.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Hours	Detail
September 24, 2020	Bruce Bando	0.20	Correspondence with an investor; Correspondence from Spectrum.
September 24, 2020	Jason Knight	0.20	Correspondence with RBC re: transfer of accounts.
September 24, 2020	Paul Kouadio	2.00	Attend to inquiries of several investors including returning emails and calls re: third interim distribution and payout including timeline of payment, and payment amount.
September 25, 2020	Bruce Bando	0.70	Various correspondence with Ontario and Alberta counsel re: mortgage in default and discussion thereof; Correspondence and discussion with potential purchaser of the mortgage portfolio.
September 25, 2020	Paul Kouadio	1.20	Calls to investors re: third interim distribution and delays re: payments from NBIN.
September 28, 2020	Bruce Bando	0.20	Various correspondence with a potential purchaser of mortgages; Correspondence with Spectrum re: same.
September 28, 2020	Jason Knight	0.20	Review correspondence from Spectrum re: mortgage matters.
September 28, 2020	Paul Kouadio	3.10	Return investors emails and calls on third interim distribution; Issues with Wells Asset Management; Discuss issues from investors in dealing with NBIN and delays re: payments.
September 29, 2020	Bruce Bando	0.80	Various correspondence with Spectrum and potential purchaser of the remaining mortgage portfolio and review thereof; Correspondence from Pond.
September 29, 2020	Jason Knight	0.20	Review correspondence from Spectrum; Correspondence with NBIN.
September 29, 2020	Jonathan Krieger	1.20	Correspondence re: investor matters; Correspondence with team.
September 29, 2020	Paul Kouadio	1.80	Return investors' inquiries including emails and calls re: third interim distribution.
September 29, 2020	Rosa Wilford	0.60	Review internal instructions from team re Banking; On-line banking; Review print screens for expecting wire; Prepare receipt and disbursement requisition forms; Post entries; Email team notification of wire. General banking administration.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 1/2% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
September 30, 2020	Bruce Bando	1.20	Correspondence from counsel re: mortgage in default; Review of books and records of the company and emails to locate information requirements thereof; Various correspondence with counsel re: Alberta police.
September 30, 2020	Jason Knight	0.10	Review correspondence re: Pond Loan.
September 30, 2020	Jonathan Krieger	0.30	Correspondence with counsel and team re: investigation queries.
September 30, 2020	Paul Kouadio	0.60	Attend to calls and emails with NBIN re: estate transfers.

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Time Summary

J. Krieger, Sr. Vice President	20.80	hours @	\$595.00	per hour \$	12,376.00
B. Bando, Principal	61.60	hours @	\$525.00	per hour \$	32,340.00
J. Knight, Vice President	72.40	hours @	\$450.00	per hour \$	32,580.00
R. Wilford, Manager	29.25	hours @	\$275.00	per hour \$	8,043.75
P. Kouadio, Senior Associate	189.40	hours @	\$180.00	per hour \$	34,092.00
R. Erian, Analyst	0.80	hours @	\$145.00	per hour \$	116.00
V. Naccarato, Analyst	7.30	hours @	\$145.00	per hour \$	1,058.50
	<u>381.55</u>			\$	<u>120,606.25</u>
5% Technology and Administration				\$	<u>6,030.31</u>
				\$	<u>126,636.56</u>
Disbursements					
Website renewal				\$	<u>155.88</u>
				\$	<u>155.88</u>
Subtotal time and disbursements				\$	<u>126,792.44</u>
HST				\$	<u>16,483.01</u>
Total Invoice				\$	<u>143,275.45</u>

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-7012**

To professional services as Receiver rendered for the period from October 1, 2020 to December 31, 2020.

Date	Full Name	Hours	Detail
October 1, 2020	Bruce Bando	0.10	Investor inquiry and considerations thereto.
October 1, 2020	Jonathan Krieger	1.00	Correspondence re: matters related to reporting; Correspondence re: matters related to remaining assets, investigation; Correspondence with team.

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
October 1, 2020	Paul Kouadio	3.20	Attend to investors inquiries including responding to emails and returning calls re: third interim distribution, units holding, payout including timeline of payment; Internal emails and calls on same.
October 1, 2020	Rania Erian	1.00	Prepare and finalize court document.
October 2, 2020	Jason Knight	0.50	Phone call with team re: investor correspondence; Draft response re: investor correspondence.
October 2, 2020	Paul Kouadio	2.50	Call with J Knight re: allocation of third interim distribution with NBIN, email on same; Return investors inquiries by phone calls and emails; Resolve issues re: missing payments and delays on distribution payout.
October 2, 2020	Valerie Naccarato	0.20	General banking administration.
October 5, 2020	Bruce Bando	1.10	Correspondence from NBIN; Correspondence from Pallisades; Investor inquiry; Correspondences with Spectrum and counsel re: mortgage in default; Retrieve documents from counsel; Conference call with the Bowra Group on the estates which are open and next steps.
October 5, 2020	Jason Knight	0.80	Review Dropbox for financial information re: CLJ Everest and 115 Ontario and draft correspondence to team re: same; Internal correspondence re: investor matters and email from NBIN; Review correspondence from Spectrum re: foreclosure; Follow-up correspondence with NBIN re: wire transfers.
October 5, 2020	Jonathan Krieger	1.40	Correspondence re: matters related to loan portfolio; Correspondence re: matters related to payment of interest on loan; Correspondence re: matters related to court materials;
October 5, 2020	Paul Kouadio	1.30	Emails with J Knight and B Bando re: approval of transfer requested from NBIN; Emails and phone calls with service coordinators at NBIN re: same. Return investors calls.
October 6, 2020	Bruce Bando	1.00	Review documents from counsel and correspondence thereof; Investor matters; Various correspondence with NBIB; Investor matters re: Pond and various correspondence with counsel; Correspondence from Spectrum re: reports; Correspondence from AB counsel

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Date	Full Name	Hours	Detail
			on mortgage discharge.
October 6, 2020	Jason Knight	0.90	Various correspondence with NBIN and team re: investor account matters; Correspondence with counsel re: investor matter; Correspondence with RBC re: interim distribution; Various internal discussions with team re: email correspondence received.
October 6, 2020	Paul Kouadio	2.80	Attend to investors inquiries incl. returning emails and calls re: third interim distribution and further work of the receiver, change of contact details.
October 7, 2020	Bruce Bando	0.30	Various correspondence with Spectrum re: mortgage under power of sale.
October 7, 2020	Jason Knight	0.20	Review correspondence from Spectrum re: foreclosure.
October 7, 2020	Paul Kouadio	1.40	Attend to emails from service coordinators at NBIN re: transfers of accounts to beneficiaries; Respond to inquiries of investors.
October 7, 2020	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment requests; Prepare transfer wire: Bank letter; Setup accrual payments; General banking administration.
October 8, 2020	Bruce Bando	0.40	Various correspondence and discussion on mortgage in default and renewals.
October 8, 2020	Jason Knight	0.40	Correspondence with NBIN and RBC re: third distribution; Review correspondence from Spectrum; Review correspondence from NBIN re: approvals required.
October 8, 2020	Paul Kouadio	2.40	Return investors inquiries, incl. several calls and emails re: distributions.
October 8, 2020	Rosa Wilford	1.00	Review internal email instructions from team re Banking; Review payment requests; Provide direction to team; Post payment entries; Issue cheques; Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Provide team with wire confirmation; General banking

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Date	Full Name	Hours	Detail
			administration.
October 9, 2020	Valerie Naccarato	0.20	General file administration.
October 13, 2020	Bruce Bando	0.20	Various correspondence with counsel re: Court materials.
October 13, 2020	Jason Knight	0.50	Correspondence with RBC re: wire transfers; Prepare correspondence to NBIN outlining wire transfers to be sent to RBC for third distribution; Draft follow-up correspondence to Fidelity and iA Securities re: third distribution; Update master tracker for third distribution.
October 13, 2020	Paul Kouadio	1.50	Attend to calls and emails from investors re: distributions, payout of third interim distribution, change of contact details.
October 14, 2020	Jason Knight	0.10	Review correspondence re: tax slip provider.
October 14, 2020	Paul Kouadio	2.30	Review and approve NBIN fees; Various emails to NBIN re: same; Respond to investors inquiries; Return emails and phone calls on receiving distributions.
October 14, 2020	Rosa Wilford	1.50	On-line banking; Review various estate bank accounts; Post EFT entries; Reconcile September statements.
October 15, 2020	Bruce Bando	0.20	Discussion on US LP.
October 15, 2020	Jason Knight	0.40	Phone call with investor re: US Real Estate LP and discuss same internally.
October 16, 2020	Bruce Bando	0.10	Correspondence from bankruptcy trustee of Ostrowski.
October 16, 2020	Jason Knight	0.30	Correspondence with counsel re: US Real Estate LP; Review report filed by trustee re: J. Ostrowski bankruptcy and file same.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
October 16, 2020	Paul Kouadio	1.80	Return investors calls on distributions; Discus NBIN statements and further work of the receiver with investors.
October 16, 2020	Valerie Naccarato	0.20	Scan Bank statements and notify team.
October 19, 2020	Bruce Bando	0.10	Correspondence with AB counsel re: mortgage discharge; Correspondence with SS&C.
October 19, 2020	Jason Knight	0.10	Review correspondence re: tax preparation matters.
October 20, 2020	Bruce Bando	1.00	Correspondence from Spectrum re: mortgages in legal and mortgage renewal; Attend conference call with the BCSC and investigate request to include internal discussion thereof.
October 20, 2020	Jason Knight	0.40	Correspondence with counsel re: US Real Estate LP; Review foreclosure and legal reporting provided by Spectrum; Internal call to discuss request from BCSC.
October 20, 2020	Paul Kouadio	1.50	Attend to calls and emails from investors re: status update on receivership, pursuit of further recoveries, missing distributions and payouts of third and past interim distributions.
October 21, 2020	Bruce Bando	1.60	Various correspondence from Trustee of Solid Holdings and review ruling thereof; Correspondence with counsel; Matters re: BCSC inquiry, obtain information, sort and send to BCSC; Investor inquiry matters.
October 21, 2020	Jason Knight	0.80	Review correspondence from BCSC and draft correspondence internally re: same; Review correspondence from trustee re: Solid Holdings; Phone call with investor to provide an update on US Real Estate LP.
October 21, 2020	Paul Kouadio	2.30	Internal call with B Bando on status of receivership; Return calls from investors on same; Update contact details of investors; Discuss NBIN statements with investors and past three distributions.
October 22, 2020	Bruce Bando	0.60	Conference call with Spectrum re: court decision regarding a mortgage; Correspondence with potential purchaser of the mortgage portfolio.
October 22, 2020	Jason Knight	0.20	Correspondence with RBC and NBIN re: wire transfers for third distribution.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
October 22, 2020	Paul Kouadio	2.60	Return calls from investors re: account closure with receiver and NBIN, status update on receivership, pursuit of further recoveries, missing interim distributions.
October 23, 2020	Paul Kouadio	2.00	Return email from NBIN re: master listing from IFDS; Return calls from investors and attend to emails from investors re: account details, breakdown of interim distributions; issues with contacting NBIN.
October 25, 2020	Jason Knight	0.80	Review correspondence from NBIN; re: IFDS data; Draft correspondence to team re: IFDS data received at the commencement of the receivership; Review various documents required for response re: IFDS data.
October 26, 2020	Andre Edwards	0.25	Discussions with team re: claims review.
October 26, 2020	Bruce Bando	1.00	Various correspondence with Spectrum re: renewals and mortgage in default decision of the Court; Correspondence with counsel thereof; Internal discussion on claims.
October 26, 2020	Jason Knight	0.20	Review correspondence from Spectrum re: mortgage renewals and foreclosure matter.
October 26, 2020	Paul Kouadio	2.00	Attend to calls and emails from investors re: third interim distribution; status update on receivership, missing distributions and payouts of third interim distributions.
October 26, 2020	Rosa Wilford	1.00	Review various banking reports and approve multiple monthly estate balances.
October 27, 2020	Paul Kouadio	1.50	Return calls from investors and attend to emails from investors re: account details, breakdown of interim distributions; issues with contacting NBIN; Attend to emails from NBIN re: listing from IFDS and discrepancies.
October 28, 2020	Bruce Bando	0.10	Correspondence with Spectrum re: mortgage renewal.
October 28, 2020	Jason Knight	0.10	Review correspondence from Spectrum re: outstanding mortgage.
October 28, 2020	Paul Kouadio	1.70	Attend to investors inquiries incl. returning emails and calls re: third interim distribution and change of contact details.
October 28, 2020	Valerie Naccarato	0.20	General file administration re: reporting.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
October 29, 2020	Andre Edwards	0.80	Review of claims and supporting documentation.
October 29, 2020	Paul Kouadio	2.80	Return investors inquiries, incl. several calls and emails re: third distribution and status of receivership.
October 30, 2020	Paul Kouadio	3.30	Return investors calls on distributions; Discus NBIN statements and further work of the receiver with investors; Return email from NBIN re: listing from IFDS, account details, breakdown of interim distributions; issues with contacting NBIN.
November 2, 2020	Bruce Bando	0.10	Correspondence with a potential purchaser for the remaining mortgages.
November 2, 2020	Jason Knight	0.20	Review correspondence from NBIN re: investor matters.
November 2, 2020	Paul Kouadio	1.80	Return calls and respond to emails from investors re: third interim and additional distributions, missing distributions; and status update on receivership.
November 3, 2020	Bruce Bando	0.60	Discussion with a potential purchaser of the mortgages; Internal discussion thereof; Various correspondence with counsel re: mortgage discharge and Zomongo.
November 3, 2020	Jason Knight	0.10	Review correspondence from investor re: NBIN transfers.
November 3, 2020	Paul Kouadio	2.40	Respond to investors calls on distributions; Emails to NBIN re: incomplete transfer requested by investor; Discus further work of the receiver with investors.
November 4, 2020	Bruce Bando	2.40	Discussion and provide counsel with materials re: OOM; Review and amend affidavit, IR Order and Notice of Application and refer to materials; A&B billing matters; Review D. Pahl discharge;
November 4, 2020	Jason Knight	0.50	Review documents received re: D. Pahl bankruptcy and discuss same internally; Execute documents re: D. Pahl bankruptcy and draft correspondence to trustee re: same; Internal correspondence re: file administration.

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Date	Full Name	Hours	Detail
November 4, 2020	Jonathan Krieger	0.50	Review of Crystal Wealth matters; Correspondence with team re: interest in mortgage portfolio; Correspondence from counsel.
November 4, 2020	Paul Kouadio	2.60	Respond to emails from advisors re: unit holding balance, distributions for clients; Return investors calls re: missing third distributions, update on US real estate and other funds; Emails with NBIN re: IFDS list and NBIN records.
November 4, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Respond to team; Prepare transfer wire: Bank letter; Setup accrual payment.
November 5, 2020	Bruce Bando	1.20	Correspondence from Spectrum; Review Dome Mountain material and internal discussion thereof.
November 5, 2020	Jason Knight	0.60	Internal discussion re: Dome Mountain; Review Spectrum reports and file same; Draft response to investor email correspondence re: Mortgage Fund.
November 5, 2020	Paul Kouadio	1.50	Return calls and respond to emails from investors re: status of receivership, third interim, additional and missing distributions.
November 5, 2020	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Provide team with wire confirmation; General banking administration.
November 5, 2020	Valerie Naccarato	0.10	Review internal instructions from team; Assist with preparing payment request.
November 6, 2020	Paul Kouadio	1.80	Return calls and email from investors re: gain-loss summary reports and capital loss on investments; Issues in contacting NBIN; third distribution.
November 6, 2020	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile October statements.
November 6, 2020	Valerie Naccarato	0.10	General banking administration.

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Date	Full Name	Hours	Detail
November 9, 2020	Bruce Bando	4.60	Internal discussion on claims; Begin review of claims, supporting documentation and review of the books and records of CWMSL and the Funds; Conference call with counsel re: OOM; Various correspondence on OOM.
November 9, 2020	Jason Knight	0.60	Internal discussions re: financial statements; Update shared dropbox with legal counsel; Retrieve requested information and draft correspondence re: same; Review correspondence from investors; Call with investor re: update on Hedge Fund.
November 9, 2020	Paul Kouadio	0.70	Attend to investors inquiries incl. returning emails and calls re: third interim distribution; update of contact information.
November 10, 2020	Bruce Bando	3.80	Continue review of claims; Attend conference call with counsel; Internal discussions re: same.
November 10, 2020	Jason Knight	0.30	Review correspondence from investors and discuss same internally; Internal call to discuss claims filed against CWMSL.
November 10, 2020	Jonathan Krieger	0.50	Review of claims matters; Call with counsel re: discussion thereto.
November 10, 2020	Paul Kouadio	3.60	Attend to receivership matters incl. return calls and respond to emails from investors re: status of receivership, third interim, additional and missing distributions.
November 11, 2020	Bruce Bando	1.50	Prepare for and attend conference call with counsel to St Mary's; Discussion with counsel thereafter; Review and approve disbursement.
November 11, 2020	Jason Knight	0.10	Draft response to correspondence received from investor.
November 11, 2020	Paul Kouadio	3.50	Respond to emails from advisors re: discrepancy in investor's third distribution and NBIN issues in reconciling IFDS list and NBIN records; Emails to NBIN and advisors re: same; Return investor's calls and emails re: third distribution.
November 11, 2020	Rosa Wilford	0.20	Review internal email instructions from team re Banking; Review payment requests; Provide direction to team; Post payment entries; Issue cheque; General banking administration.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
November 11, 2020	Valerie Naccarato	0.10	Review internal instructions from team; Assist with preparing payment request.
November 12, 2020	Bruce Bando	0.10	Correspondence with Spectrum re: renewals.
November 12, 2020	Jason Knight	1.90	Internal discussions re: correspondence received from NBIN re: investor account issue; Draft email to NBIN outlining the process for the third distribution and the approval of same by NBIN; Draft additional correspondence to NBIN re: investor matter; Call with investor re: status update on various funds.
November 12, 2020	Paul Kouadio	3.80	Call and email to J Knight re: issues with NBIN on IFDS list and NBIN records; Emails and Call with NBIN re: discrepancy of records.
November 13, 2020	Bruce Bando	0.40	Correspondence with Trustee of Solid Holdings and review thereof; Correspondence with counsel; Correspondence with Spectrum re: mortgage renewal and mortgage in default.
November 13, 2020	Valerie Naccarato	0.10	General administration re reporting.
November 16, 2020	Bruce Bando	0.10	Various correspondence with counsel re: Solid Holdings.
November 16, 2020	Paul Kouadio	2.00	Return calls and respond to emails from investors re: third interim and additional distributions, missing distributions, status update on receivership; Review custodian fees.
November 17, 2020	Bruce Bando	0.30	Correspondence and discussion with counsel re: Solid Holdings; Correspondence with potential purchaser of the mortgages.
November 17, 2020	Paul Kouadio	1.80	Return calls and respond to emails from investors re: status of receivership, third interim distribution.
November 17, 2020	Rosa Wilford	1.00	Banking matters re: distributions..
November 18, 2020	Bruce Bando	0.10	Correspondence from Spectrum re: mortgage in default.
November 18, 2020	Paul Kouadio	2.50	Attend to investors inquiries and returning emails and calls re: third interim distribution, receivership update, update of

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
			contact information.
November 18, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Prepare requisition form; Post invoice entries; Issue cheque. General banking administration.
November 19, 2020	Bruce Bando	0.70	Correspondence with counsel re: OOM, review agreement and discussion thereof; Correspondence re: Zomongo guarantors.
November 19, 2020	Paul Kouadio	2.80	Return investors calls on breakdown of third interim distribution; Discus NBIN statements and further work of the receiver with investors; Return email from NBIN re: account details.
November 20, 2020	Bruce Bando	0.30	Investor inquiry; NR4 matters.
November 20, 2020	Jason Knight	0.90	Internal call re: NR4 slips; Review various NR4 slips and prepare summary of withholding taxes; Draft letter to CRA re: taxes and draft correspondence to team re: same.
November 20, 2020	Jonathan Krieger	0.30	Review of correspondence from investor; Correspondence thereto.
November 20, 2020	Paul Kouadio	2.50	Attend to calls and emails from investors re: third interim distributions, additional distributions, status update on receivership.
November 23, 2020	Bruce Bando	0.30	Various correspondence with investor; Internal discussion thereof and review of files.
November 23, 2020	Paul Kouadio	3.20	Conference call with B Bando and investor and emails to investor and NBIN re: resolution; Return investors calls re: third distribution, transfer of funds and status of receivership.
November 24, 2020	Paul Kouadio	1.50	Review 5th report of the Receiver re: investor's inquiries; Return calls and emails from investors re: same.
November 24, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; General banking administration.
November 25, 2020	Bruce Bando	0.30	Correspondence and discussion re: investor inquiry; Review Zomongo

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Date	Full Name	Hours	Detail
			materials.
November 25, 2020	Paul Kouadio	2.30	Call with B Bando re: investor inquiry on capital loss; Respond to investor inquiry re: same; Calls to other investors re: further work of the Receiver; Update investors contact details.
November 26, 2020	Bruce Bando	0.50	Correspondence and discussion with Spectrum re: non-performing mortgage
November 26, 2020	Jason Knight	0.20	Review various correspondence with Spectrum re: mortgage.
November 26, 2020	Paul Kouadio	3.00	Review notices to investors and attend to investors calls and emails re: status of receivership, third distribution, additional and missing distributions; further distributions.
November 27, 2020	Paul Kouadio	2.40	Return various investors calls on further work of the Receiver, status of receivership, third interim distribution and further distributions.
November 29, 2020	Bruce Bando	0.20	Review investment materials.
November 30, 2020	Bruce Bando	0.60	Correspondence and discussions with Spectrum re: non-performing mortgage.
November 30, 2020	Jason Knight	0.30	Review spreadsheet from Spectrum re: updates on legal proceedings re: mortgages; Review various correspondence with Spectrum re: foreclosure matters.
November 30, 2020	Paul Kouadio	0.80	Calls with investors re: issues contacting NBIN and receiving third distributions.
December 1, 2020	Bruce Bando	1.10	Prepare for and attend conference call with Spectrum and correspondence thereafter; Review, execute and return agreement with SS&C.
December 1, 2020	Jason Knight	0.20	Review revised agreement for tax slip provider and draft correspondence to team re: same.
December 1, 2020	Paul Kouadio	1.70	Return calls and respond to emails from investors re: status of receivership, 3rd additional distribution, additional distributions.
December 2, 2020	Bruce Bando	0.20	Correspondence SS&C; Correspondence counsel to Spectrum re: mortgage in

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Date	Full Name	Hours	Detail
			default.
December 2, 2020	Jason Knight	0.10	Review correspondence from third party tax slip provider.
December 2, 2020	Paul Kouadio	1.90	Emails from/to advisor from TD Bank re: investor's unit holding balance as of November 2020; Emails and call from/to National Bank Financial Wealth Management re: investor's issues in getting 3rd distribution and large transfer from NBIN.
December 3, 2020	Bruce Bando	0.20	Various correspondence from Spectrum re: mortgage in default.
December 3, 2020	Jason Knight	0.30	Review correspondence from Spectrum re: residential mortgage; Review various documents re: legal action required on certain mortgage.
December 3, 2020	Paul Kouadio	1.00	Follow up emails from/to advisor from TD Bank re: investor's unit holding balance; Return calls from investors re: third interim distribution and status update on receivership.
December 4, 2020	Paul Kouadio	0.80	Investors calls re: class action, update re: receivership, distributions, notice to investors and contact update for will.
December 4, 2020	Valerie Naccarato	0.20	File administration matters re: banking.
December 7, 2020	Bruce Bando	0.40	Correspondence with counsel on funds; Various correspondence with Spectrum re: monthly reporting and a mortgage in default; Various correspondence with counsel on OOM Energy.
December 7, 2020	Jason Knight	0.20	Review November reporting from Spectrum and file same; Review correspondence from Spectrum re: foreclosure matter.
December 7, 2020	Paul Kouadio	0.70	Return call from investor re: third distribution and hedge fund.
December 8, 2020	Jason Knight	0.10	Review correspondence re: payment received and provide instructions regarding same.
December 8, 2020	Paul Kouadio	0.30	Follow up call with investor re: third distribution and hedge fund.

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Date	Full Name	Hours	Detail
December 8, 2020	Rosa Wilford	0.30	Review mail; Notify team with support for direction; Prepare receipt requisition form; Post deposit entries; Email; General banking administration.
December 9, 2020	Jonathan Krieger	0.80	Correspondence re: matters related to creditor inquiries; Correspondence re: matters related to legal work required;
December 10, 2020	Bruce Bando	1.00	Correspondence with Spectrum re: mortgage in default; Discussion re: fund positions; Discussion with counsel; Attend conference call re: OOM.
December 10, 2020	Jason Knight	0.40	Review correspondence from Spectrum re: delinquent mortgage and review appraisal and other documentation re: same; Draft correspondence to banking team re: payment of invoices and trust account funds; Internal discussions re: banking matters; Draft response to correspondence received from investor.
December 10, 2020	Paul Kouadio	2.80	Respond to email from investor re: third distribution; Review notices to investors and draft new notice to investor; Internal correspondence re: statement of account, allocation of funds.
December 10, 2020	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Notify authorized signing officer for approval; Provide supporting documentation; Email; Prepare disbursement requisition form; Post invoice entries; Issue cheque; General banking administration.
December 11, 2020	Paul Kouadio	1.90	Return emails from NBIN and investors re: estate settlement and authorizations; Return calls from investors re: third distribution and status of receivership.
December 11, 2020	Valerie Naccarato	0.20	Banking matters.
December 13, 2020	Bruce Bando	0.20	Various correspondence with Spectrum re: renewals; Correspondence with AB counsel re: mortgage in default.

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Date	Full Name	Hours	Detail
December 13, 2020	Jason Knight	0.80	Review renewal correspondence from Spectrum and recommendations re: same; Update master reconciliation workbook for Pond Loan to include additional payments received; Draft correspondence to team re: proposed account transfers; Draft correspondence to banking team re: transfers; Draft correspondence to NBIN re: wire transfer request.
December 14, 2020	Bruce Bando	0.50	Review SMC affidavit re: OOM Energy; Correspondence with counsel thereof Call CRA re: NR4; Correspondence from Spectrum re: refinancing of a mortgage.
December 14, 2020	Jason Knight	0.40	Review correspondence from Spectrum re: mortgage renewals; Correspondence re: withholding tax remittance to CRA; Review correspondence from Spectrum re: settlement / refinancing offer re: mortgage.
December 15, 2020	Bruce Bando	0.10	Investor inquiry.
December 15, 2020	Jason Knight	0.10	Correspondence with NBIN re: wire transfers.
December 15, 2020	Jonathan Krieger	0.40	Investor call re: Crystal.
December 15, 2020	Paul Kouadio	2.40	Prepare schedule of NBIN's Custody Fees for November 2020; Return calls from investors re: status of receivership, 3rd and previous distributions.
December 15, 2020	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
December 16, 2020	Bruce Bando	0.50	Review OOM Energy documents re: appraisal matters and discussion with counsel; Correspondence AB counsel re: mortgage.
December 16, 2020	Paul Kouadio	1.20	Return investors calls re: receivership status and 3rd distribution.
December 16, 2020	Rosa Wilford	1.00	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Notify authorized signing officer for approvals; Prepare disbursement requisition forms; Setup various accrual payments; Prepare multiple Bank letters re wire payments; Email; General banking administration.

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Date	Full Name	Hours	Detail
December 17, 2020	Paul Kouadio	1.70	Review previous notices to investors and reports to Court; Draft upcoming notice to investor; Return call from investor's representative re: account transfer.
December 18, 2020	Jason Knight	0.30	Review correspondence from investor re: tax matters; Correspondence with NBIN re: investor matter.
December 18, 2020	Paul Kouadio	2.60	Various communication with NBIN re: outstanding 3rd distribution due to investor; Address allocation sheet and authorization requests from NBIN; Return calls from investors on status update; Update draft of notice to investor.
December 18, 2020	Rosa Wilford	1.00	On-line banking; Review estate bank accounts/print screens; Post multiple EFT entries; and reconcile various November statements.
December 20, 2020	Bruce Bando	0.10	Correspondence with an investor.
December 21, 2020	Bruce Bando	0.50	Review notice to investors; Correspondence with counsel to St. Mary's; Various correspondence with an appraiser; Correspondence with trustee of Restoration Energy and 1566496 Alberta; Correspondence with trustee of Solid Holdings.
December 21, 2020	Jason Knight	0.30	Review correspondence and invoices from trustee re: bankruptcy of 156 Alberta and Restoration Energy; Review correspondence from banking team re: wire transfers.
December 21, 2020	Rosa Wilford	2.50	Review various banking reports and approve multiple monthly estate balances. Correspondences to and from Bank for authorization of wire transfers/ confirmations; Faxes; Emails; Post multiple disbursements and payment entries; Print and attach transaction reports; Provide team with wire confirmations.
December 22, 2020	Bruce Bando	0.10	Correspondence with counsel to St. Mary's.
December 22, 2020	Valerie Naccarato	0.20	Administration matters; Review mail; Notify team.
December 23, 2020	Bruce Bando	0.20	Various correspondence with counsel re: OOM Energy; Correspondence with appraiser.

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Time Summary

J. Krieger, Sr. Vice President	4.90	hours @	\$595.00	per hour \$	2,915.50
B. Bando, Principal	31.00	hours @	\$525.00	per hour \$	16,275.00
J. Knight, Vice President	15.60	hours @	\$450.00	per hour \$	7,020.00
R. Wilford, Manager	13.20	hours @	\$275.00	per hour \$	3,630.00
P. Kouadio, Senior Associate	104.40	hours @	\$180.00	per hour \$	18,792.00
A. Edwards, Senior Associate	1.05	hours @	\$175.00	per hour \$	183.75
R. Erian, Analyst	1.00	hours @	\$145.00	per hour \$	145.00
V. Naccarato, Analyst	1.90	hours @	\$145.00	per hour \$	275.50
	<u>173.05</u>			\$	<u>49,236.75</u>
5% Technology and Administration				\$	<u>2,461.84</u>
				\$	<u>51,698.59</u>
HST				\$	<u>6,720.82</u>
Total Invoice				\$	<u>58,419.41</u>

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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-7278**

To professional services as Receiver rendered for the period from January 1, 2021 to March 31, 2021.

Date	Full Name	Time	Detail
January 4, 2021	Bruce Bando	0.50	Correspondence from appraiser; Correspondence with counsel re: OOM Energy; Correspondence re: Pallisades; Correspondence from Spectrum re: mortgage in default.
January 4, 2021	Jason Knight	0.20	Review correspondence re: Pond Loan payment; Review correspondence from Spectrum re: foreclosure proceeding.

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Date	Full Name	Time	Detail
January 4, 2021	Paul Kouadio	1.80	Return calls and emails from investors re: third interim distribution and status update on receivership.
January 4, 2021	Rosa Wilford	0.50	Review internal instructions from team re: Banking; On-line banking; Review print screens for expecting wire; Prepare receipt and disbursement requisition forms; Post deposit and payment entries; Email team notification of wire. General banking administration.
January 5, 2021	Bruce Bando	0.30	Investor inquiry; Various correspondence with counsel re: OOM Energy.
January 5, 2021	Paul Kouadio	0.80	Return calls and emails from investors re: third interim distribution and status update on receivership.
January 6, 2021	Bruce Bando	0.20	Voicemail and discussion with interested party re: Dome Mountain.
January 6, 2021	Jason Knight	0.20	Various correspondence with NBIN and team re: investor distribution matter.
January 6, 2021	Paul Kouadio	1.10	Return calls from investors re: funds, residential mortgages, and status of receivership.
January 6, 2021	Rosa Wilford	1.00	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile December statements.
January 7, 2021	Bruce Bando	0.40	Correspondence and discussion with Spectrum re: mortgage in default; Investor inquiry.
January 7, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: renewal matters.
January 7, 2021	Paul Kouadio	1.50	Attend to call and email from NBIN re: Call and email re: beneficiaries.
January 8, 2021	Bruce Bando	0.20	Discussion on investor update and review thereof; Correspondence from Spectrum re: monthly reporting.
January 8, 2021	Jason Knight	0.10	Review monthly reporting provided by Spectrum and file same.
January 8, 2021	Paul Kouadio	3.20	Update notice to investors; Review reports to Courts and notices to investors; Internal calls and emails re: upcoming notice; Return calls and emails from investors re: further distributions and status update on receivership.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
January 8, 2021	Rosa Wilford	0.50	Review and initial various monthly summary of estate balances report for review and approval by Trustee.
January 10, 2021	Jason Knight	0.20	Review investor notice and provide comments on same.
January 11, 2021	Bruce Bando	1.50	Notice to investor matters; Review various documents re: OOM Energy application materials followed by discussion and correspondence with counsel; Correspondence with appraiser; Correspondence with trustee of Solid Holdings.
January 11, 2021	Jason Knight	0.30	Draft correspondence to NBIN re: wire transfer; Draft response to email correspondence received from investor re: Mortgage Fund.
January 11, 2021	Paul Kouadio	3.30	Attend to receivership matters including finalizing notice to investors and emailing same to all investors; Returning investors calls and emails re: receivership status and distributions; Email re: investor's holdings with J Knight and discuss same with advisor.
January 11, 2021	Rosa Wilford	0.20	Correspondences with Bank; re: Discrepancy of funds, to investigate and provide adjusting entries/print screens for support for our records.
January 12, 2021	Bruce Bando	0.20	Various correspondence with Spectrum and counsel.
January 12, 2021	Jason Knight	0.90	Review email correspondence from investor re: third interim distribution and draft response re: same; Various follow-up correspondence with investor re: tax matters; Phone call with investor re: file update and tax matters.
January 12, 2021	Paul Kouadio	2.40	Attend to receivership matters including returning investors calls re: most recent notice to investors, third interim distribution, further distributions, and status update on receivership.
January 13, 2021	Bruce Bando	0.80	Investor inquiry and discussion and correspondence thereof; Attend inspectors meeting on Solid Holdings, execute minutes and return.
January 13, 2021	Jason Knight	0.50	Internal correspondence re: investor inquiry; Correspondence with NBIN re: wire transfer; Review correspondence received from team re: TD Bank inquiry; Compile information requested and draft response to team re: TD Bank third distribution inquiry.

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Date	Full Name	Time	Detail
January 13, 2021	Paul Kouadio	3.60	Attend to receivership matters including returning investors emails and calls re: most recent notice to investors, all distributions, further distributions, investors holding unit balance, change of contact details, and status update on receivership.
January 14, 2021	Paul Kouadio	3.30	Attend to receivership matters including returning investors emails and calls re: most recent notice to investors, BDO actions and proposed class action, holdbacks, NBIN contact, all distributions, further distributions, and status update on receivership.
January 14, 2021	Rania Erian	1.50	Administration matters re: reporting.
January 15, 2021	Bruce Bando	0.40	Correspondence and discussion with interested party re: Dome Mountain.
January 15, 2021	Jonathan Krieger	1.50	Review of Court materials.
January 15, 2021	Paul Kouadio	1.90	Attend to receivership matters including returning investors emails and calls re: off-book investments; further receivership proceedings; most recent notice to investors, all distributions, further distributions, and status update on receivership.
January 17, 2021	Jason Knight	0.20	Correspondence with team re: wire transfer; Correspondence re: payment of legal fees re: foreclosure matter.
January 18, 2021	Bruce Bando	1.20	Discussion with potential purchaser re: Dome Mountain; Inquiry from an investor, review files and return call; Correspondence and discussion with counsel re: OOM Energy.
January 18, 2021	Jason Knight	0.60	Review various invoices received re: foreclosure matter and provide payment instructions to banking team re: same; Draft correspondence to NBIN requesting wire transfer.

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Date	Full Name	Time	Detail
January 18, 2021	Rosa Wilford	0.70	Review internal email instructions from team re: Banking; Review payment requests; Notify authorized signing officer for approvals; Provide supporting documentation; Email; Prepare disbursement requisition forms; Post invoice entries; Issue cheque; Prepare transfer wire; Bank letter; Setup accrual payment; General banking administration.
January 18, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
January 19, 2021	Bruce Bando	0.50	Correspondence with counsel re: OOM Energy; Review offer from a potential purchaser re: Dome Mountain; Correspondence with Spectrum on renewals and review thereof.
January 19, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: mortgage renewals.
January 20, 2021	Bruce Bando	1.00	Review Dome Mountain status and internal correspondence re: same.
January 20, 2021	Jason Knight	0.20	Review correspondence from team re: Dome Mountain and draft response re: same.
January 21, 2021	Bruce Bando	0.40	Discussion on Dome Mountain.
January 21, 2021	Jason Knight	0.50	Review correspondence re: billing and draft correspondence to NBIN re: same; Internal call re: Dome Mountain shares; Begin preparing share analysis for Dome Mountain.
January 21, 2021	Rosa Wilford	0.40	Correspondence with Bank/team; Fax; Follow-up email; General banking administration.
January 22, 2021	Bruce Bando	0.60	Various correspondence with Spectrum re: mortgages in default as well as with counsel; File status matters and internal discussion thereof.
January 22, 2021	Jonathan Krieger	0.70	Review of correspondence from A&B; Call with team re: exercise re: monetization of remaining assets.
January 22, 2021	Rosa Wilford	0.30	Correspondences to and from Bank for authorization of wire transfer/confirmation; Post disbursement and payment entries; Provide team with wire confirmation; General banking administration.
January 22, 2021	Valerie Naccarato	0.30	Administration matters; Review mail; Notify team.
January 25, 2021	Bruce Bando	0.30	Various correspondence with counsel re: OOM Energy; Dome Mountain matters.

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Date	Full Name	Time	Detail
January 25, 2021	Jason Knight	1.10	Review correspondence from NBIN; Draft correspondence to team re: wire transfer; Review NBIN account information; Review wire confirmation re: payment of foreclosure fees; Review correspondence from Spectrum re: appraisal received on non-performing mortgage; Correspondence with counsel re: foreclosure matter payment; Continue to prepare Dome Mountain share analysis and draft correspondence to team re: same.
January 25, 2021	Rosa Wilford	0.60	Review internal instructions from team re: Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms with supporting documentation for signing; Post deposits and eft entries, print slips and stamp date for signing; Review payment requests; Prepare transfer wire: Bank letter; Setup accrual payment; Emails; General banking administration.
January 26, 2021	Bruce Bando	1.80	Research into Dome Mountain re: valuation; Various correspondence with Alberta counsel, review and execute mortgage discharge; Conference call with counsel re: OOM Energy; Correspondence from Spectrum re: mortgage in default and review thereof.
January 26, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: update on foreclosure matter.
January 27, 2021	Bruce Bando	1.30	Various correspondence with Alberta counsel on mortgage discharge to execute amended mortgage discharge documents; Review material re: St. Mary's and forward documents to the appraiser; Correspondence with counsel re: OOM Energy.
January 27, 2021	Jason Knight	4.10	Correspondence with NBIN re: wire transfer request; Begin preparing workbook for T3 returns for Crystal Wealth Funds.
January 28, 2021	Jason Knight	0.20	Internal correspondence re: wire transfer and coding of same; Continue to prepare workbook for T3 returns.
January 28, 2021	Rosa Wilford	0.60	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
January 29, 2021	Bruce Bando	0.30	Correspondence and discussion with counsel re: OOM Energy; Correspondence from an investor.

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Date	Full Name	Time	Detail
January 29, 2021	Rosa Wilford	0.60	Review internal email instructions from team re: Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms with supporting documentation for signing; Post deposits and eft entries, print slips and stamp date for signing; Emails; General banking administration.
January 29, 2021	Valerie Naccarato	0.20	File administration.
February 1, 2021	Jason Knight	0.10	Correspondence with NBIN re: investor correspondence received.
February 1, 2021	Paul Kouadio	3.60	Attend to receivership matters including returning investors emails and calls re: off-book investments, all distributions and further distributions, further receivership proceedings and status update on receivership, and most recent notice to investors.
February 1, 2021	Valerie Naccarato	0.10	File administration.
February 2, 2021	Bruce Bando	0.60	Various correspondence with appraiser and consultant re: OOM Energy; Various correspondence with a potential purchaser related to Dome Mountain; Correspondence with Spectrum re: renewal.
February 2, 2021	Jason Knight	0.20	Review correspondence from Spectrum re: renewals; Review monthly legal report provided by Spectrum and file same.
February 2, 2021	Paul Kouadio	4.00	Attend to receivership matters including returning investors emails and calls re: most recent notice to investors, proposed class action, holdbacks, NBIN contact, all distributions, further distributions, and status update on receivership.
February 3, 2021	Bruce Bando	1.60	Prepare for and attend conference call with consultant re: OOM Energy and correspondence thereafter; Correspondence with appraiser; Various correspondence with counsel thereof.
February 3, 2021	Jason Knight	0.30	Review correspondence from NBIN re: investor matter and draft response re: same; Review correspondence re: Factoring Fund investment.
February 3, 2021	Paul Kouadio	2.90	Attend to receivership matters including returning investors emails and calls re: class action from AGB, most recent notice to investors, all distributions, further distributions, investors holding unit balance, change of contact details, and status update on receivership.

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Date	Full Name	Time	Detail
February 4, 2021	Bruce Bando	0.20	Correspondence with appraiser; Various correspondence with counsel re: invoice and review thereof.
February 4, 2021	Valerie Naccarato	0.20	File administration.
February 5, 2021	Bruce Bando	1.00	Discussion and various correspondence with counsel; Various correspondence with consultant re: OOM Energy; Correspondence from counsel re: fees, review, search arrange payment; Correspondence with Spectrum.
February 5, 2021	Paul Kouadio	2.00	Review professional fees from counsel; Return calls and emails from investors re: missing distribution, issues with NBIN, further work of the receiver, change of beneficiaries.
February 8, 2021	Bruce Bando	0.50	Correspondence from Spectrum; Investor inquiry; Correspondence and discussion with counsel re: OOM Energy.
February 8, 2021	Jason Knight	0.10	Review monthly Spectrum reporting and file same.
February 8, 2021	Paul Kouadio	2.80	Return calls and emails from investors re: account related inquiries, withdrawal of funds, status update on the Wells Mortgage Fund and further work of the Receiver.
February 9, 2021	Bruce Bando	1.20	Investor inquiry; Various correspondence and discussions with counsel; Conference call and follow up discussion with the appraiser; Review engagement letter from the appraiser and forward to counsel; Counsel fee matters.
February 9, 2021	Paul Kouadio	2.30	Return investors emails and calls re: distributions, off-book investments, last notice to investors, class action, holdbacks, status update on receivership.
February 10, 2021	Bruce Bando	0.80	Various correspondence with Spectrum re: mortgage in default; Review of mortgage portfolios.
February 10, 2021	Jason Knight	0.30	Review correspondence and documents provided by Spectrum re: foreclosure matter.
February 11, 2021	Bruce Bando	2.50	Western Wealth distribution matters; Discussion with consultant; Various correspondence and discussion with A&B re: charges and OOM Energy, review same and respond/process payment thereof; Various correspondence from counsel to St. Mary's; Investor matter and discussion thereof; Correspondence with the appraiser.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
February 11, 2021	Jason Knight	0.30	Review correspondence from investor and draft response re: same; Review correspondence from Spectrum re: foreclosure matter.
February 11, 2021	Paul Kouadio	2.50	Return investors emails and calls re: delay in distributions from NBIN; CRA letter, distributions, account related inquiries; Email and call to team re: investors inquiries; Emails from A&B.
February 11, 2021	Rosa Wilford	0.40	Review internal email instructions from team re: Banking; Review payment requests; Review account ledger; Prepare disbursement requisition forms; Prepare Bank letter; Setup accrual payments; General banking administration.
February 12, 2021	Bruce Bando	1.60	Various correspondence with the consultant and various correspondence and discussion with counsel re: OOM Energy; Attend conference call with counsel to St. Mary's; Review engagement letter from consultant; Correspondence with counsel on invoices and approvals thereof.
February 12, 2021	Jason Knight	0.20	Review correspondence from team re: cheque received re: Western Wealth Fund and file same on network; Review internal correspondence re: allocation of professional fees amongst funds.
February 12, 2021	Rosa Wilford	0.60	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
February 13, 2021	Jason Knight	1.50	Continue to prepare financial statement workbook required to file T3 returns for each of the fund.
February 15, 2021	Jason Knight	3.40	Continue to prepare financial statement workbook required to file T3 returns for each of the funds; Draft correspondence to team re: allocation of professional fees for the period of March 1, 2020 to December 31, 2020.
February 16, 2021	Bruce Bando	3.00	Review materials re: OOM Energy application and execute; Various correspondence with counsel and counsel to St. Mary's; Various correspondence from Spectrum re: mortgage on default; Prepare for and attend two conference calls with St. Mary's and counsel; Discussion with counsel thereafter.
February 16, 2021	Paul Kouadio	5.30	Allocate A&B 2020 professional fees across funds.

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Date	Full Name	Time	Detail
February 16, 2021	Rosa Wilford	0.30	Review internal email instructions from team re: Banking; Review payment requests; Review account ledger; Prepare disbursement requisition forms; Prepare Bank letter; Setup accrual payments; General banking administration.
February 17, 2021	Bruce Bando	2.20	Various correspondence with consultants re: OOM Energy; Various conference calls, discussions and correspondence with counsel re: OOM Energy.
February 17, 2021	Jason Knight	0.40	Internal discussion re: professional fee allocation; Review correspondence from Spectrum re: foreclosure.
February 17, 2021	Paul Kouadio	7.20	Finalize allocation of A&B 2020 professional fees across funds.
February 17, 2021	Rosa Wilford	1.00	On-line banking; Review various estate bank accounts/print screens; Post EFT entries and reconcile multiple January statements.
February 18, 2021	Bruce Bando	0.70	Correspondence with counsel on OOM Energy; Various correspondence with consultant, review draft engagement letter and forward to counsel; Various correspondence with Spectrum re: mortgage in default and review thereof.
February 18, 2021	Jason Knight	0.50	Review correspondence from Spectrum re: sale of property and various correspondence insurance matters; Review correspondence re: Pond Loan; Internal discussions re: billing matters.
February 18, 2021	Paul Kouadio	4.40	Review legal fees and various emails re: payment of same; Return investors calls re: status update of receiver's work, receivership matters, account related inquiries, distributions of funds, CRA tax slips.
February 18, 2021	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
February 18, 2021	Valerie Naccarato	0.40	Deposit at bank.
February 19, 2021	Bruce Bando	1.80	Discussion with Pond; Review files and trading history; Correspondence with counsel re: same; Various correspondence with the appraiser re: OOM Energy and forward same to counsel.
February 19, 2021	Paul Kouadio	6.20	Allocate Receiver's 2020 professional fees across funds.

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Date	Full Name	Time	Detail
February 19, 2021	Rosa Wilford	0.30	Review mail; Notify team; Email; Prepare receipt requisition forms with supporting documentations; Post deposits entries, print slips and stamp date for signing; Provide to team for banking.
February 19, 2021	Valerie Naccarato	0.20	File administration.
February 22, 2021	Bruce Bando	0.50	Various correspondence and conference call with counsel re: OOM Energy.
February 22, 2021	Jonathan Krieger	0.70	Correspondence with team; Correspondence with counsel; Call with team and counsel re: matters related to OOM.
February 22, 2021	Paul Kouadio	5.30	Review information re: fund allocations. Correspondence with team re: preparation of court materials; Prepare court materials.
February 22, 2021	Rosa Wilford	0.60	Print Summary of Estate Balance Report; Match to multiple reconciliations of accounts and initial January report; Provide to authorized officer for review and signing.
February 23, 2021	Bruce Bando	0.70	Various correspondence with Pond, review files and amortization schedule; Correspondence on Spectrum payment; Internal correspondence re: T2..
February 23, 2021	Jason Knight	0.60	Review wire transfer and approve same; Correspondence with investor re: T3 returns; Internal correspondence with team re: tax return matters; Review professional fee allocation and revise same; Internal discussions re: professional fee allocation and inquiries from investors.
February 23, 2021	Paul Kouadio	3.30	Attend to internal call re: allocation of professional fees; Respond to investors calls re: T3's slip, return of capital, receivership matters, third and further distributions, hedge and factoring funds; Update investors contact details.
February 23, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
February 24, 2021	Paul Kouadio	5.90	Return investors calls and emails re: tax slips, third and further distributions, tax treatment of distributions, registered accounts; Review investor's documentation for deceased investor re: power of attorney and executor; Update investors contact details.

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Date	Full Name	Time	Detail
February 25, 2021	Bruce Bando	2.30	Notice from CRA and review previous notices; Internal discussion and prepare instructions for the preparation of the outstanding T2's; Correspondence from Pond, review files and internal correspondences re: same.
February 25, 2021	Jonathan Krieger	0.50	Review of communications re: Pond matters; Correspondence with team thereto.
February 25, 2021	Paul Kouadio	3.50	Return calls and emails of investors and NBIN re: estate accounts and settlements, CRA letters and distributions, latest notice to investors; Assist investor on issues with third distribution and NBIN.
February 26, 2021	Paul Kouadio	2.80	Respond to investors calls and emails re: change of registration / transfer in kind, third distribution, NBIN, status of receivership; Update investors contact details.
February 26, 2021	Rosa Wilford	0.50	Review internal email instructions from team re: Banking; Correspondences to and from MLT; Review account ledger; Review payments to issue to date and match to support provided; Respond to email requesting revised copies for review.
February 26, 2021	Valerie Naccarato	0.30	File administration re: trust banking.
February 28, 2021	Jason Knight	1.60	Incorporate accrued fee analysis into T3 workbook for each of the Funds; Make accrual entries for the write-off of certain investments; Perform a detailed review of the T3 workbook to review and audit formulas and make revisions to same; Draft correspondence to team re: completed workbook.
March 1, 2021	Bruce Bando	0.90	Discussion regarding and investor issue; Review financial statement workbook and correspondence thereof.
March 1, 2021	Paul Kouadio	3.90	Internal call re: investor's comments and issues in collecting third interim distribution; Email to TD advisor re: investor's unit holding; Email to RF Securities Clearing re: transfer form and change of registration; Return various investors calls and emails re: CRA tax slips, distributions and dealings with NBIN.
March 2, 2021	Bruce Bando	1.40	Prepare for and attend conference call to review and discuss the financial statements for the T3 returns; Various internal correspondence thereof; Various correspondence with Spectrum re: mortgage discharge; Various correspondence with Pond.

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Date	Full Name	Time	Detail
March 2, 2021	Jason Knight	2.40	Prepare for and attend conference call with team re: T3 workbook; Make revisions to T3 workbook based on call with team and internal comments; Perform final review of T3 workbook and draft correspondence to tax team re: same; Draft correspondence to team re: investment write-offs; Review correspondence from Spectrum re: discharge of mortgage; Review Spectrum mortgage documents and execute same.
March 2, 2021	Paul Kouadio	2.60	Correspondence with RF Securities Clearing and NBIN re: change of registration / transfer in kind form; Review 2020 tax return workbook and attend to internal meeting re: same; Return investors calls and emails re: various receivership matters.
March 3, 2021	Adam Shell	0.50	Call with receivership team on Trust Return preparation.
March 3, 2021	Aleeza Jawed	3.50	Working on 2020 T3s for 14 funds, internal call.
March 3, 2021	Bruce Bando	1.00	Prepare for and attend conference call re: taxes.; Draft response to Pond and forward to counsel.
March 3, 2021	Jason Knight	1.20	Review investment income statements from NBIN and draft correspondence to team re: interest income on same; Prepare for and attend call with tax group re: T3 returns; Compile various information re: BDO settlement for tax group and draft summary correspondence re: same.
March 3, 2021	Paul Kouadio	2.10	Review investment income summary; Internal correspondence, various calls and emails to NBIN re: same; Return investors calls.
March 3, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
March 4, 2021	Aleeza Jawed	3.20	2020 T3s for 14 funds and updating tax workbook; Research re: tax treatment for settlement payments - 2020 T3.
March 4, 2021	Bruce Bando	0.40	Investor inquiry; Correspondence from counsel re: Pond; Correspondence to Pond; Correspondence from Spectrum and review thereof.
March 4, 2021	Jason Knight	0.30	Review correspondence to counsel re: counter-offer re: Pond Loan; Correspondence re: payment of invoice; Review monthly Spectrum reporting and file same.
March 4, 2021	Michael Zimnicki	1.50	Review settlement agreement.

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Date	Full Name	Time	Detail
March 4, 2021	Paul Kouadio	1.90	Return investors calls and emails re: tax slips, third and further distributions, tax treatment of distributions, account specific inquiries; Update investors contact details.
March 4, 2021	Rosa Wilford	0.30	Review internal email instructions from team re: Banking; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; General banking administration.
March 5, 2021	Jason Knight	0.20	Review correspondence from NBIN re: interest on accounts and draft correspondence to team re: same; Review counter-offer from Pond Technologies re: loan extension and payment.
March 5, 2021	Paul Kouadio	2.40	Various correspondence to NBIN including calls and emails re: investors requests of transfers of accounts, interest payments of Receiver's deposit accounts; Internal emails on same; Respond to investors calls and emails re: third distribution, tax slips, status of receivership.
March 5, 2021	Rosa Wilford	1.00	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple February statements.
March 6, 2021	Aleeza Jawed	0.75	Research re: treatment of settlement payments and sending an email with findings for call - 2020 T3s.
March 8, 2021	Adam Shell	1.75	Call with tax team on legal settlement and review of funds.
March 8, 2021	Aleeza Jawed	3.30	Finalizing 2020 T3s and treatment of settlement proceeds/ call with J. Knight.
March 8, 2021	Bruce Bando	0.60	Correspondence from Pond, draft response and provide to counsel; Correspondence from counsel and correspondence to Pond.
March 8, 2021	Jason Knight	0.30	Review correspondence from investor and draft response to same; Review correspondence re: Pond Loan.
March 8, 2021	Michael Zimnicki	1.00	Discuss treatment of payments with A. Shell and review email thereof.

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Date	Full Name	Time	Detail
March 8, 2021	Paul Kouadio	3.20	Attend to receivership matters; Allocate counsel fees and professional fees schedule; Review and approve NBIN custody fees and prepare monthly schedule re: same.
March 9, 2021	Adam Shell	8.50	Review of trust returns for the mutual funds.
March 9, 2021	Aleeza Jawed	0.75	Updates to 2020 T3.
March 9, 2021	Andre Edwards	0.40	Preparing T2's.
March 9, 2021	Bruce Bando	0.40	Various correspondence and discussion with Spectrum; Cash disbursement matters.
March 9, 2021	Jason Knight	0.70	Correspondence re: cheque from CRA; Review correspondence from team re: investor account transfer request and draft response re: same; Review correspondence from tax group and draft response to same; Phone call with tax group; Review correspondence from Spectrum re: mortgage renewal; Review correspondence from Spectrum re: portfolio sale.
March 9, 2021	Paul Kouadio	2.90	Review first and fifth report to Court re: Dome Mountain and Gavin Mines; Discuss same with interested purchaser; Return investors calls on RRIF, transfer out of accounts, third interim and further distributions, status update of receivership; Update contact details; Internal emails re: transfer of accounts from NBIN.
March 9, 2021	Rosa Wilford	0.30	Review mail; Notify team; Emails; Phone calls; Prepare receipt requisition form with supporting documentation; Post deposits entries, print slips and stamp date for signing; Provide to team for banking.
March 9, 2021	Valerie Naccarato	0.20	Telephone discussion with CRA; General banking administration.
March 10, 2021	Bruce Bando	2.80	Correspondence from an interested party re: Dome Mountain and review of files thereof; Review draft T2 and provide comments; Correspondence from Spectrum and review and analyze offer for the non-legal remaining portfolio; Internal correspondence thereof; Various correspondence and discussion with counsel re: OOM Energy and review all attachments

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Date	Full Name	Time	Detail
March 10, 2021	Jason Knight	0.20	Internal correspondence re: Dome Mountain; Review correspondence and workbook re: purchase of mortgages.
March 10, 2021	Michael Zimnicki	0.50	Research on filing position for capital treatment of settlement funds.
March 10, 2021	Paul Kouadio	1.80	Call and email to interested buyer in Dome Mountain; Internal communication re: same; Review letter from The Bowra Group re: Solid Holdings and internal communication re: same.
March 10, 2021	Rosa Wilford	0.30	Review internal email instructions from team re: Banking; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; General banking administration.
March 11, 2021	Aleeza Jawed	0.35	Updating T3 for loss carryback for sustainable dividend fund and checking T3 workbook (2020 T3s).
March 11, 2021	Bruce Bando	0.70	Dome Mountain potential purchaser matters and correspondence and discussion thereof; Correspondence from Spectrum and review thereof; Correspondence with SS&C; Various correspondence with Spectrum on potential offer; Correspondence with Pond.
March 11, 2021	Jason Knight	0.40	Review monthly legal report from Spectrum and file same; Correspondence with tax slip provider re: timing of information; Review various correspondence re: Pond Loan and sale of Residential Mortgages; Correspondence re: offer for Dome Mountain shares.
March 11, 2021	Paul Kouadio	1.40	Return investor call re: account transfer; Various emails to prospective buyer re: Dome Mountain. Internal calls re: same.
March 11, 2021	Rosa Wilford	0.50	Print Summary of Estate Balance Report; Match to multiple reconciliation of accounts and initial February report; Provide to authorized officer for review and signing.
March 12, 2021	Andre Edwards	0.60	Continue preparing T2's.
March 12, 2021	Bruce Bando	0.60	Correspondence re: OOM Energy; Various correspondence with a potential purchaser of Gavin Mine shares; Various correspondence with Pond followed by correspondence with counsel.
March 12, 2021	Jason Knight	0.20	Correspondence re: Pond Loan.

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Date	Full Name	Time	Detail
March 12, 2021	Paul Kouadio	1.10	Return investors calls re: account update, 3rd distribution, further distributions, tax slips and emails re: same; Email to prospective buyer re: Dome Mountain.
March 12, 2021	Valerie Naccarato	0.40	Deposit at bank; File administration.
March 13, 2021	Adam Shell	1.00	Preparation of Tax returns for partnership review.
March 15, 2021	Bruce Bando	0.60	Prepare for and attend conference call with counsel re: Pond and OOM Energy.
March 15, 2021	Paul Kouadio	0.70	Return investors calls re: tax slips and status update of receivership.
March 16, 2021	Andre Edwards	0.20	Discussion and organizing for T2's to be mailed.
March 16, 2021	Bruce Bando	0.30	Review draft T2's and internal discussion thereof; Investor inquiry; MLT Aikins billings.
March 16, 2021	Jonathan Krieger	0.40	Investor inquiries; Communications with team; Correspondence from MLT re: Western Canada legal matters.
March 16, 2021	Paul Kouadio	2.80	Email re: letter of authorization for investor; Email to NBIN re: transfer of funds and account; Respond to emails and calls from investors re: tax slips, account specific inquiries, status of receivership, third distribution; Review invoices from MLT Aikins and instruct payment of same.
March 16, 2021	Rosa Wilford	0.30	Review internal email instructions from team re: Banking; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; General banking administration.
March 17, 2021	Bruce Bando	6.20	Review amendment to the Pond loan, reference the previous amendment and provide comments to counsel; Discussion with counsel re: same; Correspondence with Pond; Review status of portfolios and prepare worksheet; Internal correspondence thereof.
March 17, 2021	Paul Kouadio	2.00	Return calls and emails from investors re: tax slips, class action, third and further distributions, status update of receivership; Resolve investors issues with NBIN.
March 17, 2021	Valerie Naccarato	0.70	Print T2 returns; Prepare registered mail envelope and drop off at Canada Post.
March 18, 2021	Adam Shell	0.50	Correspondence re: review of tax returns.

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Date	Full Name	Time	Detail
March 18, 2021	Bruce Bando	1.70	Various correspondence with Spectrum re: mortgage discharge and discussion thereof as well as the potential sale of the portfolio; Continue with worksheet matters and attend conference call re: same; Various correspondence with Pond and counsel re: extension.
March 18, 2021	Jason Knight	1.20	Review loan agreement amendment re: Pond Loan; Prepare for and attend internal call to discuss investment analysis workbook; Correspondence with tax group re: T3 returns; Review correspondence from Pond re: loan agreement; Review various correspondence from Spectrum re: mortgage discharge and sale of portfolio.
March 18, 2021	Michael Zimnicki	2.50	Review T3 returns.
March 18, 2021	Paul Kouadio	2.50	Update investors contact information; Correspondence with NBIN re: same; Return calls and emails from investors re: second and third distribution, tax slips, status update of receivership; Conference call re: review of all funds and funds summary.
March 19, 2021	Adam Shell	0.50	Call with partner on adjustments and internal call.
March 19, 2021	Aleeza Jawed	0.40	Prepping email to efile all 14 T3s (2020 tax year).
March 19, 2021	Bruce Bando	0.30	T3 matters and internal discussion and correspondence thereof.
March 19, 2021	Jason Knight	1.30	Correspondence with tax group; Revise statutory declaration re: discharge of residential mortgage; Review draft T3 returns for all Crystal Wealth Funds and associated workbook outlining tax adjustments; Draft correspondence to tax group re: inquiries on returns.
March 19, 2021	Jonathan Krieger	0.30	Correspondence with team re: tax matters; Correspondence re: matters related to investor inquiries.
March 19, 2021	Michael Zimnicki	0.30	Discuss capital gains refund with A. Shell.
March 19, 2021	Paul Kouadio	0.80	Update contact information; Review documentation for executor of estate; Return investor's emails re: same.
March 19, 2021	Valerie Naccarato	0.20	File administration.

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Date	Full Name	Time	Detail
March 20, 2021	Jason Knight	0.30	Finalize statutory declaration re: mortgage discharge and draft correspondence re: same; Review correspondence from Bowra re: bankruptcies of Restoration Energy and 156 Alberta.
March 22, 2021	Aleeza Jawed	0.30	Applying preparer profiles to 2020 T3s.
March 22, 2021	Bruce Bando	1.00	Correspondence and discussion with Spectrum; Correspondence from counsel re: OOM Energy; Review and have discussion on T3 workbook; Correspondence from bankruptcy trustee of Restoration Energy and review; Correspondence with counsel re: same.
March 22, 2021	Jason Knight	4.20	Correspondence with tax group re: filing of returns; Begin preparing workbook for individual investor T3 slips outlining the allocation of the third interim distribution; Draft correspondence to team re: T3 slip workbook; Prepare for and attend call with team to discuss investor T3 slip workbook.
March 22, 2021	Paul Kouadio	0.90	Update investors contact information; Return calls re: receivership status.
March 22, 2021	Valerie Naccarato	0.30	General file administration.
March 23, 2021	Aleeza Jawed	0.35	2020 T3s.
March 23, 2021	Bruce Bando	0.10	Correspondence from counsel re: OOM Energy.
March 23, 2021	Jason Knight	0.70	Coordinate delivery of discharge documents for mortgage; Perform final review of T3 slip workbook and make adjustments to same; Draft correspondence to tax slip provider re: T3 slip workbook.
March 23, 2021	Paul Kouadio	1.80	Review workbook on T3 slips; Return calls and emails from investors re: tax slips, status update of receivership.
March 24, 2021	Bruce Bando	0.40	Various correspondence with Pond; Tend to matters pertaining to the amendment to the Pond loan agreement and sign.
March 24, 2021	Jason Knight	0.10	Review correspondence re: Pond Loan.
March 24, 2021	Paul Kouadio	1.00	Return investors calls re: status update of receivership, tax slips, account transfer.

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Date	Full Name	Time	Detail
March 24, 2021	Rosa Wilford	0.40	Review account ledger; Notify team with supporting documentation for review on account balances; Review instructions from team; Prepare disbursement requisition form and Bank letter for purchasing GIC Investment; Emails.
March 25, 2021	Bruce Bando	1.30	Correspondence and discussion with counsel; Various correspondence with the auditor of Pond Technologies, review status of loan and execute and return confirmation; Internal correspondence in status of investment worksheet; Conference call and correspondence with the appraiser for St. Mary's.
March 25, 2021	Jason Knight	0.70	Prepare for and attend call with team to discuss process to complete fund summary workbooks; Correspondence with investor.
March 25, 2021	Paul Kouadio	3.30	Call with team re: investment analysis; Return investors emails and calls re: status update of receivership, tax slips, third distribution, account transfer; Emails with NBIN re: same.
March 25, 2021	Rosa Wilford	0.60	Meet with signing officers; Correspondences to and from Bank for authorization of GIC Purchase/confirmation; Fax; Emails; Post term deposit entries; Print and attach transaction report; Update investment schedule; Notify team with supporting documentation; Emails; General banking administration.
March 26, 2021	Bruce Bando	0.20	Correspondence from counsel; Various correspondence with Trustee of Restoration.
March 26, 2021	Jason Knight	0.80	Review correspondence from investor re: T3 slips and draft response to same; Review email correspondence from investor re: file update and draft response to same; Draft additional response to investor correspondence re: Media Fund; Review invoices from Bowra Group re: bankruptcies and provide payment instructions re: same; Allocate Bowra Group fees and draft email correspondence to NBIN re: wire transfer.
March 26, 2021	Paul Kouadio	3.50	Review investment spreadsheet and update same; Various emails to investors re: status update of receivership, tax slips.
March 29, 2021	Bruce Bando	3.00	Correspondence from CRA and investigate status; Review the outstanding securities to be realized and create analysis; Various correspondence thereof; Various correspondence from Spectrum re: offer on a property in legal and review and discussion thereof.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
March 29, 2021	Jason Knight	0.20	Review correspondence from Spectrum re: sale of property and discuss same internally.
March 29, 2021	Paul Kouadio	2.50	Return investors calls re: tax slips, issues with NBIN, transfer of cash and status update of receivership; Change contact details; Continue review of investment spreadsheet and update same.
March 29, 2021	Rosa Wilford	0.40	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Prepare disbursement requisition forms; Prepare Bank letter; Setup accrual payments; General banking administration.
March 29, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
March 30, 2021	Bruce Bando	2.20	Various correspondence from Spectrum on potential sale of a property; Continue with investment analysis and summary and discussion thereof; Various correspondence with Pond; Correspondence from Spectrum re: portfolio and cash flow.
March 30, 2021	Jason Knight	1.70	Review and revise sale agreements re: residential mortgage property; Correspondence with SS&C re: tax slips for investors and discuss same internally; Review various correspondence from Pond re: payment of principal and interest; Correspondence with NBIN and banking team re: wire transfers; Review correspondence from Spectrum re: portfolio sale; Phone call with investment advisor re: update on Mortgage Fund, HY Mortgage Fund, and Media Fund.
March 30, 2021	Paul Kouadio	1.60	Return calls and emails from investors re: status update of receivership, further distributions, tax slips; Update investors contact information; Call with B Bando re: review investment spreadsheet.
March 30, 2021	Rosa Wilford	1.20	Review various internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms for signing; Post deposits/invoice eft entries, print slips and stamp date for signing; Emails; General banking administration.
March 30, 2021	Valerie Naccarato	0.20	File administration.
March 31, 2021	Bruce Bando	0.80	Various correspondence re: T3's; Investment analysis matters; Broker inquiry; Payment matters re: Pond.

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Date	Full Name	Time	Detail
March 31, 2021	Jason Knight	0.30	Review correspondence re: Pond Loan payment; Review correspondence from SS&C and discuss same internally.
March 31, 2021	Paul Kouadio	2.40	Respond to various NBIN calls and emails re: account transfers of non-CW investments, estate settlement; Email to J Knight re: same; Emails to tax preparer re: 2020 investors tax slips.
March 31, 2021	Rosa Wilford	1.00	Review various internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms for signing; Post deposits/invoice eft entries, print slips and stamp date for signing; Emails; General banking administration.

Time Summary

J. Krieger, Sr. Vice President	4.10 hours @	\$640.00 per hour	\$ 2,624.00
M. Zimnicki, Tax Partner	5.80 hours @	\$640.00 per hour	\$ 3,712.00
B. Bando, Principal	60.00 hours @	\$550.00 per hour	\$ 33,000.00
J. Knight, Vice President	36.50 hours @	\$495.00 per hour	\$ 18,067.50
A. shell, Tax Manager	12.75 hours @	\$448.00 per hour	\$ 5,712.00
R. Wilford, Manager	15.90 hours @	\$280.00 per hour	\$ 4,452.00
P. Kouadio, Senior Associate	136.00 hours @	\$225.00 per hour	\$ 30,600.00
A. Jawed, Tax Analyst	12.90 hours @	\$242.00 per hour	\$ 3,121.80
A. Edwards, Senior Associate	1.20 hours @	\$175.00 per hour	\$ 210.00
R. Erian, Analyst	1.50 hours @	\$150.00 per hour	\$ 225.00
V. Naccarato, Analyst	4.10 hours @	\$150.00 per hour	\$ 615.00
	<u>290.75</u>		<u>\$ 102,339.30</u>
5% Technology and Administration			\$ 5,116.97
			<u>\$ 107,456.27</u>
HST			\$ 13,969.31
Total Invoice			<u>\$ 121,425.58</u>

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-7405**

To professional services as Receiver rendered for the period from April 1, 2021 to May 31, 2021.

Date	Full Name	Time	Detail
April 1, 2021	Bruce Bando	0.20	Various correspondence with counsel on OOM Energy; Correspondence with the appraiser.
April 1, 2021	Jason Knight	1.40	Correspondence with investment advisor re: T3 slips; Download T3 slips provided by SS&C and file same; Draft correspondence to SS&C re: missing T3 slips; Draft and finalize letter to CRA re: Copy 1 of T3 slips; Coordinate filing of T3 slips with CRA.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
April 1, 2021	Jonathan Krieger	0.50	Review of information re status of loan collections; Correspondence re: BC bankruptcy and recovery thereto; Correspondence re: mortgage portfolio.
April 1, 2021	Paul Kouadio	0.10	Internal emails re: 2020 tax slips.
April 1, 2021	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
April 1, 2021	Valerie Naccarato	1.70	Print tax information; Assemble, prepare registered mail label; Drop off package at Canada Post; File administration.
April 5, 2021	Bruce Bando	1.00	Various correspondence with McGregor Allsop; Various correspondence with counsel re: OOM Energy; Obtain information from Weir Foulds; Correspondence from NBIN re: certain warrants and review thereof.
April 5, 2021	Jason Knight	0.40	Review correspondence from team re: NBIN inquiry and draft response to same; Correspondence with investment advisor; Correspondence re: warrants held by Hedge Fund.
April 5, 2021	Jonathan Krieger	0.90	Review of warrant matters with team; Review of analysis; Correspondence with team re: litigation matters.
April 5, 2021	Paul Kouadio	0.30	Various internal emails re: warrants and Hedge Fund related to market event; Email to NBIN re: same.
April 5, 2021	Rosa Wilford	1.00	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple March statements.
April 6, 2021	Jason Knight	0.90	Phone call with investment advisor re: updates on various aspects of receivership proceeding; Review various correspondence from investors re: T3 slips; Draft correspondence to NBIN re: wire transfer request.
April 6, 2021	Paul Kouadio	2.30	Internal correspondence re: warrants and Hedge Fund and email to NBIN; Draft memo; Email to TD Bank re: investor's holdings.

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Date	Full Name	Time	Detail
April 6, 2021	Rosa Wilford	0.60	Review internal email instructions from team re: Banking; Review payment requests; Review account ledger; Prepare disbursement requisition forms; Prepare Bank letters; Setup accrual payments; General banking administration.
April 7, 2021	Bruce Bando	1.00	Various correspondence from Spectrum re: monthly reporting and sale of a property and review thereof; Discussion with counsel re: OOM Energy; File maintenance; Conference call with appraiser re: OOM Energy.
April 7, 2021	Jason Knight	0.80	Phone call with team re: T3 slips and investor inquiries; Review monthly Spectrum reporting and file same; Correspondence with banking team re: NBIN wire transfer; Review correspondence from Spectrum re: foreclosure matter; Review correspondence from investor re: Mortgage Fund questions and draft response to same.
April 7, 2021	Jonathan Krieger	1.20	Review of draft court materials; Correspondence with team thereto.
April 7, 2021	Paul Kouadio	3.50	Return investors calls and emails re: status update of receivership and further distributions, tax slips, account transfers, NBIN issues; Internal call and email to investor re: mortgage fund; Email to NBIN re: investments.
April 7, 2021	Rania Erian	1.80	Draft and finalize court documents.
April 8, 2021	Jason Knight	0.20	Internal correspondence re: investor email; Internal correspondence re: banking matters.
April 8, 2021	Paul Kouadio	2.20	Various emails to NBIN re: investors accounts, transfers and receivership status; Send tax slips to investors.
April 8, 2021	Rosa Wilford	0.50	Reconcile March GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
April 9, 2021	Jason Knight	0.70	Review correspondence from investor re: T3 slips; Compile T3 slips and draft response to investor; Review CRA correspondence; Internal correspondence re: banking matters; Draft correspondence to NBIN re: wire transfer.
April 9, 2021	Paul Kouadio	2.40	Return investors calls and emails re: distributions, tax slips, NBIN and status update of receivership; Send tax slips to investors.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
April 9, 2021	Rosa Wilford	1.00	Correspondences to and from Bank for authorization of wire transfers/confirmations; Faxes; Post invoice and eft payment entries; On-line banking; Review print screens and attach support; Provide team with wire confirmations; Emails.
April 9, 2021	Valerie Naccarato	0.30	File administration.
April 10, 2021	Jason Knight	0.10	Review correspondence from investors re: T3 slips and draft response re: same.
April 12, 2021	Bruce Bando	0.10	Correspondence from Spectrum re: mortgage in default.
April 12, 2021	Jason Knight	0.70	Correspondence with investor re: T3 slips; Internal correspondence re: banking matters; Review various correspondence from investors re: change of address and requests for T3s; Review correspondence from Spectrum re: foreclosure matters; Internal call to discuss process for issuing tax slips and inquiries from investors re: same.
April 12, 2021	Paul Kouadio	6.80	Send various tax slips to investors incl. clients of Richardson Wealth and IPC Securities; Various emails re: same; Return calls and emails to investors re: tax slips and third interim distribution.
April 12, 2021	Rosa Wilford	0.80	Review internal email instructions from team re: Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms with supporting documentation for signing; Post deposits and eft entries, print slips and stamp date for signing; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails; General banking administration.
April 12, 2021	Valerie Naccarato	0.10	Review mail; File administration.
April 13, 2021	Jason Knight	0.60	Download and file RL 16 and T3 slips for Media Fund; Review various correspondence from investment advisors re: T3 slips; Internal call to discuss inquiries from investors.
April 13, 2021	Paul Kouadio	5.20	Return calls and emails to investors re: tax slips, NBIN, status of receivership and third interim distribution; Update investor's contact details; Send various tax slips to investors incl. clients of Richardson Wealth; Internal call re: tax slips and emails to SS&C re: missing tax slips.

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Date	Full Name	Time	Detail
April 14, 2021	Bruce Bando	1.10	Inquiry from an investor; Various correspondence and research same; Draft response to the investor, internal discussion and release.
April 14, 2021	Jason Knight	0.50	Correspondence with team and with investors re: T3 slips; Review correspondence from investor and draft response to same.
April 14, 2021	Jonathan Krieger	0.70	Correspondence from party and review of investigative matters; Correspondence with team and review of records; Review information re: settlement agreement terms; Review draft correspondence;
April 14, 2021	Paul Kouadio	2.40	Return calls and emails to investors re: tax slips, status of receivership and third interim distribution; Update investor's contact details.
April 15, 2021	Bruce Bando	0.80	Various correspondence with an investor, investigation and discussion thereof.
April 15, 2021	Jason Knight	0.30	Review correspondence from investor re: T3 and draft response to same.
April 15, 2021	Jonathan Krieger	0.40	Further investor correspondence.
April 15, 2021	Paul Kouadio	4.10	Review and approve NBIN's custody fees for March 2021 and update fees schedule; Return calls and emails to investors re: account statements from NBIN, tax slips, status of receivership and third interim distribution; Update investor's contact details; Review NBIN portfolio statements for March 2021.
April 15, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
April 16, 2021	Bruce Bando	0.20	Various correspondence with the appraiser and counsel; Correspondence from CRA.
April 16, 2021	Paul Kouadio	1.30	Return calls and emails to investors re: account statements from NBIN, tax slips, status of receivership and third interim distribution.
April 16, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
April 19, 2021	Bruce Bando	0.80	Correspondence from a potential purchaser of the Gavin Mines shares and internal discussion thereof; TD Bank matters and review situation.
April 19, 2021	Jonathan Krieger	0.30	Correspondence re: investor inquiries; Correspondence re: banking matters.

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Date	Full Name	Time	Detail
April 19, 2021	Paul Kouadio	2.00	Internal correspondence re: Dome Mountain and email to prospective purchaser re: Gavin Mines shares; Send various tax slips to investors incl. clients of Richardson Wealth; Update investors contact details.
April 20, 2021	Bruce Bando	0.20	Various correspondence re: Solid Holdings.
April 20, 2021	Jason Knight	0.20	Internal discussion re: deposit received from Bowra Group re: Factoring Fund.
April 20, 2021	Paul Kouadio	2.80	Return various calls and emails to investors re: tax slips, status of receivership and third interim distribution, transfer of investments; Update investor's contact details.
April 20, 2021	Rosa Wilford	0.60	Review mail; Prepare receipt requisition form with supporting documentation; Post deposit entries, print slip and stamp date for signing; Provide to team for banking; Review internal email instructions from team; Review account ledger; Notify team with supporting documentation for review and approval; Review instructions from team; Prepare disbursement requisition form and Bank letter for purchasing GIC Investment; Emails; General banking administration.
April 21, 2021	Bruce Bando	2.00	Various correspondence from Keystone Corp and review various files re: Palisades; Internal correspondence thereof; Banking matters.
April 21, 2021	Paul Kouadio	0.80	Internal emails re: Resource and Precious Metal Fund; Emails to Richardson GMP re: tax slips.
April 21, 2021	Rosa Wilford	0.20	Review account ledger; Notify team with supporting documentation for review on account balance for review on providing instructions re: GIC Investment.
April 21, 2021	Valerie Naccarato	0.40	Deposit at bank.
April 22, 2021	Bruce Bando	0.10	Various correspondence with Bowra on various bankruptcies.
April 22, 2021	Paul Kouadio	1.70	Return various investors calls re: tax slips, status update, third interim distribution and further distributions, NBIN related inquiries.
April 23, 2021	Paul Kouadio	2.90	Correspondence with NBIN re: payment from The Bowra Group; Internal correspondence re: same; Return investors emails and calls re: tax slips, status update and third interim distribution.

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Date	Full Name	Time	Detail
April 23, 2021	Rosa Wilford	0.60	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
April 23, 2021	Valerie Naccarato	0.60	File administration.
April 25, 2021	Jason Knight	0.90	Prepare reconciliation of Pond Loan receipts and draft correspondence to team re: proposed transfers; Review correspondence re: Nevada King shares and various attachments enclosed with same.
April 26, 2021	Bruce Bando	2.40	Review worksheet re: Pond allocation and funds reconciliation; Internal correspondence thereof; Review inspector packages for Restoration Energy and 1566496 Alberta, attend meeting and approve thereof; Update funds tracking sheets and internal correspondence; Various correspondence with NBIN.
April 26, 2021	Jason Knight	0.70	Draft email correspondence to NBIN re: wire transfer request and transfer of funds between account; Review correspondence from NBIN and draft letter to direction re: transfer.
April 26, 2021	Jonathan Krieger	0.90	Review of worksheets re: remaining assets, recoveries; Correspondence with team thereto re: action plan and meeting.
April 26, 2021	Paul Kouadio	1.30	Return investors calls re: tax slips, all distributions and status of receivership.
April 26, 2021	Rosa Wilford	0.80	On-line banking; Review and print screens for expecting incoming wire: Notify team; Prepare receipt and disbursement requisition forms for signing; Post deposit/invoice eft entries, print slip and stamp date for signing; Emails; General banking administration.
April 27, 2021	Bruce Bando	3.10	Review and process invoice from counsel; Review report on mortgages in legal from Spectrum; Discussion with counsel on US LP; Correspondence from Ritchie Brothers re: Solid Holdings, investigate and call back; Prepare for and attend conference call to discuss next steps; Banking matters and approvals thereof; Correspondence from the Bowra Group, review and sign inspector meetings minutes and return same.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
April 27, 2021	Jason Knight	1.80	Correspondence with NBIN re: transfers; Draft correspondence to banking team re: deposit instructions; Review monthly legal report from Spectrum; Prepare for and attend internal call to discuss remaining investments and file conclusion matters; Draft correspondence to banking team re: transfers to NBIN for Pond Loan payments.
April 27, 2021	Jonathan Krieger	1.10	Review of worksheet re: Fund status; Call with team re: workplan and action items; Correspondence thereto.
April 27, 2021	Paul Kouadio	1.70	Respond to various emails and calls from investors re: past distributions, status of receivership and Infrastructure Fund; Send tax slips to investors.
April 27, 2021	Rosa Wilford	1.50	On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms for signing; Post deposit/invoice eft entries, print slip and stamp date for signing; Review internal email instructions from team re Banking; Review payment requests; Notify authorized signing officer for approvals/signing; Provide supporting documentations; Prepare disbursement requisition forms; Prepare Bank letters; Setup accrual payments; General banking administration.
April 27, 2021	Valerie Naccarato	0.10	General administration.
April 28, 2021	Bruce Bando	2.00	Correspondence with counsel re: SK registration; Review Third Party agreement from Bowra and correspondence thereof; Correspondence with appraiser re: St. Mary's; Investments analysis, review and development of plan; Internal correspondence thereof.
April 28, 2021	Paul Kouadio	2.90	Respond to Investor's emails and calls re: NBIN statements and investor's accounts; Review tax slips and investor's inquiry re: missing T3 slips; Emails to SS&C re: same.
April 28, 2021	Rosa Wilford	0.40	Review internal email instructions from team re: Banking; Review payment requests; Review account ledger; Follow-up with team re same.
April 29, 2021	Bruce Bando	2.90	Continue with the investment's analysis, review and development of plan; Internal discussion thereof; Correspondence with Spectrum re: sale of portfolio; Correspondence with appraiser re: St. Mary's and review of appraisal; Correspondence from Gavin Mines followed by discussion with Trustee of Dome Mountain.

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Date	Full Name	Time	Detail
April 29, 2021	Jason Knight	0.40	Internal call to discuss equities; Internal correspondence re: NOAs for taxation years; Review correspondence with Spectrum re: same of portfolio.
April 29, 2021	Jonathan Krieger	0.50	Correspondence re: banking matters; Discussions with team thereto.
April 29, 2021	Paul Kouadio	3.70	Send T3 slips to investors re: Mortgage Fund; Various correspondence with SS&C re: missing tax slips; Update investor's contact details; Update professional fees schedule and allocate fees from A&B.
April 29, 2021	Rosa Wilford	1.50	Correspondences to and from Bank for authorization of wire transfers/confirmations; Faxes; Emails; Post disbursement and payment entries; Print and attach transaction reports; Provide team with wire confirmations.
April 30, 2021	Bruce Bando	1.60	Review files re: Gavin Mines shares and internal correspondence thereof; Discussion with Trustee of Dome Mountain.
April 30, 2021	Paul Kouadio	4.30	Prepare letter to CRA re: additional and cancelled tax slips re: Mortgage Fund; Internal correspondence re: same. Prepare review of all of the NOA's, T3, NR4, HST and Source Deductions.
April 30, 2021	Valerie Naccarato	0.90	Print tax slips, prepare registered mail envelope and drop off envelope at Canada Post; File administration.
May 3, 2021	Bruce Bando	2.40	Conference call with counsel re: OOM Energy and St. Mary's as to status; Various correspondence with the appraiser re: St. Mary's; Various correspondence from Spectrum re: two mortgages in default and sales thereof; Correspondence NBIN; Correspondence re: Northern Vertex and Restoration Energy; Review Third Party retainer agreements followed by correspondence with Trustee.
May 3, 2021	Jason Knight	0.70	Review correspondence from Spectrum re: sale of property; Internal correspondence re: sale of securities; Internal call re: Dome Mountain shares; Review cheque received from counsel re: Restoration Energy and calculate allocation of same between Factoring and Hedge Fund; Provide deposit instructions re: same.

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Date	Full Name	Time	Detail
May 3, 2021	Paul Kouadio	2.70	Email to prospective purchaser re: Gavin Mines shares; Email to TD Waterhouse re: reconciliation of investor's unit holding in Mortgage Fund; Return investors' calls re: tax slips and status update of receivership.
May 3, 2021	Rosa Wilford	1.00	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple April statements.
May 4, 2021	Bruce Bando	2.50	Correspondence wroth Spectrum re: sale of property; Correspondence from Ritchie's; Correspondence with counsel; Correspondence with NBIN re: securities and internal correspondence thereof; Investigate and attend to request from the Trustee re: retainers and make amendments thereto; Prepare for and attend conference call with the appraiser re: St. Mary's and discussion with counsel thereafter on other OOM Energy matters; Correspondence and assemble information for the Trustee of Dome Mountain; Discussion with Trustee thereof.
May 4, 2021	Jason Knight	0.30	Review correspondence re: equities and warrants; Review correspondence and payout statement from Spectrum re: mortgage payout; Correspondence with banking team re: transfer of funds to NBIN.
May 4, 2021	Jonathan Krieger	0.60	Review of correspondence re: Asset recovery; Correspondence with team re: banking matters.
May 4, 2021	Paul Kouadio	7.20	Perform allocation of professional fees from counsel and receiver since January 2021 among all funds; Review and update professional fees schedule and tracker.
May 4, 2021	Rosa Wilford	1.0	Review mail; Notify team; Email; Prepare receipt requisition forms with supporting documentations; Post deposits entries, print slips and stamp date for signing; Provide to team for banking. Review internal email instructions from team re: Banking; Review payment requests; Review account ledger; Notify authorized signing officer for approval; Prepare disbursement requisition form; Emails; General banking administration.
May 4, 2021	Valerie Naccarato	0.50	General administration; Deposit at bank.
May 5, 2021	Bruce Bando	1.60	Begin review and assembling of information of information sheet re: US LP and NFL Participation loans; Various correspondence and discussion with NBIN.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 1/2% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
May 5, 2021	Jason Knight	0.10	Correspondence with NBIN re: marketable securities.
May 5, 2021	Paul Kouadio	1.10	Compile and send tax slips to investors managed by GMP Securities re: mortgage and media funds; Internal email re: 2020 amended T3's sent to CRA; Return investors calls.
May 6, 2021	Bruce Bando	0.20	Correspondence with Ritchie's; Correspondence from Spectrum.
May 6, 2021	Jason Knight	0.20	Review April reporting provided by Spectrum and file same; Internal correspondence re: Spectrum reporting.
May 6, 2021	Rosa Wilford	0.50	Reconcile April GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
May 7, 2021	Bruce Bando	0.70	Summarize status of Dome Mountain and internal reporting thereof.
May 7, 2021	Jason Knight	0.30	Review email correspondence from team re: Dome Mountain and draft response to same; Review correspondence from banking team re: wire transfers.
May 7, 2021	Jonathan Krieger	0.70	Investor inquiries re: matters related to file administration; Correspondence with team re: review of settlement of CW debt.
May 7, 2021	Paul Kouadio	0.80	Internal correspondence re: payment of The Bowra Group re: Restoration Loan; Email to NBIN re: same; Return investors emails and calls re: US Real Estate LP, status update, bankruptcy orders and legal actions.
May 7, 2021	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
May 10, 2021	Bruce Bando	3.20	Various correspondence and discussion with counsel re: Dome Mountain and review of documentation; Various correspondence and discussion with the Trustee; Investor inquiry; Complete draft of information sheet and internal correspondence thereof.
May 10, 2021	Paul Kouadio	0.80	Calls and email to investors re: T3 slips, RDSP account, status of receivership; Update contact details.

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Date	Full Name	Time	Detail
May 10, 2021	Valerie Naccarato	0.40	General file administration.
May 11, 2021	Bruce Bando	1.70	Correspondence from appraiser re: St. Mary's, review and forward to counsel; Various correspondence and discussion with the Trustee re: Dome Mountain and forward same to counsel; Correspondence from a potential purchaser re: Gavin Mines shares; review Dropbox of information.
May 11, 2021	Jason Knight	0.30	Correspondence with team re: Dropbox login; Review draft teaser letter for US Real Estate LP and NFL Participation Agreements and provide comments on same.
May 12, 2021	Bruce Bando	1.20	Discussion re: party interested in Gavin Mines shares; Internal correspondence and amend information document re: US LP and NFL Participation Agreements; Various correspondence with Spectrum re: property for sale; Various correspondence with the BC Trustee re: funding for the bankruptcies and draft share purchase agreement and review thereof.
May 12, 2021	Jason Knight	0.30	Review correspondence and filed materials from Spectrum re: foreclosure matter; Various follow-up correspondence with Spectrum re: sale of property.
May 12, 2021	Paul Kouadio	2.40	Correspondence with potential purchaser re: Gavin Mines shares, Internal call re: same; Call to investors re: Call re: NBIN, status update of receivership, further distributions; Email to NBIN on incoming wire payment re: Spectrum; Review and approve monthly NBIN's custody fees.
May 13, 2021	Bruce Bando	0.20	Correspondence with NBIN; Internal correspondence re: litigation funding.
May 13, 2021	Jonathan Krieger	0.50	Review of materials re: litigation matters, recovery of outstanding assets;
May 14, 2021	Bruce Bando	0.10	Correspondence with an interested party in the Gavin Mines shares.
May 14, 2021	Dan Wootton	0.40	Internal correspondence and review of records for share certificates.
May 14, 2021	Paul Kouadio	1.00	Review past notices to investors; Respond to various emails and calls from investors re: distributions, status of receivership.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
May 17, 2021	Bruce Bando	2.30	Various correspondence from the Bowra re: bankruptcies; Prepare payments on Third Party Deposit Agreements and allocation among the relevant funds; Correspondence and discussion with counsel re: OOM Energy; Review and approve disbursements; Correspondence from Bowra re: Dome Mountain followed by correspondence to counsel.
May 17, 2021	Paul Kouadio	1.50	Return investors emails and calls re: distributions, issues with NBIN, status update, notices to investors.
May 17, 2021	Rosa Wilford	4.00	Review internal email instructions from team re: Banking; Review payment requests; Review account ledger; Prepare multiple disbursement requisition forms; Prepare various Bank letters; Setup multiple accrual payments; Email team with supporting documentation for review and signing; Review signed documents; Correspondences to and from Bank for authorization of wire transfers/confirmations; Faxes; Emails; Post disbursement and payment entries; Print and attach transaction reports; Provide team with wire confirmations.
May 18, 2021	Bruce Bando	0.10	Correspondence with counsel; Correspondence with Trustee of Dome Mountain.
May 18, 2021	Paul Kouadio	2.70	Attend to receivership matters incl. account review re: Third Party Deposit Agreements with The Bowra Group; Internal communication re: same; Return calls from investors; Prepare notice to investors.
May 18, 2021	Valerie Naccarato	0.20	File administration.
May 19, 2021	Bruce Bando	0.70	Various correspondence with counsel re: Dome Mountain and review of files thereof.
May 20, 2021	Bruce Bando	1.70	Update Confidentiality Agreement; Draft and release correspondence to a party re: participation funding for the US LP and NFL Participation Agreements; Prepare for and attend conference call with counsel re: sale of Gavin Mines shares; Correspondence with Trustee of Dome Mountain.
May 20, 2021	Paul Kouadio	5.20	Respond to various emails and calls from investors re: estate settlements, NBIN and status of receivership. Review NOA's from T3, NR4, HST and Source Deductions and create a tracking sheet by fund and CWMSL to ensure payables are captured.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
May 21, 2021	Bruce Bando	0.20	Various correspondence with Trustee of Dome Mountain; Correspondence with interested participation party; Voicemail from NBIN.
May 25, 2021	Bruce Bando	0.20	Correspondence re: data room; Various correspondence with potential party re: participation.
May 25, 2021	Paul Kouadio	1.50	Return investors calls re: receivership and status update; Update notice to investors.
May 26, 2021	Bruce Bando	2.30	Correspondence with NBIN; Various correspondence re: data room for the participation matter re: US LP and NFL; Various correspondence and discussion with counsel re: sale of Gavin Mines shares and review of agreement; Various correspondence and discussions with Trustee of Dome Mountain and suggest changes to the meeting of inspector.
May 26, 2021	Jason Knight	0.60	Setup data room for US Real Estate LP and NFL Participation Agreements; Draft correspondence to team re: data room and next steps re: same; Internal call to discuss organization of information for data room; Various follow-up correspondence with team.
May 26, 2021	Paul Kouadio	3.80	Review and organize US Real Estate LP and NFL Participation documents for data room.
May 27, 2021	Bruce Bando	0.70	Correspondence with the Trustee of Dome Mountain and execute minutes; Various correspondence re: sale of Gavin Mines shares; Discussion with counsel re: St. Mary's.
May 27, 2021	Paul Kouadio	2.00	Continue reviewing and organizing US Real Estate LP and NFL Participation documents for data room.
May 28, 2021	Bruce Bando	0.20	Correspondence with Spectrum re: renewal; Various correspondence re: Dome Mountain.
May 28, 2021	Jason Knight	0.40	Review correspondence from Spectrum re: Residential Mortgage renewal; Review correspondence from NBIN and schedule provided by same re: shareholdings.
May 28, 2021	Valerie Naccarato	0.20	File administration.
May 31, 2021	Bruce Bando	1.10	Review and process appraiser invoice re: OOM Energy; Investor inquiry and response thereof; Review NBIN listing re: accounts, compare to Netrep and respond.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
May 31, 2021	Jason Knight	0.10	Review engineering invoice re: OOM Energy Loan; Review correspondence from team re: equities held by NBIN.

Time Summary

J. Krieger, Sr. Vice President	8.30	hours @	\$640.00 per hour	\$	5,312.00
D. Wootton, Sr. Vice President	0.40	hours @	\$640.00 per hour	\$	256.00
B. Bando, Principal	42.80	hours @	\$550.00 per hour	\$	23,540.00
J. Knight, Vice President	13.90	hours @	\$495.00 per hour	\$	6,880.50
R. Wilford, Manager	17.00	hours @	\$280.00 per hour	\$	4,760.00
P. Kouadio, Senior Associate	87.40	hours @	\$225.00 per hour	\$	19,665.00
R. Erian, Analyst	1.80	hours @	\$150.00 per hour	\$	270.00
V. Naccarato, Analyst	5.60	hours @	\$150.00 per hour	\$	840.00
	<u>177.20</u>			\$	<u>61,523.50</u>
5% Technology and Administration				\$	<u>3,076.18</u>
				\$	<u>64,599.68</u>
HST				\$	<u>8,397.96</u>
Total Invoice				\$	<u>72,997.64</u>

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSO-7514**

To professional services as Receiver rendered for the period to June 30, 2021.

Date	Full Name	Time	Detail
June 1, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
June 1, 2021	Bruce Bando	0.30	Correspondence from interested participation party; Internal discussion thereof; Correspondence from Trustee of Restoration Energy.
June 1, 2021	Paul Kouadio	3.90	Finalize review of documents for sale of US Real Estate LP and NFL Participation agreements and prepare data room for sale. Review invoices from professional service firms.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
June 2, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Prepare disbursement requisition forms; Prepare Bank letter; Setup accrual payments; General banking administration.
June 2, 2021	Bruce Bando	0.10	Review of correspondence from counsel.
June 3, 2021	Jason Knight	1.70	Review and organize various information related to US Real Estate LP and NFL Participation Agreements data room; Draft correspondence to team re: updated data room.
June 3, 2021	Paul Kouadio	4.70	Finalize review of NOAs and tracking sheet; Internal correspondence re: US Real Estate LP and NFL Participation agreements; Update data room; Email to TD Waterhouse re: investor's holding.
June 3, 2021	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
June 3, 2021	Bruce Bando	1.00	Various internal correspondence re: data room and correspondence with the potential interested party; Review correspondence re: CRA NOA's and response thereof; File matters.
June 4, 2021	Valerie Naccarato	0.20	File administration re: banking.
June 7, 2021	Bruce Bando	0.90	Discussion on tax matters re: NOA's; Correspondence with an interested party on US Lp and NFL; Various correspondence from Spectrum re: monthly reporting and review thereof.
June 7, 2021	Jason Knight	0.30	Review legal update file and monthly mortgage reports from Spectrum and file same.
June 7, 2021	Paul Kouadio	1.00	Return investors calls and emails re: update of contact details, NBIN account related inquiries.
June 8, 2021	Paul Kouadio	0.80	Various correspondence re: sale of US Real Estate LP and NFL Participation agreements; Provide data room access to prospective buyers.
June 8, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Notify authorized signing officer for approval; Provide supporting documentation; Prepare disbursement requisition form; Post invoice entries; Issue cheque.
June 8, 2021	Rania Erian	1.50	Administration matters re: reporting.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
June 8, 2021	Rosa Wilford	2.00	On-line banking; Review estate bank accounts/print screens; Post EFT entries; and reconcile May statement; reconcile May GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliation and initial report; Provide to authorized officer for review and signing.
June 8, 2021	Bruce Bando	0.40	Various correspondence with an interested party re: US LP and NFL; File management matters.
June 9, 2021	Valerie Naccarato	0.10	File administration re: banking.
June 9, 2021	Bruce Bando	0.30	Prepare for and attend conference call with potential party re: US LP and NFL.
June 9, 2021	Paul Kouadio	2.80	Return investors calls and emails re: 3rd distribution, updates on receiver's realization actions and status of disbursements, T3 slips, contact update, issues with NBIN.
June 10, 2021	Paul Kouadio	2.20	Prepare letters to CRA re: missing NOAs; Organize folders re: NOAs.
June 10, 2021	Jonathan Krieger	0.50	Review of tax matters; Correspondence with team thereto; Correspondence re: matters related to investor communications.
June 11, 2021	Paul Kouadio	2.90	Review and approve monthly NBIN's custody fees; Call and email to investor re: status update of receivership and further distributions.
June 14, 2021	Bruce Bando	1.20	Various correspondence with Spectrum re: mortgage in default; Correspondence with an interested party re: US LP and NFL, review and provide next steps to the team; Various correspondence with counsel re: OOM Energy and review thereof.
June 14, 2021	Jason Knight	0.20	Review email correspondence from Spectrum re: foreclosure matter.
June 14, 2021	Paul Kouadio	1.50	Email to NBIN re: monthly custody fees; Review of Trust NOAs received from CRA and update assessment schedule.
June 15, 2021	Valerie Naccarato	0.20	Scan various Trust notice of assessments, save to server and file originals.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
June 15, 2021	Jason Knight	0.70	Review update from counsel re: St. Mary's Cement matter and purchase of unit; Review correspondence from Questtrade and draft response to same; Review correspondence from investment advisor re: Media Fund and draft response to same; Review correspondence from NBIN re: equities and warrants; Review correspondence from team re: US Real Estate LP and NFL Agreements, compile information re: same, and draft response to team.
June 15, 2021	Bruce Bando	0.50	Storage matters; Correspondence from NBIN re: certificates; Internal correspondence re: same as well as US LP and NFL.
June 15, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue Cheque; Email.
June 16, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team.
June 16, 2021	Bruce Bando	0.90	US LP and NFL correspondence; Correspondence with Xynergy; Correspondence and discussion with counsel re: same; NBIN matters; Discussion Trustee of Dome Mountain.
June 16, 2021	Jonathan Krieger	1.10	Review of matters re: remaining assets; Review of analysis thereto; Correspondence with team; Review of correspondence to counsel.
June 16, 2021	Jason Knight	0.30	Internal correspondence re: US Real Estate LP and NFL Agreements; Review correspondence to Xynergy re: NFL Agreements and status of same.
June 17, 2021	Bruce Bando	0.10	Review and process payment re: SS&C.
June 17, 2021	Jason Knight	0.20	Review and discuss tax preparation matters.
June 17, 2021	Paul Kouadio	4.20	Prepare R&D reconciliation; Return investors calls re: receivership, distributions and status update; Update notice to investors.
June 18, 2021	Valerie Naccarato	0.20	Scan disbursements to server and file originals.
June 18, 2021	Rosa Wilford	1.00	Review various internal email instructions from team re Banking; Review account ledger; Review payment requests; Notify signing officer for review, approvals; Prepare disbursement requisition forms; Post invoice entries; Issue cheques; Prepare Bank letter; Set-up accrual payment; Emails.
June 18, 2021	Bruce Bando	0.10	Review correspondence from counsel.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
June 18, 2021	Paul Kouadio	3.20	Prepare R&D reconciliation.
June 21, 2021	Paul Kouadio	1.70	Return investor emails and calls re: update on receivership and status of distributions.
June 21, 2021	Bruce Bando	1.60	Correspondence from Spectrum re: mortgage in default and review thereof; Review correspondence to NBIN re: SS&C invoice; Correspondence from counsel re: OOM Energy and review thereof; Appraisal matters re: OOM Energy and correspondence thereof; Discussion with the Trustee of Dome Mountain.
June 21, 2021	Jason Knight	0.60	Review payout information and correspondence from Spectrum re: foreclosed mortgage; Review invoice from SS&C and allocated same amongst the Funds based on tax slips produced; Draft email correspondence to NBIN re: wire transfer request.
June 21, 2021	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review account ledgers; Review payment requests; Notify signing officer for review, approvals; Prepare disbursement requisition forms; Prepare Bank letters; Set-up accrual payments; Emails.
June 22, 2021	Bruce Bando	2.00	Correspondence from Spectrum re: mortgage in default; Correspondence with the appraiser re: OOM Energy; Prepare and file amended proof of claims for Dome Mountain and correspondence with Trustee re: same.
June 23, 2021	Jonathan Krieger	0.50	Review of correspondence re: US LP; Correspondence with team thereto.
June 23, 2021	Bruce Bando	0.20	Various correspondence with Xynergy; Various correspondence with counsel.
June 23, 2021	Jason Knight	0.30	Review correspondence and attachments from Spectrum re: foreclosure matters on Residential Mortgage; Review correspondence from Xynergy.
June 23, 2021	Paul Kouadio	2.50	Update NOA tracking sheet; Call to CRA re: missing Trust accounts NOAs; Review and update professional fees schedule.
June 24, 2021	Bruce Bando	0.20	Discussion with counsel re: US LP.
June 25, 2021	Jason Knight	0.20	Review correspondence from NBIN and draft correspondence to banking team re: same.

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Date	Full Name	Time	Detail
June 25, 2021	Paul Kouadio	2.80	Internal email re: CRA voicemail on name change of Factoring Fund; Call to CRA re: same; Prepare letter to CRA re: same; Internal correspondence re: allocation of supplier invoices re: Mortgage fund; Respond to investor's email re: update on receivership and status of distributions.
June 25, 2021	Bruce Bando	0.30	Correspondence re: participation in USLP and NFL and consideration thereof; Review and process invoice re: St. Mary's.
June 28, 2021	Rosa Wilford	2.80	Review internal email instructions from team re Banking; Review payment requests; Notify signing officer for review and approval; Prepare disbursement requisition form; Post entries; Issue cheque; Email; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms for signing; Post deposit/invoice eft entries, print slip and stamp date for signing; Emails.
June 28, 2021	Bruce Bando	1.40	Review and amend letter to CRA; Discussion thereof to include review of excel tracking sheet re: NOA's; Various correspondence with the Trustee of Dome Mountain and amend proof of claims; Correspondence from Nevada King, review of form and files and forward to counsel.
June 28, 2021	Jason Knight	0.20	Review correspondence from banking team re: NBIN wire transfers.
June 28, 2021	Paul Kouadio	2.80	Call with B Bando re: Factoring fund and letter to CRA; Revise and fax same; Review contractor matters; Return bank email and investors emails and calls re: transfer of distributions, update on receivership and status of distributions.
June 29, 2021	Bruce Bando	1.30	Correspondence with Trustee of Dome Mountain; Correspondence with counsel re: Nevada King and review of files; Correspondence with Spectrum re: mortgage renewals; Investor inquiry; Review, amend and execute a third party agreement for the Dome Mountain bankruptcy; Inquiry from an investment advisor.
June 29, 2021	Jason Knight	0.30	Review correspondence from Spectrum re: mortgage renewals; Draft correspondence to creditor re: claim filed and discuss same internally.
June 30, 2021	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms for signing; Post deposit/invoice eft entries, print slip and stamp date for signing; Respond to emails.

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Date	Full Name	Time	Detail
June 30, 2021	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
June 30, 2021	Valerie Naccarato	0.10	Administration matters; Review mail; Notify team; Scan receipt and disbursements to server and file originals.
June 30, 2021	Bruce Bando	0.20	Various correspondence with Pond; Correspondence with Trustee of Dome Mountain.
June 30, 2021	Jason Knight	0.20	Review correspondence from Pond re: interest payment on loan; Review and file updated interest calculation schedule.

Time Summary

J. Krieger, Sr. Vice President	2.10	hours @	\$640.00 per hour	\$	1,344.00
B. Bando, Principal	13.00	hours @	\$550.00 per hour	\$	7,150.00
J. Knight, Vice President	5.20	hours @	\$495.00 per hour	\$	2,574.00
R. Wilford, Manager	8.70	hours @	\$280.00 per hour	\$	2,436.00
P. Kouadio, Senior Associate	37.00	hours @	\$225.00 per hour	\$	8,325.00
R. Erian, Analyst	1.50	hours @	\$150.00 per hour	\$	225.00
V. Naccarato, Analyst	1.00	hours @	\$150.00 per hour	\$	150.00
	<u>68.50</u>			\$	<u>22,204.00</u>
5% Technology and Administration				\$	<u>1,110.20</u>
				\$	<u>23,314.20</u>
HST				\$	<u>3,030.85</u>
Total Invoice				\$	<u>26,345.05</u>

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



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

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

BETWEEN:**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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-7614/7629**

To professional services as Receiver rendered for the period July 1, 2021 to August 31, 2021.

Date	Full Name	Time	Detail
July 5, 2021	Bruce Bando	1.20	Review St. Mary's draft APA and provide comments to counsel; Review Nevada King document and various correspondence with counsel thereof; Make filing thereof.
July 6, 2021	Paul Kouadio	1.40	Return investors emails re: unit holding for clients, third interim distribution, updates on receiver's realization actions and status of disbursements.
July 7, 2021	Paul Kouadio	0.50	Attend to investors calls re: update on receivership and status of distributions.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
July 7, 2021	Bruce Bando	1.20	Correspondence with Spectrum and review thereof; Various correspondence with counsel re: OOM Energy and review APA; Correspondence with energy consultant; Correspondence Nevada King.
July 7, 2021	Jason Knight	0.20	Review monthly reporting from Spectrum and file same.
July 8, 2021	Paul Kouadio	0.80	Return investor's emails re: update on receivership and status of distributions; Update investor's contact details.
July 9, 2021	Bruce Bando	0.30	Review final appraisal of St. Mary's; Correspondence with counsel.
July 9, 2021	Jason Knight	0.10	Review correspondence from investor.
July 9, 2021	Paul Kouadio	1.80	Call to CRA re: status of NOAs; Various calls and emails to investors re: missing tax slips, update on receivership and status of distributions.
July 12, 2021	Paul Kouadio	1.20	Return investors inquiries re: tax slips for Media Fund, status update, further distributions; Update contact details.
July 14, 2021	Paul Kouadio	2.50	Call to CRA re: missing NOAs; Prepare and send letter and authorization forms to CRA re: NOAs for all funds.
July 14, 2021	Valerie Naccarato	0.10	Administration matters; Review mail re: Crystal Wealth; Notify team.
July 14, 2021	Bruce Bando	0.80	Internal discussion re: US LP and NFL; Various correspondence with Xynergy; Correspondence on CRA matters; Follow up on SS&C invoice and correspondence thereof.
July 14, 2021	Jason Knight	0.40	Review correspondence re: outstanding invoice; Internal call to discuss US Real Estate LP and NFL Agreements; Review correspondence with Xynergy re: purchase of NFL Agreements.
July 15, 2021	Paul Kouadio	1.00	Return various investors inquiries re: status update, further distributions.
July 16, 2021	Paul Kouadio	1.40	Return email to investors and NBIN re: transfer out of accounts; Prepare monthly NBIN fees schedule and email to NBIN re: same.
July 16, 2021	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple June statements.
July 19, 2021	Rania Erian	0.90	Administration matters re: reporting.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
July 19, 2021	Paul Kouadio	0.50	Return investor's email re: update on receivership and status of distributions in Hedge Fund, claim of losses.
July 19, 2021	Bruce Bando	0.90	NFL contracts and US LP matter interested party; Various correspondence with Xynergy; Correspondence Gov AB re: Single Source and forward to counsel.
July 19, 2021	Jonathan Krieger	0.50	Review of correspondence with team; Comments re: litigation alternatives, considerations for remaining assets.
July 19, 2021	Jason Knight	0.20	Review correspondence re: NFL and US Real Estate LP matters; Correspondence with Xynergy re: NFL Agreements.
July 19, 2021	Rosa Wilford	0.80	Reconcile June GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
July 20, 2021	Jonathan Krieger	0.50	Correspondence re: litigation matters; Correspondence re: monetization efforts.
July 20, 2021	Bruce Bando	0.50	Continue with US LP and NFL matters to include correspondence with counsel.
July 20, 2021	Jonathan Krieger	0.30	Correspondence re: litigation matters; Correspondence re: monetization efforts.
July 21, 2021	Paul Kouadio	1.80	Return investor's emails re: update on receivership and status of distributions; Update investor's contact details; Call and emails to NBIN and RBC re: POA and transfer.
July 21, 2021	Jason Knight	0.20	Review correspondence to counsel re: US Real Estate LP and NFL Agreements; Review correspondence from counsel re: US Real Estate LP and NFL Agreements and proposed next steps.
July 22, 2021	Bruce Bando	0.70	Correspondence from NBIN; Internal discussion re: specific investor; Various correspondence with counsel re: US LP and NFL contracts and review thereof.
July 22, 2021	Jason Knight	0.10	Review correspondence re: US Real Estate LP and NFL Agreements.
July 23, 2021	Paul Kouadio	0.90	Attend to investors calls and emails re: update on receivership, status of distributions and update of contact details.
July 26, 2021	Bruce Bando	0.10	Correspondence from Spectrum.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
July 26, 2021	Jason Knight	0.10	Review and file Spectrum legal reporting.
July 27, 2021	Bruce Bando	0.20	Correspondence from Spectrum and review re: mortgage discharge; Internal correspondence thereof.
July 27, 2021	Paul Kouadio	2.70	Call and email to NBIN re: transfer of accounts and estate accounts; Correspondence to investors re: change of address and account related questions; Emails to Richardson Wealth re: investors tax slips for Mortgage Fund.
July 27, 2021	Jason Knight	0.30	Review correspondence from Richardson GMP re: requested account transfer and discuss same internally; Correspondence with Spectrum re: mortgage discharge.
July 27, 2021	Jonathan Krieger	0.30	Review of materials related to monetization of investments, Review of corr. with team.
July 28, 2021	Jason Knight	0.40	Review and execute mortgage discharge documents and coordinate delivery of originals; Review Spectrum renewal report.
July 28, 2021	Paul Kouadio	1.50	Various correspondence to NBIN, RBC, Richardson Wealth re: transfers of accounts; Correspondence to investors re: update on receiver's realization actions, bankruptcy orders and legal actions.
July 29, 2021	Paul Kouadio	0.80	Follow up with CRA re: tax slips.
July 30, 2021	Bruce Bando	0.40	Various correspondence with Pond and review thereof; Various correspondence with Spectrum and review thereof; Correspondence from Trustee of Restoration Energy and 156 Alberta.
July 30, 2021	Paul Kouadio	0.90	Internal correspondence re: Restoration Energy Ltd and 1566496 Alberta Ltd; Correspondence to investors re: update on receiver's realization actions, bankruptcy orders and legal actions.
July 30, 2021	Jason Knight	0.20	Review correspondence from Pond re: loan payment; Review correspondence from Spectrum re: renewal of mortgage.
August 3, 2021	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to email.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
August 3, 2021	Bruce Bando	1.20	Various correspondence with counsel re: OOM Energy and review of draft APA; Correspondence with consultant re: engagement letter to provide assistance when taking possession of OOM Energy asset; Correspondence from NBIN re: investor inquiry.
August 3, 2021	Jason Knight	0.20	Review correspondence from Spectrum re: mortgage renewals.
August 3, 2021	Paul Kouadio	1.80	Call and email from NBIN re: transfers of accounts to other financial institutions; Return calls from investors re: update on receivership and status of distributions.
August 4, 2021	Bruce Bando	0.50	Various correspondence and discussion with counsel re: Single Source.
August 5, 2021	Paul Kouadio	0.50	Emails to investors re: update on receivership and status of distributions.
August 5, 2021	Bruce Bando	1.90	Review analyses and correspondence re: US LP and NFL; Correspondence re: same; Correspondence from consultant re: St. Marys; Review engagement letter and discussion with counsel on next steps; Correspondence from Spectrum re: monthly reporting and review thereof.
August 5, 2021	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple July statements.
August 6, 2021	Rosa Wilford	1.00	Review and reconcile multiple July GIC term deposits and approve various estate balance reports for review and approval by Trustee.
August 6, 2021	Bruce Bando	0.20	Investor inquiry; Correspondence with counsel re: OOM Energy.
August 6, 2021	Paul Kouadio	2.80	Email to TD re: unit holding for clients; Return investors calls and emails re: update of contact details incl. address change and email, update on receivership and status of distributions; Follow up correspondence with NBIN re: various transfers.
August 9, 2021	Bruce Bando	0.70	Review updated pre-filing report re: OOM Energy, sign and correspondence with counsel thereof.
August 9, 2021	Jason Knight	0.40	Review monthly Spectrum reporting and file same; Internal correspondence re: request received from Richardson GMP; Review correspondence from counsel re: Single Source matter.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
August 9, 2021	Paul Kouadio	2.70	Call and email to Richardson Wealth and NBIN re: transfers of accounts to other financial institutions; Return investors calls re: status of receivership and distributions.
August 10, 2021	Paul Kouadio	1.20	Update of contact details, transfer of accounts and issues with same.
August 10, 2021	Bruce Bando	2.70	Various correspondence with counsel re: OOM Energy in preparation for IR Court matters this week; Various correspondence with the energy consultant; Review status of J. Maljaars, various correspondence with counsel and correspondence with Proposal Trustee of J. Maljaars; General file management.
August 10, 2021	Jason Knight	0.20	Review correspondence from investor and discuss same internally.
August 11, 2021	Bruce Bando	0.80	Various correspondence with SS&C and discussion thereof re: payment; Various correspondence with counsel re: Court tomorrow and preparation thereof; Correspondence from Trustee of J. Maljaars and forward to counsel.
August 11, 2021	Paul Kouadio	1.90	Call and email from NBIN re: transfers of accounts to other financial institutions; Return calls from investors re: update on receivership and status of distributions.
August 12, 2021	Bruce Bando	4.30	Prepare for and attend Court re: OOM Energy; Various correspondence and discussions with counsel; Conference call with counsel and counsel to St. Mary's; Draft and release email to Blackstone after executing the engagement letter; Discussion with counsel re: same; Correspondence from counsel, review files and forward to Spectrum re: second mortgage request; Various correspondence with Spectrum re: contacts; Various correspondence with St. Mary's and counsel; Case website matters and establish wording for same.
August 13, 2021	Rania Erian	0.20	Case website updates.
August 13, 2021	Bruce Bando	2.10	Various correspondence and discussion with counsel re: OOM Energy and case website; Tend to activate case website and upload of documents; Prepare for and attend conference call with counsel to St. Mary's; Correspondence with counsel to the company re: notice of the IR.
August 13, 2021	Paul Kouadio	0.70	Call and email from NBIN re: transfers of accounts to other financial institutions; Return calls from investors re: update on receivership and status of distributions.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
August 16, 2021	Valerie Naccarato	0.10	File administration re: banking.
August 16, 2021	Bruce Bando	0.80	Correspondence from the energy consultant; Various correspondence with counsel; Correspondence from counsel to OOM Energy
August 16, 2021	Valerie Naccarato	0.20	Review mail re: Crystal Wealth, Scan and notify team.
August 16, 2021	Paul Kouadio	0.40	Attend to receivership matters incl. investors inquiries.
August 17, 2021	Bruce Bando	1.40	Prepare for and attend conference call re: US LP and NFL contracts; Various correspondence re: 244 IR.
August 17, 2021	Jason Knight	0.80	Review various documents provided by team re: NFL and US Real Estate matters; Prepare for and attend call to discuss next steps re: NFL and US Real Estate matters.
August 18, 2021	Bruce Bando	0.40	Correspondence with the energy consultant; Discussion with counsel re: St Marys.
August 18, 2021	Paul Kouadio	1.90	Update NBIN custody fees schedule and email to NBIN re: same; Update contact information and mailing address for investors; Return emails and calls to investors re: update on receivership and status of distributions.
August 19, 2021	Bruce Bando	0.20	Various correspondence with counsel to St Marys and counsel re: OOM Energy.
August 19, 2021	Valerie Naccarato	0.20	Scan Crystal correspondence to server and file original.
August 20, 2021	Valerie Naccarato	0.20	Scan individually signed reconciliation of account with supporting documentation in estate folders on server re June 2021; and file in cabinet.
August 20, 2021	Bruce Bando	0.20	Various correspondence with counsel; Correspondence with counsel to OOM Energy.
August 23, 2021	Bruce Bando	0.40	Various correspondence with Trustee and retrieve information regarding Dome Mountain.
August 24, 2021	Bruce Bando	0.30	Discussion with the Trustee of Dome Mountain; Correspondence re: dividend cheque relating to J. Maljaars.
August 24, 2021	Jonathan Krieger	0.80	Correspondence re: settlement matters; Review of communications thereto; Review of Spectrum matters and communications thereto.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
August 24, 2021	Jonathan Krieger	0.80	Review of file recovery matters; Review of matters related to reporting.
August 26, 2021	Bruce Bando	0.10	Various correspondence with counsel re: OOM Energy.
August 26, 2021	Jason Knight	0.40	Phone call with investor re: update on Mortgage and Media Funds.
August 27, 2021	Paul Kouadio	2.20	Attend to receivership matters incl. investors inquiries re: transfers of accounts to other financial institutions; Return calls from investors re: update on receivership and status of distributions; Correspondence to NBIN re: investors issues.
August 30, 2021	Bruce Bando	3.30	Various correspondence and discussion with counsel and review drafts of the first report of the IR and execute final thereof; Review status of the US LP and NFL and various correspondence with the potential purchaser; Correspondence from counsel and review reply materials from OOM Energy and provide suggestions thereto; Various correspondence from Spectrum re: mortgage in default.
August 30, 2021	Jason Knight	0.20	Review correspondence from Spectrum re: foreclosure matter.
August 31, 2021	Valerie Naccarato	1.00	Email team of cheque received; Review email instructions; Prepare deposit requisition form; Post entry; General banking administration; Deposit at bank; Scan individually signed reconciliation of account with supporting documentation in estate folders on server re July 2021; and file in cabinet.
August 31, 2021	Bruce Bando	2.50	Banking instructions re: dividend from the estate of J. Maljaars; Correspondence from Pond re: monthly payment; Various correspondence with counsel re: OOM Energy and review of materials; Review pre-receivership and receivership working papers in order to calculate the outstanding amount owing form 2441472 Ontario; Case website matters; Correspondence from potential purchaser of US LP and NFL and forward to counsel.
August 31, 2021	Jonathan Krieger	1.00	Correspondence from investor; Correspondence with team re: follow up on matters; Review of motion materials.
August 31, 2021	Paul Kouadio	1.30	Correspondence to NBIN re: BMO and fax and branch-initiated wires transfers; Call and email to investors representatives re: process for deceased clients; NBIN contact issues, distributions and status of receivership; Internal correspondence re: Maljaars.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
August 31, 2021	Jason Knight	0.10	Review correspondence from Pond re: loan payment.

Time Summary

J. Krieger, Sr. Vice President	4.20 hours @	\$640.00 per hour	\$ 2,688.00
B. Bando, Principal	30.30 hours @	\$550.00 per hour	\$ 16,665.00
J. Knight, Vice President	4.50 hours @	\$495.00 per hour	\$ 2,227.50
R. Wilford, Manager	5.30 hours @	\$280.00 per hour	\$ 1,484.00
P. Kouadio, Senior Associate	37.10 hours @	\$225.00 per hour	\$ 8,347.50
R. Erian, Analyst	1.10 hours @	\$150.00 per hour	\$ 165.00
V. Naccarato, Analyst	1.60 hours @	\$150.00 per hour	\$ 240.00
	<u>84.10</u>		<u>\$ 31,817.00</u>
5% Technology and Administration			<u>\$ 1,590.85</u>
			<u>\$ 33,407.85</u>
Disbursements			
Renewal of Dropbox license			<u>\$ 155.88</u>
			<u>\$ 33,563.73</u>
HST			<u>\$ 4,363.28</u>
Total Invoice			<u>\$ 37,927.01</u>

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSO-771117738**

To professional services as Receiver rendered for the period September 1, 2021 to September 30, 2021.

Date	Full Name	Time	Detail
September 1, 2021	Jonathan Krieger	0.50	Matters related to creditor calls; Correspondence with team;
September 1, 2021	Bruce Bando	0.50	Prepare for and attend conference call with counsel re: US Lp and NFL.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
September 1, 2021	Paul Kouadio	0.70	Discuss settlement cheque received re: Maljaars with B Bando and J Knight; Instruct allocation of same to Factoring Fund; Email to TD Securities re: unit holding for client.
September 1, 2021	Jason Knight	0.20	Internal call to discuss allocation of receipt and transfer of funds to NBIN.
September 2, 2021	Jonathan Krieger	0.10	Investor correspondence; Communications thereto.
September 2, 2021	Valerie Naccarato	0.20	Review internal instructions; Prepare transfer letter to bank.
September 2, 2021	Bruce Bando	0.80	J. Maljaars matters re: banking; Case website matters for 244 Ontario; NBIN mattersre: Spectrum and correspondence re: same; Reiew and execute supplement to the first report re: 244 Ontario.
September 2, 2021	Paul Kouadio	0.50	Various correspondence to NBIN re: BMO and fax and branch-initiated wires transfers; Respond to B Bando.
September 2, 2021	Jonathan Krieger	1.20	Investor correspondence; Communications thereto.
September 3, 2021	Paul Kouadio	1.80	Return calls from investors re: update on receivership on and status of distributions; Status update on Dividend and Property Funds; Correspondence to NBIN re: investors issues; Update contact details; Email to BMO re: transfers of accounts to other financial institutions; Internal emails re: The Bowra Group.
September 7, 2021	Rosa Wilford	1.00	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Notify team for review; Prepare outgoing wire disbursement requisition form; Prepare Bank letter for signing; Setup accrual payment; Post invoice entries; Emails.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ¼% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
September 7, 2021	Rania Erian	0.20	Administration matters re: reporting.
September 7, 2021	Jonathan Krieger	0.50	Inquiries re: asset realization and investor communications.
September 7, 2021	Bruce Bando	6.40	Various correspondence with counsel re: today's Court hearing; Case webstie matters; Various correspondence with Blackstone; Prepare for and attend Court; Various correspondence and discussion with counsel thereafter; Correspondence with counsel to St Marys; Reivew of files and amend loan amortization schedule and discussion thereof.
September 7, 2021	Jason Knight	0.40	Review information from team re: OOM Energy loan; Attend call with team to discuss OOM Energy loan; Review loan amortization workbook.
September 8, 2021	Rosa Wilford	1.00	Correspondence to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation; Review mail/courier; Notify team with supporting documentation for review and direction; Scan; Email. Review internal email instructions from team re Banking; Prepare receipt requisition forms with supporting documentation; Post deposits entries, print slips and stamp date for signing; Provide to team for banking.
September 8, 2021	Paul Kouadio	0.40	Email to NBIN re: transfer of funds; Internal correspondence re: various payments and account categorization.
September 8, 2021	Valerie Naccarato	0.40	Deposit at bank.
September 8, 2021	Jason Knight	0.10	Review draft letter from counsel re: OOM Energy loan.
September 9, 2021	Jonathan Krieger	0.60	Correspondence re: investor matters, communications with team re: investments.
September 9, 2021	Bruce Bando	1.00	Various corespondence with counsel re: US LP and NFL; Various correspondence with counsel re: OOM Energy; Correspondence from Spectrum and review thereof; Various correspondence with Trustee of Dome Mountain.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
September 9, 2021	Jason Knight	0.20	Review monthly reporting from Spectrum and file same.
September 9, 2021	Paul Kouadio	0.90	Return emails from investors re: update on receivership and status of distributions.
September 10, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Notify team for review; Prepare outgoing wire disbursement requisition form; Prepare Bank letter for signing; Setup accrual payment; Emails.
September 10, 2021	Paul Kouadio	1.40	Compile and send tax slips for Mortgage and Media Funds to GMP Securities; Attend to receivership matters incl. investors inquiries.
September 10, 2021	Jonathan Krieger	0.90	Review of matters re: investor inquiries; Correspondence with team thereto.
September 10, 2021	Bruce Bando	2.20	Review correspondence from counsel to OOM Energy, review CW files followed by various correspondence and discussion with counsel, review and amend response.
September 10, 2021	Valerie Naccarato	0.20	Scan receipts and disbursements to server and file originals.
September 11, 2021	Bruce Bando	0.50	Review documents related to OOM Energy; Correspondence and discussion with counsel.
September 12, 2021	Bruce Bando	2.00	Various correspondence with counsel; Review further documents relating to OOM Energy.
September 13, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review account ledger; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
September 13, 2021	Paul Kouadio	0.70	Call and email re: remaining funds from 3rd distribution for Dividend and Property Funds, update on receivership and update contact information.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
September 13, 2021	Bruce Bando	2.70	Prepare for and attend conference call with counsel; Correspondence from counsel to OOM Energy; Prepare for and attend conference call with counsel to the company; Various correspondence and discussion with counsel and with counsel to St Mary's thereafter; Review and approve appraiser bill re: St. Marys.
September 14, 2021	Bruce Bando	1.90	Correspondence with interested party re: US LP and NFL; Correspondence from counsel to OOM Energy and review thereof; Consider response and discussion with counsel; Correspondence with Spectrum re: mortgage in default; Review draft response to counsel to OOM Energy and provide comments to counsel; Review St Mary's draft affidavit.
September 14, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: mortgage payout.
September 15, 2021	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
September 15, 2021	Bruce Bando	3.80	Various correspondence and discussion with counsel re: OOM Energy; Various correspondence from counsel to OOM Energy and review of responding materials; Various correspondence from counsel to St. Marys; Review, amend and sign Supplement to the First Report, review all Court materials followed by various correspondence and discussion with counsel.
September 15, 2021	Paul Kouadio	0.90	Update NBIN custody fees schedule and email to NBIN re: same; Return emails and calls to investors re: update on receivership and status of distributions.
September 16, 2021	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple August statements.
September 16, 2021	Valerie Naccarato	0.20	Scanned cheque requisition forms to server and filed originals.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 1/4% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
September 16, 2021	Bruce Bando	2.40	Case website matters for 244; Various correspondence and discussion with counsel; Prepare for and attend Court; Casw website matters; Prepare for and attend conference call with the Trustee of Dome Mountain, execute document and return same.
September 17, 2021	Bruce Bando	0.20	Various correspondence with counsel re: status of negotiations.
September 17, 2021	Rosa Wilford	0.80	Reconcile August GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
September 20, 2021	Bruce Bando	0.70	Correspondence with an investor; Reivew and execute St. Marys document; Various correspondence thereof.
September 21, 2021	Paul Kouadio	1.50	Calls and emails to NBIN and Spectrum re: online wire transfers for Mortgage fund; Internal correspondence re: trust account NOAs; Emails to investors re: outcome of BCSC financial sanctions on A Housego.
September 21, 2021	Bruce Bando	0.90	Various correspondence with Spectrum re: mortgage in default and review thereof; Correspondence with counsel re: US LP and NFL draft APA; Correspondence re: CRA notices of assessments; Correspondence from Trsutee of Restoration Engery and 156 Alberta.
September 21, 2021	Jason Knight	0.20	Review various correspondence with Spectrum re: foreclosure matter and first mortgagee request.
September 22, 2021	Paul Kouadio	0.60	Call to CRA re: trust accounts NOAs.
September 22, 2021	Bruce Bando	0.80	Various correspondence with counsel re: A. Housego and reveiw thereof; Various correspondence with counsel re: AB annual form and execution thereof; CRA matters.
September 22, 2021	Jonathan Krieger	1.00	Review of materials re: BCSC/Housego; Correspondence from counsel and team.
September 23, 2021	Jonathan Krieger	0.50	Correspondence re: matters related to US LP; Correspondence re: investor communications.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
September 23, 2021	Jason Knight	0.10	Review payout statement provided by Spectrum.
September 23, 2021	Paul Kouadio	0.50	Attend to receivership matters incl. various correspondence with NBIN and Spectrum re: online wire transfers for Mortgage fund; Resolve Spectrum issues.
September 24, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review account ledger; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
September 24, 2021	Bruce Bando	1.20	Various correspondence and discussion with counsel re: 244 Receivership; Review Court materials; Amend wording on case website, prepare documents to be oaded and arrange same.
September 27, 2021	Bruce Bando	1.20	Various correspondence with counsel and all counsel re: OOM Energy; Review, execute and send Schedule D notice; Correspondence counsel re: AB filing; Various correspondence with an investor.
September 27, 2021	Jason Knight	0.20	Review correspondence from investor re: Mortgage Fund and draft response to questions put forth by same.
September 28, 2021	Rosa Wilford	0.40	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Notify authorized signing officer for approval; Provide supporting documentation; Prepare disbursement requisition form; Post payment entries; Issue cheque; Respond to emails.
September 28, 2021	Bruce Bando	0.80	Various correspondence with Pond and review of status thereof; Correspondence with counsel to St. Marys; Correspondence with counsel to OOM Energy; Correspondence counsel re: CAT Financial.
September 28, 2021	Paul Kouadio	0.50	Return calls and emails from investors re: transfer of cash from NBIN.
September 29, 2021	Rosa Wilford	0.60	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
September 29, 2021	Paul Kouadio	0.80	Return calls and emails from investors re: update on receivership and status of distributions; Follow up with CRA re: trust NOAs.
September 29, 2021	Bruce Bando	0.60	Correspondence with Pond; Prepare for and attend conference call with various counsels re" St. Marys; Correspondence with counsel re: draft APA.
September 30, 2021	Bruce Bando	0.60	Review of information; Call CRA; Correspondence with counsel all in regards to Single Source.
September 30, 2021	Rosa Wilford	0.30	Review estate account for maturing GIC investments; Prepare list; Correspondence with Bank; Email.
September 30, 2021	Paul Kouadio	0.70	Return calls and emails from investors re: update on receivership and status of distributions.

Time Summary

J. Krieger, Sr. Vice President	5.30 hours @	\$640.00 per hour	\$ 3,392.00
B. Bando, Principal	31.20 hours @	\$550.00 per hour	\$ 17,160.00
J. Knight, Vice President	1.50 hours @	\$495.00 per hour	\$ 742.50
R. Wilford, Manager	7.00 hours @	\$280.00 per hour	\$ 1,960.00
P. Kouadio, Senior Associate	11.90 hours @	\$225.00 per hour	\$ 2,677.50
R. Erian, Analyst	0.20 hours @	\$150.00 per hour	\$ 30.00
V. Naccarato, Analyst	1.00 hours @	\$150.00 per hour	\$ 150.00
	<u>58.10</u>		<u>\$ 26,112.00</u>
5% Technology and Administration			\$ 1,305.60
			<u>\$ 27,417.60</u>
HST			\$ 3,564.29
Total Invoice			<u>\$ 30,981.89</u>

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid



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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-7862**

To professional services as Receiver rendered for the period October 1, 2021 to November 30, 2021.

Date	Full Name	Time	Detail
October 1, 2021	Jason Knight	0.30	Phone call with team re: CRA matters and authorizations.
October 1, 2021	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file originals.
October 1, 2021	Bruce Bando	0.10	Correspondence with an investor.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
October 1, 2021	Paul Kouadio	3.20	Calls to CRA, J Knight and B Bando re: the 14 trusts NOAs; Prepare letters to CRA re: authorization of Receiver.
October 4, 2021	Bruce Bando	2.50	Correspondence re: Pallisades; Various correspondence with counsel and review APA relating to the US LP and NFL; Draft 2445/246 report and attachments for 2441472 Ontario and various discussions thereof.
October 4, 2021	Paul Kouadio	0.20	Internal correspondence re: sale process of US real estate LP; Other receivership matters.
October 5, 2021	Jason Knight	0.30	Correspondence with team re: preparation of T3 slips for 2021; Review payout documents from Spectrum re: mortgage; Review various follow-up correspondence with Spectrum.
October 5, 2021	Valerie Naccarato	0.30	Scan individually signed reconciliation of accounts with supporting documentation in estate folders on server re August 2021; file in cabinet.
October 5, 2021	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple September statements.
October 5, 2021	Bruce Bando	2.00	Correspondence from OSB; Prepare for and attend conference call with counsel re: draft APA and review further draft as well as an asset investigation re: US LP; Various correspondence with Spectrum re: mortgages in default and review thereof; Correspondence with SS&C; Review and comment to counsel on the APA Ameding Agreement re: St Marys.
October 6, 2021	Bruce Bando	0.30	Correspondence with counsel and various correspondence with the potential purchaser re: US LP and NFL; Correspondence from Spectrum and review thereof.
October 6, 2021	Jason Knight	0.20	Review monthly mortgage reporting from Spectrum and file same.
October 7, 2021	Paul Kouadio	1.80	Attend to receivership matters including email to investor re: factoring including further distributions, investigations and class action; Review AGB case website; Internal correspondence re: same.
October 7, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Prepare Bank letter; Provide wire instructions; Email team.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
October 7, 2021	Bruce Bando	0.40	Various correspondence regarding an investor inquiry; Correspondence with AGB LLP; Various correspondence with counsel re: St Marys and provide wire details; Review and execute documents re: sale.
October 7, 2021	Rania Erian	1.00	Administration matters re: reporting.
October 8, 2021	Jonathan Krieger	0.80	Correspondence re: matters related to investor inquiries; Corr re: considerations on final asset recoveries;
October 8, 2021	Bruce Bando	1.20	Review amended closing documents re: St. Marys and various correspondence with counsel re: same; Review correspondence and attachments from counsel to 2441472 Ontario and forward to counsel; Correspondence from Spectrum re: renewals, review and approve; Review request from Pallisades and respond with information..
October 12, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review account ledger; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
October 12, 2021	Bruce Bando	1.20	Various correspondence from counsel to St Marys re: closing and retrieve final documents; Review and execute Receiver's Certificate and discussion with counsel; Prepare for and attend conference call with the potential purchaser of the US LP and NFL; Various correspondence from counsel re: US LP and review thereof.
October 12, 2021	Paul Kouadio	0.80	Return investors emails re: updates on receivership, class action and AGB, further distributions and investigations.
October 13, 2021	Rosa Wilford	0.70	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms for signing; Post deposit/invoice eft entries, print slip and stamp date for signing; Various emails/phone call.
October 13, 2021	Jonathan Krieger	0.90	Correspondence re: investor communications; Discussions with team; Review of materials;

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Date	Full Name	Time	Detail
October 13, 2021	Bruce Bando	0.10	Correspondence from AGB LLP; Correspondence with NBIN.
October 13, 2021	Paul Kouadio	0.50	Review wires from Spectrum to NBIN and provide instructions for deposit.
October 14, 2021	Rosa Wilford	1.50	Review and reconcile multiple September GIC term deposits and approve various estate balance reports for review and approval by Trustee.
October 14, 2021	Valerie Naccarato	0.30	Scan receipt and cheque requisition forms to server and file originals; Review mail, notify team.
October 14, 2021	Bruce Bando	2.80	Correspondence with counsel to St. Marys; Review various creditor claims and discussion on next steps re: certain claims; Review files and draft notices of revision and disallowance; Correspondence with Spectrum on mortgage discharge.
October 14, 2021	Jason Knight	0.40	Phone call with team to discuss creditor claim; Review correspondence from Spectrum re: defaulted mortgage.
October 14, 2021	Paul Kouadio	0.60	Prepare NBIN monthly custody fees schedule and email to NBIN; Review monthly investment portfolio statements from NBIN.
October 15, 2021	Bruce Bando	0.30	Review, amend and finalize notices of revision and disallowance of claims.
October 15, 2021	Jason Knight	0.30	Review notices of disallowance and provide comments on same; Review previous offering memorandum for Mortgage Fund.
October 18, 2021	Jason Knight	0.20	Correspondence re: matters related to claims.
October 18, 2021	Bruce Bando	0.10	Send notices of revisions and disallowances.
October 18, 2021	Paul Kouadio	1.10	Return investors emails re: missing third interim distribution, further distributions and status updates on receivership.
October 19, 2021	Bruce Bando	0.70	Correspondence with Forward Motion; Various correspondence with Spectrum and review of various documents re: mortgage in default.
October 19, 2021	Jason Knight	0.20	Review correspondence from Spectrum re: foreclosure matter and next steps re: same; Review correspondence from creditor re: disallowance.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
October 20, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review account ledger; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
October 20, 2021	Jason Knight	0.10	Review correspondence from creditor re: claims process.
October 20, 2021	Bruce Bando	0.20	Correspondence with Forward Motion.
October 21, 2021	Bruce Bando	0.10	Correspondence with counsel re: Sigle Source.
October 21, 2021	Paul Kouadio	2.70	Review investors statements re: missing thrid distributions and calls with investors re: same; Emails to NBIN re: investors statements; Correspondence with investors re: update on receivership and status of distributions.
October 22, 2021	Jason Knight	0.50	Internal discussion re: mortgage discharges; Review, update, and execute mortgage discharge document and have same witnessed; Draft correspondence to Spectrum re: discharge.
October 22, 2021	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
October 22, 2021	Bruce Bando	1.10	Correspondence with Foreward Motion; Prepare for and place call to CRA re: Single Source; Provide update to counsel; Internal disussion regarding request from Spectrum to discharge two mortgages and process of same.
October 25, 2021	Paul Kouadio	1.60	Various emails with investors and NBIN re: update on receivership, breakout from past distributions, tax slips and net losses from investments, account specific questions and NBIN portfolio statements.
October 25, 2021	Rosa Wilford	0.20	Review internal instructions from team re Banking; Review account/ledger; Review payments; Respond to team.
October 25, 2021	Bruce Bando	0.40	Various correspondence with Spectrum re: mortgage discharge and discuission thereof; Correspondence from counsel re: mortgage inquiry and security registration..
October 25, 2021	Jason Knight	0.70	Review correspondence from Spectrum re: mortgage discharges; Prepare letter to accompany discharge; Review and complete discharge documents for Saskatchewan property.

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Date	Full Name	Time	Detail
October 26, 2021	Bruce Bando	1.10	Voicemail from CRA; Various discussionw with new CRA officer re: Single Source; Various updates to counsel re: same; Reivew bill of costs of counsel and direct payment of same.
October 26, 2021	Rosa Wilford	0.20	Review internal email instructions from team re Banking; Review account ledger; Prepare disbursement requisition form; Setup accrual payment; Respond to email.
October 27, 2021	Rosa Wilford	0.40	Review mail received; Scan, save on server and notify team; Email.
October 27, 2021	Jason Knight	0.10	Review correspondence from creditor; Correspondence re: Pond Loan payment.
October 27, 2021	Bruce Bando	0.20	Various correspondence with Forward Motion; Various correspondence with Pond.
October 27, 2021	Paul Kouadio	0.80	Return emails from investors and NBIN re: update on receivership, status of distributions, NBIN portfolio statements and missing distributions.
October 27, 2021	Jonathan Krieger	0.50	Correspondence re: investor communications; Communications with team thereto;
October 28, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: mortgage renewal.
October 28, 2021	Bruce Bando	0.10	Correspondence with Spectrum re: renewal.
October 29, 2021	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
October 29, 2021	Bruce Bando	0.10	Various correspondence from Pond.
October 29, 2021	Paul Kouadio	1.40	Return emails from investors re: update on receivership, status of distributions and notices to investors; Internal correspondence re: notices to investors.
November 1, 2021	Rania Erian	0.20	Website maintenance.
November 2, 2021	Bruce Bando	0.50	Various correspondence with Spectrum re: mortgage discharges and sale of property; Correspondence with Spectrum and internal discussion re: NBIN deposit issues.

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Date	Full Name	Time	Detail
November 2, 2021	Paul Kouadio	2.20	Various correspondence with NBIN re: returned wires from Spectrum; Review Mortgage account; Internal correspondence re: same; Returned investors email re: update on receivership and status of distributions for Factoring and Media Funds; Unit holding for clients and address change.
November 2, 2021	Jason Knight	0.20	Various correspondence with Spectrum re: discharge and other mortgage matters.
November 4, 2021	Paul Kouadio	1.80	Return investors correspondence re: address change and NBIN, update on receivership and status of distributions; Review tax slips for all distributions for specific investors, extract and send same at their request.
November 4, 2021	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple October statements.
November 4, 2021	Bruce Bando	0.10	Correspondence with counsel re: Single Source.
November 4, 2021	Valerie Naccarato	0.20	Scan cheque deposit form to server and file original.
November 5, 2021	Bruce Bando	0.20	Various correspondence and discussion re: deposits from Spectrum to NBIN.
November 5, 2021	Paul Kouadio	1.70	Various emails and calls with NBIN and Spectrum re: returned wires and solution to processing same; Review wires from Spectrum to NBIN; Internal correspondence re: same.
November 8, 2021	Paul Kouadio	0.80	Correspondence with Spectrum and NBIN re: wires to NBIN re: Mortgage Fund; Return investors calls and make address change.
November 8, 2021	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgages in default.
November 8, 2021	Jason Knight	0.10	Review monthly Spectrum reporting and file same.
November 9, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: foreclosure.

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Date	Full Name	Time	Detail
November 9, 2021	Paul Kouadio	1.00	Return investors calls and emails re: address change, account transfer; Correspondence with NBIN.
November 10, 2021	Valerie Naccarato	0.10	Review mail, notify team.
November 10, 2021	Bruce Bando	0.60	Various correspondence with Spectrum re: mortgage in default and review of files thereof.
November 10, 2021	Jason Knight	0.20	Various correspondence with Spectrum re: foreclosure and other mortgage matters.
November 12, 2021	Rosa Wilford	1.00	Reconcile October GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
November 12, 2021	Jason Knight	0.50	Coordinate execution of discharge document and have same notarized; Draft cover letter for KMP Law enclosing discharge.
November 15, 2021	Bruce Bando	0.40	Various correspondence with Spectrum and counsel and review offer on a property.
November 15, 2021	Jason Knight	0.30	Review various correspondence between Spectrum and counsel re: foreclosure proceedings and offer re: same.
November 16, 2021	Bruce Bando	0.70	Various correspondence with Spectrum re: offer regarding the mortgage in default and review of related documentation thereof.
November 16, 2021	Paul Kouadio	0.30	Update NBIN monthly custody fees schedule and correspondence to NBIN re: same.
November 16, 2021	Jason Knight	0.20	Review various correspondence between Spectrum and counsel re: distressed mortgages.
November 17, 2021	Bruce Bando	0.10	Correspondence from Spectrum.
November 18, 2021	Paul Kouadio	0.70	Return investors emails re: NBIN portfolio statements, update on receivership and status of distributions.
November 22, 2021	Bruce Bando	0.10	Various correspondence with Spectrum re: mortgage in default.
November 22, 2021	Jason Knight	0.20	Review correspondence from Spectrum re: mortgage discharge.

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Date	Full Name	Time	Detail
November 22, 2021	Paul Kouadio	2.00	Return investors calls and emails re: address change, NBIN portfolio statements, update on receivership and status of distributions; status update of distributions for hedge and factoring funds.
November 25, 2021	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage renewals and review thereof.
November 25, 2021	Jason Knight	0.10	Review renewal documents provided by Spectrum re: file same.
November 26, 2021	Bruce Bando	0.20	Correspondence from counsel; Correspondence with Spectrum.
November 29, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Follow-up correspondences to and from Bank re expecting funds; Notify Team.
November 29, 2021	Jason Knight	0.10	Review correspondence from Pond Technologies re: interest payment; Review renewal recommendations from Spectrum.
November 29, 2021	Bruce Bando	0.40	Correspondence with Spectrum re: mortgage payout; Correspondence with Spectrum re: renewals; Review and approve legal account.
November 30, 2021	Rosa Wilford	0.70	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to email. Review payment requests; Prepare disbursement requisition form; Prepare Bank letter; Setup accrual payments.
November 30, 2021	Paul Kouadio	0.40	Return investors emails and calls re: update on receivership and status of distributions.

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Time Summary

J. Krieger, Sr. Vice President	2.20	hours @	\$640.00	per hour	\$	1,408.00
B. Bando, Principal	18.70	hours @	\$550.00	per hour	\$	10,285.00
J. Knight, Vice President	5.40	hours @	\$495.00	per hour	\$	2,673.00
R. Wilford, Manager	9.40	hours @	\$280.00	per hour	\$	2,632.00
P. Kouadio, Senior Associate	25.60	hours @	\$225.00	per hour	\$	5,760.00
R. Erian, Analyst	1.20	hours @	\$150.00	per hour	\$	180.00
V. Naccarato, Analyst	1.30	hours @	\$150.00	per hour	\$	195.00
	<u>63.80</u>				\$	<u>23,133.00</u>
5% Technology and Administration					\$	<u>1,156.65</u>
					\$	<u>24,289.65</u>
HST					\$	<u>3,157.66</u>
Total Invoice					\$	<u>27,447.31</u>

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

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

BETWEEN:**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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-7955**

To professional services as Receiver rendered for the period December 1, 2021 to January 31, 2022.

Date	Full Name	Hours	Detail
December 1, 2021	Jason Knight	0.50	Complete discharge of mortgage forms and coordinate to have same commissioned; Draft letter to counsel enclosing mortgage discharge.
December 1, 2021	Paul Kouadio	1.20	Return investors' calls and emails re: transfer of funds and accounts from NBIN, update on receivership and status of distributions, update of contact details; Email to TD re: unit holding for TD client.
December 2, 2021	Jason Knight	0.20	Review correspondence from investor and draft response to same.

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Date	Full Name	Hours	Detail
December 3, 2021	Valerie Naccarato	0.20	Scan deposit information form, save to server and file original.
December 6, 2021	Bruce Bando	0.30	File management; Correspondence from Spectrum re: property for sale.
December 6, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: foreclosure matter and court date.
December 6, 2021	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple November statements.
December 7, 2021	Bruce Bando	0.40	Various correspondence a firm representing certain investors; Correspondence from Spectrum re: monthly report and review thereof.
December 7, 2021	Jason Knight	0.20	Review monthly statement from Spectrum and file same; Review correspondence from investor.
December 7, 2021	Paul Kouadio	0.90	Return investors' calls and emails re: update on receivership and status of distributions, update of contact details; transfer of funds and accounts from NBIN.
December 8, 2021	Jonathan Krieger	0.20	Correspondence re; investor communication;
December 9, 2021	Rania Erian	1.10	Administration matters re; Reporting.
December 10, 2021	Jason Knight	0.20	Prepare discharge for Saskatchewan property and draft correspondence to counsel re: same.
December 13, 2021	Bruce Bando	0.20	Various correspondence with interested party re: US LP and NFL.
December 14, 2021	Jonathan Krieger	0.50	Review of matters re: remaining assets, action items; Correspondence with team;
December 14, 2021	Paul Kouadio	0.40	Call and email to NBIN re: accounts related inquiries and change of contact details; Email to investor re: change of contact details.
December 14, 2021	Rosa Wilford	1.00	Reconcile November GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
December 15, 2021	Paul Kouadio	0.30	Update NBIN monthly custody fees schedule and correspondence to NBIN re: same.
December 15, 2021	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review account ledger; Review payment requests; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
December 15, 2021	Valerie Naccarato	0.10	Review CW mail, notify team.
December 16, 2021	Bruce Bando	0.20	Various correspondence with NBC and internal thereof re: investment notice.
December 16, 2021	Paul Kouadio	1.70	Review fund fact sheet from Ninepoint Silver Equities Fund; Call and emails to NBIN re: same; Internal correspondence re: same.

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Date	Full Name	Hours	Detail
December 17, 2021	Paul Kouadio	1.20	Calls and emails to Ninepoint Silver Equities Fund and NBIN re: fund fact sheet and CW funds; Internal correspondence re: same; General file administration.
December 17, 2021	Valerie Naccarato	0.20	Scan cheque requisition form to server, file original.
December 23, 2021	Jason Knight	0.10	Review correspondence from Spectrum re: mortgage renewal.
December 23, 2021	Paul Kouadio	1.70	Return investors' calls and emails re: update on receivership including Mortgage Fund in particular and status of distributions; Update contact details.
December 31, 2021	Rosa Wilford	0.30	Review internal instructions from team re Banking; Review account ledger; On-line banking; Review print screens for expecting wire; Respond to email.
January 4, 2022	Bruce Bando	0.40	Various correspondence with Forward Motion; Mortgage renewal matters; Pond matters.
January 5, 2022	Jason Knight	0.20	Review correspondence from creditor re: claim; Review correspondence from Pond re: loan payment.
January 5, 2022	Paul Kouadio	0.80	Return investors' calls re: update on receivership and status of distributions, Discuss Mortgage Fund and sale to St. Marys Cement with investor; Email re: unit holding for client.
January 6, 2022	Bruce Bando	0.50	Correspondence re: NBIN; Correspondence from an investor and discussion thereof; Various correspondence re: US LP and NFL.
January 6, 2022	Paul Kouadio	2.80	Internal discussion re: investors' inquiry re: sale of equipment to St. Marys Cement, update on receivership and status of distributions, Respond to investor's emails re: same; Review motion record re: sale to St. Marys Cement; Correspondence with NBIN re: account transfers.
January 7, 2022	Jason Knight	0.10	Review payout statement provided by Spectrum for mortgage.
January 7, 2022	Paul Kouadio	0.50	Return investors' emails re: update on receivership and status of distributions.
January 10, 2022	Bruce Bando	0.70	Correspondence from Spectrum and review thereof; Correspondence from potential purchaser re: US LP and NFL, review changes to draft APA and forward to counsel.
January 10, 2022	Jason Knight	0.10	Review monthly reporting from Spectrum and file same.
January 10, 2022	Paul Kouadio	0.90	Emails to investors re: update on receivership and status of distributions re: Factoring Fund; Update contact details.

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Date	Full Name	Hours	Detail
January 11, 2022	Bruce Bando	0.80	Prepare for and attend conference call with counsel re: US Lp and NFL; Review search material thereafter.
January 12, 2022	Bruce Bando	0.30	Various correspondence with counsel and review thereof.
January 12, 2022	Paul Kouadio	1.90	Call to investors re: update on receivership and status of distributions re: Mortgage, Factoring and Media Funds; Email re: deceased investors and update re: ACM Income and Growth Funds.
January 12, 2022	Valerie Naccarato	0.20	Scan cheque and deposit requisition forms, save to server and file originals.
January 13, 2022	Paul Kouadio	1.60	Email to investors re: update on receivership and status of distributions re: ACM Income and Growth Funds; Update of contact details.
January 14, 2022	Bruce Bando	0.20	Correspondence from an investor and next steps.
January 14, 2022	Jonathan Krieger	0.50	Investor communications; Correspondence with team thereto; Discussion with team re: resolution of remaining balances;
January 14, 2022	Paul Kouadio	1.40	Call and email with investors re: update on receivership and status of distributions, account related inquiries re: deceased investors; Discuss Property and Dividend Funds with investor.
January 14, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple December statements.
January 17, 2022	Bruce Bando	0.20	Various correspondence from Spetrum and review thereof re: sale of property.
January 17, 2022	Jason Knight	0.10	Review various correspondence from Spectrum re: residential mortgage.
January 18, 2022	Bruce Bando	0.30	Various correspondence with Spectrum and review attachments.
January 18, 2022	Jason Knight	0.20	Review correspondence from Spectrum and team re: potential foreclosure and provide comments on same.
January 19, 2022	Bruce Bando	0.80	Review blackline comments from counsel re: US LP and NFL potential sale and correspondence re: same; Various correspondence from Spectrum re: mortgage in default; Review and internal discussion re: accounts of counsel.
January 19, 2022	Jason Knight	0.10	Review correspondence from Spectrum re: fees on foreclosure matter.

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Date	Full Name	Hours	Detail
January 19, 2022	Rosa Wilford	1.50	Reconcile December GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
January 20, 2022	Bruce Bando	0.20	Various correspondence with counsel re: US LP and NFL; Correspondence with the potential purchaser of the US LP and NFL.
January 20, 2022	Paul Kouadio	0.70	Calls with investors re: update on receivership and status of distributions; Discuss Property and OOM Energy with investor.
January 21, 2022	Paul Kouadio	1.70	Return investors' emails re: update on receivership, status and breakdown of distributions, update of contact details; Review and approve monthly NBIN's NBIN's custody fees.
January 24, 2022	Bruce Bando	0.70	Correspondence from the interested party re: US LP and NFL; Draft response and forward to counsel; Various correspondence with Spectrum on renewals.
January 24, 2022	Jason Knight	0.30	Review mortgage renewals and correspondence from Spectrum re: same.
January 24, 2022	Paul Kouadio	0.30	Return investors' email re: update on receivership and status of distributions.
January 25, 2022	Jason Knight	0.20	Draft response to investor correspondence.
January 26, 2022	Bruce Bando	0.60	Correspondence with counsel; Various correspondence from Spectrum, review file and recommend course of action; Correspondence with potential purchaser re: US LP and NFL.
January 26, 2022	Jason Knight	0.40	Review correspondence with internal analysis re: recovery on delinquent mortgage; Lengthy phone call with investor re: tax slips.
January 26, 2022	Paul Kouadio	0.40	Return investor's call re: account related inquiry and Factoring Fund.
January 27, 2022	Bruce Bando	0.70	Correspondence from an advisor to an investor, review account and specific CW fund and respond thereof.
January 27, 2022	Jason Knight	0.10	Correspondence with third-party investment advisor re: Media Fund.
January 27, 2022	Jonathan Krieger	0.30	Investor correspondence; Corr with team re: response; Review of file management matters;
January 28, 2022	Bruce Bando	0.20	Correspondence with potential purchaser of US LP and NFL.
January 28, 2022	Jason Knight	0.10	Correspondence with investor re: call.
January 28, 2022	Valerie Naccarato	0.20	Scan disbursement form to server and file original.

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Date	Full Name	Hours	Detail
January 31, 2022	Bruce Bando	1.00	Correspondence from Pond and review loan status; Internal discussion regarding an investor inquiry; Various correspondence from MLT and forward same to counsel.
January 31, 2022	Jason Knight	0.50	Phone call with investment advisor re: various questions on Media Fund, Factoring Fund, and Medical Fund; Internal discussion re: creditor claims process; Review correspondence from Pond Technologies re: loan payment.

Time Summary

J. Krieger, Sr. Vice President	0.80 hours @ \$695.00 per hour	\$ 556.00
	0.70 hours @ \$640.00 per hour	\$ 448.00
B. Bando, Principal	7.60 hours @ \$595.00 per hour	\$ 4,522.00
	1.10 hours @ \$550.00 per hour	\$ 605.00
J. Knight, Sr. Vice President	2.40 hours @ \$550.00 per hour	\$ 1,320.00
	1.30 hours @ \$495.00 per hour	\$ 643.50
R. Wilford, Manager	3.00 hours @ \$295.00 per hour	\$ 885.00
	3.10 hours @ \$280.00 per hour	\$ 868.00
P. Kouadio, Manager	13.00 hours @ \$250.00 per hour	\$ 3,250.00
P. Kouadio, Senior Associate	7.40 hours @ \$225.00 per hour	\$ 1,665.00
R. Erian, Analyst	1.10 hours @ \$150.00 per hour	\$ 165.00
V. Naccarato, Analyst	0.50 hours @ \$165.00 per hour	\$ 82.50
	0.40 hours @ \$150.00 per hour	\$ 60.00
	42.40	\$ 15,070.00
5% Technology and Administration		\$ 753.50
		\$ 15,823.50
HST		\$ 2,057.06
Total Invoice		\$ 17,880.56

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-8149**

To professional services as Receiver rendered for the period February 1, 2022 to March 31, 2022.

Date	Full Name	Time	Detail
February 2, 2022	Bruce Bando	0.40	Correspondence from the potential purchaser of the US LP and NFL; Internal discussion thereof; Draft response.
February 2, 2022	Jason Knight	0.20	Review correspondence from Spectrum re: residential mortgage matter and payment issues.
February 3, 2022	Bruce Bando	0.30	Various correspondence with counsel re: US LP and NFL; Amend correspondence and release to the potential purchaser of the US LP and NFL.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
February 3, 2022	Paul Kouadio	2.60	Attend to call with investors re: update on receivership and status of distributions; Various correspondence with investors re: same; Review 5th report and respond to inquiry re: settlement with BDO and previous principals; Email to TD re: unit holding for client.
February 3, 2022	Valerie Naccarato	0.10	Review mail, notify team.
February 4, 2022	Paul Kouadio	1.10	Calls and emails to investors re: Update of contact details, Communications re: matters related to Income and Growth Funds; Update on receivership and status of distributions re: Income and Growth Funds; Transfer of balance and NBIN.
February 7, 2022	Ada Shahini	0.10	Call with team re: change on investor voicemail recording; Emailed team to clarify.
February 7, 2022	Bruce Bando	0.50	Attend to investors inquiry and discusson thereof; Various correspondence with Spectrum.
February 7, 2022	Jason Knight	0.10	Review monthly reporting from Spectrum and file same.
February 7, 2022	Paul Kouadio	1.40	Internal calls and emails re: investors' inquiries re: transfer of spousal accounts, administrative matters and investors phone line.
February 8, 2022	Ada Shahini	0.30	Matters related to toll-free number; Communicated with team on the update required.
February 8, 2022	Bruce Bando	0.70	Various correspondence with Spectrum re: mortgages in legal; Various correspondence with potential purchaser of the US LP and NFL, review status followed by correspondence with counsel.
February 8, 2022	Jason Knight	0.20	Review summary of residential mortgages in legal proceedings.
February 8, 2022	Paul Kouadio	0.30	Email to investor re: transfer of balance and NBIN.
February 8, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple January statements.
February 9, 2022	Ada Shahini	0.50	Followed up with IT on instructions re: toll-free voicemail; Updated voicemail and updated team and uploaded credentials on server.
February 9, 2022	Bruce Bando	0.50	Internal discussion re: US LP and NFL; Correspondence with the potential purchaser re: same.

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Date	Full Name	Time	Detail
February 10, 2022	Rosa Wilford	1.80	Reconcile January GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
February 12, 2022	Paul Kouadio	1.70	Prepare monthly NBIN fees schedule and send email to NBIN; Return investors emails and calls re: withdrawal of cash and NBIN statements; Email to NBIN re: same; Extract and send T3 and RL slips to investors.
February 14, 2022	Bruce Bando	0.10	Discussion with counsel re: US LP and NFL.
February 15, 2022	Bruce Bando	0.40	Various correspondence with Spectrum and review files re: mortgage in default.
February 15, 2022	Jason Knight	0.20	Review update on property taxes for mortgage.
February 15, 2022	Paul Kouadio	0.30	Email to NBIN re: investor account and past distributions.
February 16, 2022	Bruce Bando	0.20	Correspondence from the potential purchaser of the US LP and NFL; Correspondence with counsel.
February 16, 2022	Jonathan Krieger	0.50	Correspondence re: loan status; Corr re: reporting.
February 16, 2022	Paul Kouadio	1.10	Calls and emails to investors re: update of contact details and NBIN; Update on receivership and notice to investors and Property Fund.
February 17, 2022	Bruce Bando	0.60	Correspondence from Spectrum re: sale of property; Correspondence with the potential purchaser of the US LP and NFL; Various correspondence with counsel re: same.
February 17, 2022	Jason Knight	0.10	Review correspondence and payout statement from Spectrum re: sold property.
February 17, 2022	Jonathan Krieger	0.40	Correspondence from counsel; Review of correspondence thereto.
February 17, 2022	Paul Kouadio	0.30	Correspond with NBIN re: payment from Spectrum; Internal correspondence re: same.
February 18, 2022	Paul Kouadio	1.30	Return investors inquiries re: past and future distributions, transfer of balance and NBIN, and beneficiary statements; Update investors contact details.
February 22, 2022	Jason Knight	0.10	Review correspondence from Spectrum re: mortgage discharge.
February 23, 2022	Bruce Bando	0.40	Various correspondence with Spectrum and execute mortgage discharge; Correspondence with the potential purchaser of the US LP and NFL.

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Date	Full Name	Time	Detail
February 23, 2022	Jason Knight	0.20	Review correspondence re mortgage discharges; Review correspondence from Spectrum on wire payment from mortgage payout.
February 24, 2022	Bruce Bando	0.20	Correspondence from the potential purchaser of the US LP and NFL; Correspondence from Spectrum.
February 24, 2022	Paul Kouadio	1.20	Return investors calls re: future distributions and update on receivership re: Mortgage Fund, Factoring Fund, Resource Fund, etc., accounts statements and NBIN.
February 28, 2022	Bruce Bando	3.70	T3 preparation and accounting matters; begin analysis of same; Internal discussion thereof; Various correspondence from Spectrum re: renewal.
February 28, 2022	Jason Knight	0.30	Internal discussions re: T3 return workbook; Review correspondence from Spectrum re: renewals; Review correspondence from Pond Technologies re: interest payment.
March 1, 2022	Bruce Bando	0.30	Internal discussion re: T3 workbook.
March 1, 2022	Jesse Cooper	2.50	Internal call re: Work on T3 workbook.
March 1, 2022	Paul Kouadio	0.10	Email to TD re: unit holding for client.
March 3, 2022	Bruce Bando	0.40	Various correspondence with Spectrum re: mortgage in default and review of documents thereof; Review and approve invoice re: storage.
March 3, 2022	Jason Knight	0.20	Review correspondence from Spectrum re: mortgage renewal recommendations.
March 3, 2022	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original; General banking administration.
March 4, 2022	Bruce Bando	7.30	T3 preparation matters to include internal discussion thereof.
March 4, 2022	Jason Knight	0.40	Phone call with team re: 2021 T3 returns; Review correspondence from Spectrum.
March 4, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple February statements.
March 7, 2022	Bruce Bando	4.50	Continue with the preparation of the workbook for T3's; Various correspondence with Spetrum re: mortgage in default.
March 8, 2022	Bruce Bando	5.90	Correspondence with Spectrum on mortgage in default; Continue with TS pacakge and internal discussion thereof.
March 8, 2022	Jason Knight	0.30	Review monthly reporting from Spectrum and file same; Review correspondence re: legal action on mortgage; Internal call re: professional fee allocation.

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Date	Full Name	Time	Detail
March 8, 2022	Paul Kouadio	0.60	Call and emails with NBIN re: investors inquiries including estate settlements, update of contact details and protocol, tax slips.
March 8, 2022	Rosa Wilford	1.50	Reconcile February GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
March 9, 2022	Jonathan Krieger	0.50	Correspondence with team and discussions re: tax matters.
March 10, 2022	Bruce Bando	0.30	Various correspondence with Spectrum re: mortgage in default.
March 10, 2022	Jason Knight	1.80	Review correspondence from Spectrum; Begin preparing T3 workbook; Prepare internal financial statements for the Resource Fund and Factoring Fund.
March 11, 2022	Jason Knight	4.10	Prepare internal financial statements on T3 workbook for Medical Fund, Media Fund, Infrastructure Fund, Conscious Capital Fund, ACM Income Fund, ACM Growth Fund, Absolute Dividend Funds, and Absolute Property Fund; Begin preparing financial statements for High Yield Mortgage Fund.
March 11, 2022	Paul Kouadio	0.30	Correspond with NBIN re: update of contact information.
March 11, 2022	Valerie Naccarato	0.10	Review mail, notify team.
March 14, 2022	Bruce Bando	0.50	Various correspondence with Spectrum re: mortgage in default and execute partial discharge; Various correspondence re: T3's.
March 14, 2022	Jason Knight	2.30	Prepare financial statements in T3 workbook for Mortgage Fund and High Yield Mortgage Fund.
March 14, 2022	Paul Kouadio	1.20	Prepare monthly NBIN fees schedule and correspond with NBIN re: same; Return investors calls and emails re: update on receivership and status of distributions re: Mortgage, Factoring, Media, High Yield Mortgage and Factoring Funds.
March 14, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
March 15, 2022	Paul Kouadio	0.40	Correspond with NBIN re: sale inquiry from investor re: Hedge Fund; Call with NBIN re: same.
March 15, 2022	Valerie Naccarato	0.10	Review CW mail, notify team; General banking administration.
March 16, 2022	Bruce Bando	0.90	Review T3 workbook; Various correspondence with Spectrum re: mortgage in default and review attachementes.

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Date	Full Name	Time	Detail
March 16, 2022	Jason Knight	2.10	Review allocation of professional fees and compare same to invoices; Incorporate professional fee allocation into the T3 workbook; Perform a final review of the T3 workbook and make revisions to same; Internal correspondence; Review correspondence from Spectrum re: foreclosure matters.
March 16, 2022	Paul Kouadio	0.50	Return investor calls re: update on receivership and status of distributions.
March 17, 2022	Bruce Bando	2.10	T3 workbook matters, review and discussion.
March 17, 2022	Paul Kouadio	0.30	Return investor email re: update of contact details and correspondence to NBIN re: same.
March 21, 2022	Adam Shell	3.25	Review of ACM Growth Fund, ACM Income Fund and Bullion Fund.
March 21, 2022	Bruce Bando	1.60	Various correspondence from counsel to Spectrum and review document to be signed and prepare and return same; Various correspondence with Spectrum re: mortgage in default.
March 22, 2022	Adam Shell	6.00	Review of Conscious Capital Fund, Hedge and Factoring Fund.
March 22, 2022	Bruce Bando	1.40	Various correspondence with Spectrum re: mortgage in default; Various internal correspondence re: T183's and T3's, review and sign same.
March 22, 2022	Jason Knight	0.40	Correspondence with Spectrum re: foreclosure matter; Call with tax group re: Factoring Fund related entries.
March 22, 2022	Michael Zimnicki	0.50	T3 reviews on 4 funds.
March 22, 2022	Michael Zimnicki	0.50	Review balance of T3 returns.
March 22, 2022	Paul Kouadio	0.40	Call and email with investors re: transfers of balance from NBIN; Update of contact details.
March 23, 2022	Adam Shell	5.00	Review of remaining Trust returns.
March 23, 2022	Bruce Bando	0.90	Various correspondence with Spectrum re: mortgages in default; Various correspondence re: T3 and T183, review and sign same.
March 23, 2022	Jason Knight	0.70	Review correspondence between counsel and Spectrum re: foreclosure matters; Review T3 workbook and perform reconciliation of same to T3s filed; Review T3 returns and T183s and file same.
March 23, 2022	Michael Zimnicki	0.30	Sign off final returns.

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Date	Full Name	Time	Detail
March 23, 2022	Paul Kouadio	0.60	Correspond with NBIN re: transfer of balance from spousal account to investor; Return investor call and email re: RESP account; Update contact details.
March 24, 2022	Bruce Bando	0.80	Various correspondence with Spectrum re: mortgages in default; Various correspondence re: T3 and T183, review and sign same.
March 25, 2022	Paul Kouadio	1.30	Call with NBIN re: transfer of accounts; Correspond with investor re: options to resolve issues; Correspond with stakeholder re: properties in the CWMSL.
March 28, 2022	Jason Knight	0.40	Review correspondence from team and Spectrum re: mortgage matters; Review and file remaining T3 tax returns on the network.
March 29, 2022	Bruce Bando	0.50	Various correspondence with counsel re: SK registration and review thereof; Various correspondence from counsel re: Squires mortgage discharge and review of documents thereof.
March 30, 2022	Bruce Bando	0.90	Review status of funds and internal correspondence thereof; Various correspondence with Pond; Correspondence with Spectrum re: mortgage discharge.
March 30, 2022	Jason Knight	0.70	Review wire transfer from Pond; Review correspondence from Spectrum re: payout request; Review analysis from team on ability to close funds and provide comments on same; Draft email correspondence to team on fund closures.
March 30, 2022	Paul Kouadio	1.40	Call and email to investor re: missing distributions and update on receivership; Email to NBIN re: transfer of accounts; Correspondence with investors re: issues with NBIN and 2021 tax slips.
March 31, 2022	Bruce Bando	0.30	Various correspondence with Spectrum and execute mortgage discharge.
March 31, 2022	Jason Knight	0.40	Review correspondence from Spectrum re: discharge documents; Complete discharge documents, have same commissioned and draft email correspondence to Spectrum; Review correspondence re: Pond payment.
March 31, 2022	Valerie Naccarato	0.20	Scan various cheque requisition forms to server and file originals.

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Time Summary

J. Krieger, Sr. Vice President	1.40	hours @	\$695.00	per hour	\$	973.00
B. Bando, Vice President	36.60	hours @	\$595.00	per hour	\$	21,777.00
J. Knight, Vice President	15.20	hours @	\$550.00	per hour	\$	8,360.00
M. Zimnicki, Director	1.30	hours @	\$695.00	per hour	\$	903.50
R. Wilford, Manager	6.30	hours @	\$295.00	per hour	\$	1,858.50
A. Shell, Manager	14.25	hours @	\$515.00	per hour	\$	7,338.75
P. Kouadio, Manager	18.40	hours @	\$250.00	per hour	\$	4,600.00
J. Cooper, Sr. Associate	2.50	hours @	\$205.00	per hour	\$	512.50
A. Shahini, Sr. Associate	0.90	hours @	\$200.00	per hour	\$	180.00
V. Naccarato, Analyst	0.90	hours @	\$165.00	per hour	\$	148.50
	<u>97.75</u>				\$	<u>46,651.75</u>
5% Technology and Administration					\$	<u>2,332.59</u>
					\$	<u>48,984.34</u>
HST					\$	<u>6,367.96</u>
Total Invoice					\$	<u>55,352.30</u>

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-8348**

To professional services as Receiver rendered for the period April 1, 2022 to June 30, 2022.

Date	Full Name	Time	Detail
April 1, 2022	Paul Kouadio	1.10	Return investor emails and calls re: update on receivership, status of distributions and transfer of funds from NBIN.
April 4, 2022	Bruce Bando	0.30	Various correspondence with Pond and review thereof.

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Date	Full Name	Time	Detail
April 5, 2022	Bruce Bando	1.80	Reivew and provdie instructions on fee tracking; Various correspondence with Pond and review historical information regarding the principal and interest payments and balances asd well as the information provided by Pond.
April 5, 2022	Jason Knight	0.20	Review correspondence re: Pond loan matters and confirmation of balance.
April 5, 2022	Paul Kouadio	0.20	Return investor email re: transfer of accounts and NBIN.
April 6, 2022	Bruce Bando	0.30	Various correspondence with Pond and reivew supporting documentation.
April 6, 2022	Jason Knight	0.20	Review monthly mortgage summary report from Spectrum and file same.
April 7, 2022	Paul Kouadio	3.80	Return investors inquiries re: Mortgage Fund, Factoring Funds, ACM Income and Growth Funds; Return various calls and emails from investors re: unit holding for client, accounts transfers and NBIN, update on receivership, status of distributions and class action; Address changes.
April 8, 2022	Bruce Bando	0.30	Various correspondence with Pond and review documentation provided.
April 8, 2022	Jason Knight	0.20	Review correspondence re: Pond Loan.
April 8, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple March statements.
April 8, 2022	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.
April 9, 2022	Bruce Bando	0.20	Various correspondence with Pond, review attachment and execute audit confirmation.
April 11, 2022	Bruce Bando	0.70	Correspondence from Spectrum re: mortatge in default; Various corerspondence with an investor and draft and release response.
April 11, 2022	Jason Knight	0.10	Review correspondence from Spectrum re: foreclosure matter.
April 11, 2022	Paul Kouadio	0.30	Email to investor re: status of further distributions and receivership re: Factoring Fund.

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Date	Full Name	Time	Detail
April 12, 2022	Paul Kouadio	0.90	Call to NBIN and emails to investor re: T4RIF re: Factoring Fund, distribution and communication with NBIN; Correspond with investor re: transfer of accounts and NBIN.
April 12, 2022	Valerie Naccarato	0.10	Review mail, notify team.
April 13, 2022	Bruce Bando	0.10	Various correspondence with counsel re: trademarks.
April 13, 2022	Paul Kouadio	0.80	Correspond with NBIN re: update of contact information on statements; Various emails re: same.
April 14, 2022	Paul Kouadio	1.80	Return various calls and emails from investors re: account related inquiries, Property Fund, Dividend Fund, Factoring Fund and Mortgage Fund, NBIN statements and transfer of accounts, update on receivership and status of distributions.
April 14, 2022	Rosa Wilford	1.50	Reconcile March GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
April 20, 2022	Bruce Bando	0.30	Various correspondence with an investor.
April 20, 2022	Jonathan Krieger	0.70	Correspond with counsel for creditor; Correspond with team re: realization update; Communications thereto.
April 20, 2022	Paul Kouadio	1.90	Meeting and emails with NBIN re: missing third interim distribution; Call to investor re: same; Discuss transfer of account and POA with NBIN; Correspond with investor re: options to resolve issues; Call and email to investor re: tax slips; Update NBIN monthly custody fee schedule.
April 21, 2022	Bruce Bando	0.50	Investigate further question re: correspondence with an investor; Various correspondence with Spectrum and local counsel re: mortgage in default.
April 21, 2022	Jason Knight	0.30	Review correspondence and reports from Spectrum on renewals; Correspondence with counsel re: foreclosure application materials.
April 21, 2022	Paul Kouadio	0.30	Emails to NBIN re: statements to investors.
April 22, 2022	Bruce Bando	0.50	Various correspondence with Spectrum re: mortgage in default; Conference call with counsel re: file matters.

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Date	Full Name	Time	Detail
April 22, 2022	Jason Knight	0.50	Review draft affidavit for mortgage enforcement proceedings and make revisions to same; Correspondence with counsel re: revisions.
April 22, 2022	Jonathan Krieger	0.90	Call with counsel; Review of materials; Cor thereto with team.
April 25, 2022	Bruce Bando	0.20	Various corespondence with Spectrum and review thereof.
April 26, 2022	Jason Knight	0.60	Perform full review of affidavit and exhibits for foreclosure proceeding; Prepare for and attend meeting with counsel to have affidavit notarized.
April 26, 2022	Jonathan Krieger	0.70	Review of matters re: asset realization, tax considerations.
April 26, 2022	Paul Kouadio	5.80	Prepare and update professional fees allocation schedule for 2022; Call and email to investor re: transfer of funds from NBIN re: Hedge Fund.
April 27, 2022	Bruce Bando	0.20	Corerspondence with Spectrum re: enforcement proceedings; Correspondence with Pond.
April 27, 2022	Jason Knight	0.30	Finalize affidavit re: foreclosure and coordinate delivery of same to counsel; Review correspondence from Spectrum re: wire transfer.
April 27, 2022	Paul Kouadio	0.30	Call with investor re: class actions re: AGB and BDO and update on receivership.
April 28, 2022	Bruce Bando	0.30	CRA matters res: Dividend Fund; Correspondence with counsel re: Pond.
April 28, 2022	Jason Knight	0.50	Review correspondence from Pond re: loan payment; Review notice from CRA, review documents and returns on the network, and draft correspondence to team re: same.
April 28, 2022	Valerie Naccarato	0.10	Review mail, notify team.
April 29, 2022	Bruce Bando	0.20	T3 and CRA tax matters and direct payment.
May 2, 2022	Bruce Bando	0.20	Correspondence and call to counsel re: trademark.
May 2, 2022	Paul Kouadio	0.40	Call with investor re: update on receivership and status of distributions.
May 3, 2022	Bruce Bando	0.20	Various correspondence with Spectrum; Investor matter.
May 3, 2022	Jonathan Krieger	0.60	Review of matters related to investor communications; Review of tax matters and remittances.

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Date	Full Name	Time	Detail
May 4, 2022	Bruce Bando	0.50	Various correspondence with Spectrum re: mortgage renewal; Attend conference call with counsel re: trademark.
May 4, 2022	Jonathan Krieger	0.50	Review of reporting from banking; Corr thereto.
May 4, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple April statements.
May 4, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
May 6, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
May 9, 2022	Bruce Bando	0.20	Respond to an inquiry from an investor.
May 9, 2022	Jason Knight	0.40	Review correspondence from Spectrum re: renewals; Review April statement and file same; Review correspondence from team to investor.
May 9, 2022	Paul Kouadio	0.50	Email re: transfer of account and POA with NBIN.
May 9, 2022	Rosa Wilford	1.50	Reconcile April GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
May 10, 2022	Jason Knight	0.20	Review update from counsel on foreclosure proceeding.
May 10, 2022	Paul Kouadio	0.30	Follow up correspondences re: transfer of account and POA with NBIN.
May 10, 2022	Valerie Naccarato	0.10	Review mail, notify team.
May 11, 2022	Bruce Bando	0.60	Correspondence from Computershare re: Pallisades; Correspondence re: Single Source and request to release security; Forward to counsel; Correspondence from Spectrum re: deceased mortgagor.
May 11, 2022	Jason Knight	0.10	Review correspondence re: Single Source registration and send same to team.
May 11, 2022	Paul Kouadio	0.50	Correspond with NBIN re: monthly fees allocation; Internal correspondence thereof.
May 12, 2022	Bruce Bando	0.20	Correspondence from counsel re: Single Source; Various correspondence from Spectrum.

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Date	Full Name	Time	Detail
May 12, 2022	Jason Knight	0.20	Review correspondence and updates re: foreclosure matters.
May 12, 2022	Paul Kouadio	0.80	Update NBIN custody fees allocation schedule and correspond with NBIN re: same; Review monthly investment portfolio statements.
May 13, 2022	Bruce Bando	0.10	Various correspondence re: Single Source.
May 13, 2022	Jason Knight	0.30	Review correspondence from Spectrum re: foreclosure matters; Review email from counsel on Single Source inquiry and registration on equipment; Send email re: Single Source vehicle matter.
May 16, 2022	Jason Knight	0.30	Review correspondence re: foreclosure matter; Internal discussions re: proceeds from sale; Review correspondence re: OOM Energy loans.
May 16, 2022	Paul Kouadio	0.40	Internal correspondence re: sale of assets re: 2441472 Ontario Inc. and transfer procedures; Correspondence with NBIN thereof.
May 17, 2022	Jason Knight	0.10	Review correspondence from team and NBIN re: wire transfer.
May 17, 2022	Paul Kouadio	2.80	Calls and emails to NBIN re: transfer of funds from CW Mortgage Fund to 2441472 Ontario Inc.; Prepare and send instructions thereof; Internal correspondence re: same; Review notices of assessment re: various funds; Calls and emails with NBIN and investor re: missing third interim distribution, transfer of account and POA.
May 18, 2022	Jason Knight	0.10	Review correspondence re: wire transfer with NBIN.
May 18, 2022	Paul Kouadio	1.70	Conference call and emails with NBIN and investor re: missing third interim distribution and resolution of issues; Correspond with NBIN re: transfer of funds from CW Mortgage Fund to 2441472 Ontario Inc.; Internal correspondence re: same.
May 19, 2022	Paul Kouadio	1.50	Resolve issues re: missing third interim distribution and correspond with NBIN and investor; Return investor call and emails re: outstanding funds and NBIN statements re: ACM Income and Growth Funds.
May 20, 2022	Paul Kouadio	3.60	Update tracker and internal correspondence thereof; Call and email to investor re: transfer of funds from NBIN and status of receivership.

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Date	Full Name	Time	Detail
May 22, 2022	Jason Knight	0.10	Review correspondence from Spectrum re: foreclosure matter update.
May 24, 2022	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage refinancing.
May 24, 2022	Paul Kouadio	0.90	Call and email with investor re: information about past investments and missing 3rd distribution; Meeting with NBIN re: investors inquiries, transfers of funds and NBIN accounts.
May 25, 2022	Paul Kouadio	1.00	Call and email with investors re: missing distributions re: property and dividend funds, NBIN statements and status of receivership; Internal correspondence re: thereof.
May 26, 2022	Paul Kouadio	1.60	Correspond with investor re: information about past investments and missing 3rd distribution; Internal call and email re: property and dividend funds; Review reports to Court and status of same.
May 27, 2022	Bruce Bando	0.20	Discussion re: investor; Correspondence from Pond.
May 27, 2022	Jason Knight	0.10	Review correspondence from Pond re: loan payment.
May 27, 2022	Paul Kouadio	1.20	Internal correspondence and emails to NBIN re: transfer of account and POA and authorization with NBIN re: Factoring and Hedge funds.
May 27, 2022	Rosa Wilford	0.20	Review mail received; Scan, save on server and notify team for review; Email.
May 30, 2022	Bruce Bando	0.40	Correspondence and discussion re: investor inquiry.
May 30, 2022	Jonathan Krieger	0.50	Investor correspondence; Discussions with team.
May 30, 2022	Paul Kouadio	1.40	Internal calls and emails on investor inquiry re: transfer of account and POA and authorization with NBIN re: Factoring and Hedge Funds; Return investors emails re: update on receivership and status of distributions.
June 1, 2022	Bruce Bando	0.80	Investor inquiry matters to include review of situation and correspondence with counsel; Various correspondence with Spectrum re: mortgage in default.

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Date	Full Name	Time	Detail
June 1, 2022	Jason Knight	0.30	Review correspondence from Spectrum and counsel re: foreclosure proceedings.
June 1, 2022	Paul Kouadio	0.30	Respond to broker email re: unit holding for client; Internal correspondence re: transfer of account and POA and authorization with NBIN re: Factoring and Hedge funds;
June 1, 2022	Rosa Wilford	0.30	Review mail from banking institution re GIC Investment Certificates; Review account ledgers; Match to estate accounts; Scan and save on server.
June 2, 2022	Bruce Bando	0.50	Various correspondence with an investor; Review and approve disbursement; Various correspondence with counsel re: investor matter.
June 2, 2022	Jonathan Krieger	0.80	Correspondence re: matters related to procedural reporting and account transfer requests; Corr with team thereto;
June 2, 2022	Paul Kouadio	0.20	Various emails with NBIN, investor and Aird & Berlis re: transfer of account and POA re: Factoring and Hedge Funds.
June 2, 2022	Rosa Wilford	0.20	Review mail received; Scan, save on server and notify team for review and directions; Email.
June 3, 2022	Bruce Bando	0.70	Prepare for and attend conference call with counsel; Internal discussions thereafter; Correspondence re: US LP and NFL.
June 3, 2022	Paul Kouadio	3.60	Conference call with Aird & Berlis re: investor inquiry related to transfer of account, POA and authorization with NBIN; Reviewed master declaration of trust for all funds, offering memo and subscription agreement for Hedge and Factoring funds and correspond with Aird & Berlis thereof; Respond to investors inquiries re: update on receivership and status of distributions re: Dividend fund, Property fund and other funds.
June 6, 2022	Jonathan Krieger	0.40	Correspond re: matters related to RSP accounts.
June 6, 2022	Paul Kouadio	0.30	Correspondence with investors re: status of receivership; Review correspondence from NBIN re: POA for investor.
June 7, 2022	Jason Knight	0.20	Review monthly reporting from Spectrum and file same.

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Date	Full Name	Time	Detail
June 8, 2022	Paul Kouadio	0.80	Correspondence with investors re: status of receivership for Factoring, Mortgage, Media, Medical and Infrastructure Funds.
June 9, 2022	Paul Kouadio	0.90	Call and email with investors re: class action, update on receivership and status of distributions; Review monthly investment portfolio statements from NBIN.
June 10, 2022	Jonathan Krieger	0.60	Review of matters re; investor inquiries; Correspond re: same.
June 10, 2022	Paul Kouadio	1.40	Respond to investors emails re: update on receivership and status of distributions re: Factoring Fund, US Real Estate LP.
June 10, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to the server; file original.
June 13, 2022	Bruce Bando	1.20	Various correspondence with counsel; Invstor matters and review of situation; Review situation re: mortgage and property sold.
June 13, 2022	Valerie Naccarato	0.10	Review mail, notify team.
June 14, 2022	Paul Kouadio	1.80	Respond to investors emails re: status of further distributions and receivership re: Medical, Media, HY Mortgage and Infrastructure Funds; Update monthly NBIN custody fees schedule and correspond with NBIN thereon.
June 15, 2022	Bruce Bando	0.50	Counsel matters re: billing; Various correspondence regarding inquiries from two investors; Various correspondence with NBIN.
June 15, 2022	Paul Kouadio	2.20	Various calls to NBIN re: next for steps transfer of account and POA re: Factoring and Hedge Funds; Return call and emails from investor re: update to account and NBIN statements; Internal correspondence thereon.
June 15, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple May statements.
June 16, 2022	Bruce Bando	0.50	Various correspondence from Spectrum re: mortgagor death; Various correspondence with counsel re: trademark and execute agreement.

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Date	Full Name	Time	Detail
June 16, 2022	Jason Knight	0.10	Review update on distressed mortgage.
June 16, 2022	Rosa Wilford	1.50	Reconcile May GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
June 17, 2022	Paul Kouadio	1.00	Respond to NBIN request re: transfer and cheques; Call and email re: same; Review investor account thereon.
June 20, 2022	Bruce Bando	0.30	Various correspondence regarding an investor; Correspondence from Spectrum re: mortgage in default; Correspondence re: US LP and NFL.
June 20, 2022	Jason Knight	0.20	Review various correspondence from Spectrum and counsel re: foreclosure matter.
June 20, 2022	Jonathan Krieger	0.90	Investor inquiries; Correspond re: investor communications; Correspond with team.
June 20, 2022	Paul Kouadio	2.40	Update professional fees schedule and internal correspondence thereon.
June 21, 2022	Bruce Bando	0.20	Investor matters; Various correspondence with Spectrum re: renewals.
June 21, 2022	Jason Knight	0.10	Review correspondence from Spectrum and team re: mortgage matters.
June 21, 2022	Paul Kouadio	4.70	Finalize update of schedule; Email to investors re: update on receivership and status of distributions.
June 22, 2022	Bruce Bando	0.30	Various correspondence with counsel, review and execute AB filings.
June 22, 2022	Jason Knight	0.10	Review correspondence from Spectrum and team re: renewals.
June 22, 2022	Paul Kouadio	3.10	Prepare draft of Notice to Investors; Review previous Notices.
June 24, 2022	Paul Kouadio	1.00	Return investors call and review NBIN online account.
June 27, 2022	Paul Kouadio	3.20	Review previous Court reports and previous Notices to Investors.
June 28, 2022	Jason Knight	0.20	Review order and endorsement re: foreclosure.

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Date	Full Name	Time	Detail
June 28, 2022	Paul Kouadio	1.00	Review NBIN statements of funds, T3 workbook and investment notes.
June 29, 2022	Bruce Bando	0.20	Various correspondence with Pond; Correspondence with Spectrum.
June 29, 2022	Jason Knight	0.50	Review and execute supplemental affidavit and coordinate swearing of same; Review correspondence from Pond Technologies re: loan payment.
June 30, 2022	Jonathan Krieger	0.50	Correspond with team re: investor inquiries; Discussions thereto.
June 30, 2022	Paul Kouadio	8.80	Finalize Notice to Investors and internal correspondence thereon; Return investors calls and emails re: update on receivership and status of distributions; Discuss Mortgage, HY Mortgage, Media Funds.
June 30, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.

Time Summary

J. Krieger, Sr. Vice President	7.10	hours @ \$695.00 per hour	\$ 4,934.50
B. Bando, Vice President	13.90	hours @ \$595.00 per hour	\$ 8,270.50
J. Knight, Vice President	6.50	hours @ \$550.00 per hour	\$ 3,575.00
R. Wilford, Manager	9.70	hours @ \$295.00 per hour	\$ 2,861.50
P. Kouadio, Manager	72.50	hours @ \$250.00 per hour	\$ 18,125.00
V. Naccarato, Analyst	1.40	hours @ \$165.00 per hour	\$ 231.00
	111.10		\$ 37,997.50
5% Technology and Administration			\$ 1,899.88
			\$ 39,897.38
Disbursements			
Dropbox Subscription Renewal			\$ 155.88
HST			\$ 5,206.92
Total Invoice			\$ 45,260.18

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-8538/8539**

To professional services as Receiver rendered for the period January 1, 2022 to September 30, 2022.

Date	Full Name	Time	Detail
January 4, 2022	Rosa Wilford	0.60	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.

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Date	Full Name	Time	Detail
January 20, 2022	Rosa Wilford	1.00	Review internal email instructions from team re Banking; Review account ledger; Review payment requests; Phone calls with team; Notify authorized officer for review and approvals of invoices; Prepare disbursement requisition forms; Post invoice entries; Issue cheques; Emails.
January 31, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
February 18, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment requests and authorized approval; Review account ledger; Prepare disbursement requisition form; Prepare bank letter re transfer; Set-up accrual payment; Emails.
February 22, 2022	Scott Reeves	2.00	Rolling forward T3 files and organizing new folders, reviewing PY T3 files.
February 23, 2022	Rosa Wilford	0.50	Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
February 24, 2022	Scott Reeves	0.25	continued reviewing T3s.
March 1, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt requisition form; Post deposit entries, print slip and stamp date for signing; Respond to emails.

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Date	Full Name	Time	Detail
March 3, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Prepare disbursement requisition form; Notify authorized signing officer for review and approval; Post invoice entries; Issue cheque; Emails.
March 21, 2022	Scott Reeves	5.10	Going over files to see any changes, Started and completed ACM growth fund, finished ACM Income fund T3, Bullion Fund, Conscious capital.
March 22, 2022	Scott Reeves	3.50	Completed factoring fund T3, hedge fund, high yield fund, infrastructure fund, media fund, and medical fund.
March 23, 2022	Scott Reeves	3.00	Finished the rest of the T3s.
March 24, 2022	Rosa Wilford	0.20	Review account ledger; Notify team for review of estate balance and direction on purchasing GIC Investment; Email.
March 24, 2022	Rosa Wilford	0.20	Review account ledger; Notify team for review of estate balance and direction on purchasing GIC Investment; Email.
March 25, 2022	Rosa Wilford	1.20	Review internal email instructions from team re Banking on directions on purchasing new GIC Investment; Review account ledger; Print trial balance and match to support; Prepare Bank letter; Prepare disbursement requisition form; Notify authorized officers for review and secured signing with supporting documentation; Emails.
March 25, 2022	Scott Reeves	2.50	Review and Efile funds.
March 29, 2022	Rosa Wilford	1.00	Review account ledger for maturing GIC; Correspondences to and from Bank to provide copies of investment certificate; Review documents; Prepare receipt and disbursement requisitions forms for matured / renewed GIC's principal and interest; Post entries; Update schedule. Emails.
March 30, 2022	Rosa Wilford	1.00	Correspondences to and from Bank for authorization re; new GIC Investment Certificate; Post term deposit entries; Run report; Match to investment; Provide to team with supporting documentation; Update GIC schedule; Emails.

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Date	Full Name	Time	Detail
April 1, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
April 18, 2022	Rosa Wilford	0.50	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile March statement; reconcile March GIC term deposit; Print Summary of Estate Balance Report; Print and attach copy of investment; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
April 27, 2022	Rosa Wilford	1.20	Review internal email instructions from team re Banking; Review payment requests and authorized approvals; Review account ledger; Prepare disbursement requisition forms; Setup accrual payments; Prepare Bank letters; Correspondences to and from team re secured signing; Emails.
April 28, 2022	Rosa Wilford	1.20	Correspondences to and from Bank for authorization of wire transfers/confirmations; Faxes; Emails; Post disbursement and payment entries; Print and attach transaction reports; Provide team with wire confirmations.
April 29, 2022	Rosa Wilford	1.80	Review internal email instructions from team re Banking; Review account ledger; Review payment request; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
May 4, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Prepare disbursement requisition form; Notify authorized signing officer for review and approval; Post entries; Issue cheque; Email.

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Date	Full Name	Time	Detail
May 19, 2022	Bruce Bando	0.20	Various correspondence counsel re: Restoration Energy and review thereof; Various correspondence with Spectrum re: mortgage and probate matters.
May 31, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
June 2, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment request; Review account ledger; Prepare disbursement requisition form; Notify authorized signing officer for approval; Post invoice entries; Issue cheque; Emails.
June 13, 2022	Rosa Wilford	0.50	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile May statement; reconcile May GIC term deposit; Print Summary of Estate Balance Report; Print and attach copy of investment; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
June 22, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment request; Review account ledger; Prepare disbursement requisition form; Notify authorized signing officer for approval; Post invoice entries; Issue cheque; Emails.
June 30, 2022	Rosa Wilford	1.00	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
July 5, 2022	Bruce Bando	2.40	Review and amend Notice to Investors; Various correspondence with counsel re: same; Discussion regarding an investor matter.

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Date	Full Name	Time	Detail
July 5, 2022	Jonathan Krieger	0.50	Correspondence and comments re: investor communication; Discussions with team.
July 5, 2022	Paul Kouadio	5.20	Various calls and emails with investors re: update on receivership and status of distributions. Discuss Media, Factoring, Medical, Property and Dividend Funds; Update investors mailing addresses; Review Notice to Investors; Correspond with TD re: unit holding for client.
July 6, 2022	Ada Shahini	0.30	Updated creditor website details and uploaded documentation on server; Responded to team's email.
July 6, 2022	Bruce Bando	0.70	Finalize Notice to Investors; Case website matters.
July 6, 2022	Paul Kouadio	6.10	Finalize and sent Notice to Investors and internal correspondence thereon; Various calls and emails with investors re: update on receivership, status of distributions and future distributions; Discuss various funds; Correspond with NBIN re: investors request on missing distributions.
July 6, 2022	Valerie Naccarato	0.20	Scan deposit requisition form to server and file originals.
July 7, 2022	Ada Shahini	0.20	Updated creditor website details and uploaded documentation on server; Responded to team's email.
July 7, 2022	Jonathan Krieger	0.50	Review of matters re: investor inquiries; Discussion with team thereto;
July 7, 2022	Paul Kouadio	1.70	Return various calls and emails from investors re: re: update on receivership, status of distributions and future distributions.
July 8, 2022	Rosa Wilford	2.00	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile June statement; reconcile June GIC term deposit; Print Summary of Estate Balance Report; Print and attach copy of investment; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
July 11, 2022	Paul Kouadio	2.60	Return various calls and emails from investors re: re: update on receivership, status of distributions and future distributions.

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Date	Full Name	Time	Detail
July 11, 2022	Rosa Wilford	1.50	Reconcile June GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
July 12, 2022	Jason Knight	0.20	Review draft affidavit re: foreclosure proceeding.
July 12, 2022	Jonathan Krieger	0.50	Review of matters re: investor inquiries; Corr with team; Review of banking matters.
July 12, 2022	Paul Kouadio	1.00	Return investors correspondence re: status of distributions and receivership.
July 13, 2022	Bruce Bando	2.60	Various correspondence and meeting with an investor; File management matters; Various correspondence from Spectrum re: mortgages in default.
July 13, 2022	Paul Kouadio	2.00	Various calls and emails with investors re: update on receivership and status of distributions.
July 13, 2022	Rosa Wilford	2.30	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile June statement; Reconcile June GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
July 14, 2022	Bruce Bando	0.40	Correspondence from an investor; Correspondence from Spectrum re: mortgage in default; Internal discussion on file matters.
July 14, 2022	Valerie Naccarato	0.10	Review mail, notify team.
July 15, 2022	Jason Knight	0.20	Review correspondence re: foreclosure court date.
July 15, 2022	Jonathan Krieger	0.60	Correspondence re: matters related to investor inquiries; Discussions with team;
July 21, 2022	Jason Knight	0.20	Review correspondence re: foreclosure matter.
July 22, 2022	Bruce Bando	0.20	Various correspondence with Spectrum re" renewals.
July 25, 2022	Bruce Bando	0.80	Various correspondence with Spectrum; Various correspondence from counsel re: Pillar Capital abd review thereof.

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Date	Full Name	Time	Detail
July 25, 2022	Jason Knight	0.20	Review renewal summary and correspondence with Spectrum re: same.
July 26, 2022	Bruce Bando	0.10	Correspondence from Spectrum.
July 27, 2022	Bruce Bando	0.30	Various correspondence with Spectrum re: mortgages; Correspondence from counsel re: Pillar Capital.
July 29, 2022	Bruce Bando	0.10	Correspondence with Pond.
July 29, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
August 3, 2022	Bruce Bando	0.20	Correspondence with counsel re: trademark and review thereof.
August 4, 2022	Bruce Bando	0.20	Various correspondence from Spectrum re: mortgage payout.
August 4, 2022	Jason Knight	0.20	Review correspondence from Spectrum re: payout.
August 5, 2022	Bruce Bando	0.20	Various correspondence with counsel re: Pillar Capital.
August 8, 2022	Bruce Bando	0.20	Various correspondence from Spectrum re: monthly statements.
August 8, 2022	Jonathan Krieger	1.10	Correspondence re; investor inquiries; Discussions with team re: remaining assets; Review of documentation thereto;
August 8, 2022	Rosa Wilford	1.20	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
August 9, 2022	Bruce Bando	0.20	Correspondence from Spectrum; Review and process payment to counsel.
August 9, 2022	Jason Knight	0.20	Review correspondence re: mortgage discharges; Review monthly reports and file same.

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Date	Full Name	Time	Detail
August 10, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
August 10, 2022	Valerie Naccarato	0.10	Review mail, notify team.
August 12, 2022	Paul Kouadio	2.00	Various correspondence with investors re: re: update on receivership, status of distributions and future distributions.
August 12, 2022	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file originals.
August 15, 2022	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage request for deferral.
August 16, 2022	Jason Knight	0.20	Review correspondence re: mortgage renewals.
August 17, 2022	Rosa Wilford	2.80	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile July statement; Reconcile July GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
August 18, 2022	Paul Kouadio	1.00	Various emails from investors.
August 19, 2022	Paul Kouadio	0.30	Various emails from investors.
August 22, 2022	Paul Kouadio	6.80	Review and update NBIN monthly custody fees schedule and correspond with NBIN re: same; Review and update allocation schedule of professional fees among funds.
August 23, 2022	Paul Kouadio	2.30	Review G/L and professional fees schedule; Review and respond to investor inquiries; Review invoices and instruct payment of same; Internal correspondence.
August 23, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment requests; Review account ledger and authorized approvals; Respond to team re enquiries on estate account; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
August 24, 2022	Jonathan Krieger	0.60	Correspondence re; remaining assets; Investor correspondence matters.

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Date	Full Name	Time	Detail
August 25, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
August 26, 2022	Paul Kouadio	2.50	Various correspondence with investors re: re: update on receivership, status of distributions and future distributions.
August 30, 2022	Paul Kouadio	2.20	Review and update monthly allocation schedule of professional fees from Aird & Berlis among funds; Various emails from investors.
August 30, 2022	Rosa Wilford	0.60	Review internal email instructions from team re Banking; Review payment requests; Review account ledger and authorized approvals; Respond to team re enquiries on estate account; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails. Prepare mailings; Scan cheques and signed requisition forms to server and provide to team for filing originals.
August 31, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
September 1, 2022	Jason Knight	0.20	Review correspondence from counsel and Spectrum re: enforcement on mortgage.
September 1, 2022	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file originals.
September 2, 2022	Paul Kouadio	1.80	Various correspondence with investors re: update on receivership and status of distributions; Correspond with TD re: unit holding for client.
September 6, 2022	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage in default.
September 6, 2022	Jason Knight	0.20	Review correspondence re: mortgage repayment demands and next steps.

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Date	Full Name	Time	Detail
September 7, 2022	Jason Knight	0.30	Review and file monthly statement from Spectrum; Review draft statement of claim re: foreclosure proceeding.
September 8, 2022	Jason Knight	0.20	Review correspondence between counsel and Spectrum re: foreclosure proceedings.
September 9, 2022	Paul Kouadio	1.80	Calls with investors and email to NBIN re: withdrawal of funds in cash account; Email to TD re: unit holding for client; Emails to investors re: update of address and email, update same.
September 12, 2022	Paul Kouadio	0.50	Review monthly investment portfolio statements; Internal correspondence thereon; Email re: passing of investor, class action proceedings and Notice to Investors.
September 12, 2022	Valerie Naccarato	0.10	Open mail, sort, scan and email to team.
September 14, 2022	Paul Kouadio	0.60	Review and approve NBIN's Custody Fees for August 2022; Email to NBIN thereon.
September 15, 2022	Rosa Wilford	2.80	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile August statement; Reconcile August GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
September 16, 2022	Paul Kouadio	0.20	Email to investor re: update of contact details.
September 19, 2022	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage in default.
September 19, 2022	Jason Knight	0.10	Review correspondence and statement of claim re: delinquent mortgage.
September 19, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment request; Review account ledger; Prepare disbursement requisition form; Notify authorized signing officer for approval; Post invoice entries; Issue cheque; Bank letter; Emails.
September 20, 2022	Bruce Bando	0.10	Correspondence from Spectrum re: mortgage in default.

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Date	Full Name	Time	Detail
September 20, 2022	Rosa Wilford	1.50	Reconcile August GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
September 21, 2022	Bruce Bando	0.50	File mangagement matters.
September 21, 2022	Jonathan Krieger	0.50	Discussion with team re; reconciliation, estate completion matters.
September 21, 2022	Paul Kouadio	0.50	Various correspondence from investors.
September 22, 2022	Bruce Bando	0.30	Various corespondence with Speectrum re: mortgages in default.
September 22, 2022	Jason Knight	0.20	Review various correspondence from Spectrum and team re: foreclosure matters.
September 23, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
September 26, 2022	Bruce Bando	0.20	Investor matter; Correspondence from Spectrum re: mortgage discharge.
September 26, 2022	Jason Knight	0.10	Review payout matter and correspondence from Spectrum; Review correspondence from investor and provide instructions to team re: response.
September 26, 2022	Paul Kouadio	0.10	Review email account.
September 27, 2022	Bruce Bando	0.70	File management matters and internal correspondence thereof.
September 28, 2022	Jason Knight	0.10	Review correspondence from Spectrum and Saskatchewan counsel re: foreclosure matter and statement of claim filed.
September 29, 2022	Bruce Bando	0.10	Counsel invoice matters and tracking thereof.
September 29, 2022	Paul Kouadio	1.70	Review G/L and update professional fees schedule; Internal correspondence thereon.

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**Time Summary**

J. Krieger, Sr. Vice President	4.30	hours @	\$695.00	per hour	\$	2,988.50
B. Bando, Vice President	11.30	hours @	\$595.00	per hour	\$	6,723.50
J. Knight, Vice President	2.80	hours @	\$550.00	per hour	\$	1,540.00
R. Wilford, Manager	32.20	hours @	\$295.00	per hour	\$	9,499.00
S. Reeves, Analyst	16.35	hours @	\$260.00	per hour	\$	4,251.00
P. Kouadio, Manager	42.90	hours @	\$250.00	per hour	\$	10,725.00
A. Shahini, Sr. Associate	0.50	hours @	\$200.00	per hour	\$	100.00
V. Naccarato, Analyst	1.30	hours @	\$165.00	per hour	\$	214.50
	111.65				\$	36,041.50
5% Technology and Administration					\$	1,802.08
					\$	37,843.58
HST					\$	4,919.66
Total Invoice					\$	42,763.24

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid



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

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

BETWEEN:**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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSO-8701

To professional services as Receiver rendered for the period October 1, 2022 to December 31, 2022.

Date	Full Name	Time	Detail
October 3, 2022	Bruce Bando	0.30	Investor matter; Correspondence with Spectrum; Various correspondence with Pond.
October 3, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
October 4, 2022	Bruce Bando	0.80	Banking matters re: cheque from A. Farber; Various correspondence with Spectrum and review case at issue.
October 4, 2022	Jason Knight	0.20	Review correspondence from Spectrum re: distressed mortgage and review appraisal.
October 4, 2022	Paul Kouadio	0.10	Review various correspondence from investors.
October 4, 2022	Rosa Wilford	0.20	Review mail received; Scan, save on server and notify team for review and directions; Email.
October 5, 2022	Rosa Wilford	0.50	On-line banking; Review estate bank account/print screens; Match to receipts and payments and attach to support for review and signing by authorized officer. Review mail; Prepare receipt requisition forms; Post deposit entries; Print slips and stamp date for review and signing by officer; Provide to team for banking; Email.
October 5, 2022	Valerie Naccarato	0.40	Deposit at bank.
October 6, 2022	Bruce Bando	0.50	Review Pond loan and update amortization schedule.
October 6, 2022	Jason Knight	0.10	Review monthly Spectrum reporting for September 2022 and file same.
October 6, 2022	Paul Kouadio	1.60	Review notices to investor and respond to investors inquiry re: Mortgage Fund; Update call with NBIN re: investors inquiries and various correspondence from investors.
October 6, 2022	Valerie Naccarato	0.20	Scan deposit requisition forms to server and file originals.
October 7, 2022	Bruce Bando	0.10	Correspondence re: investor inquiry.
October 7, 2022	Paul Kouadio	3.60	Various calls and email to investors re: missing distributions, update on receivership, status of distributions; Call with J Knight re: investor inquiry and return investor call re: same and further questions re: Mortgage Fund; Emails to team re tracker for allocation of professional fees.
October 7, 2022	Rosa Wilford	0.50	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile September statement; reconcile September GIC term deposit; Print Summary of Estate Balance Report; Print and attach copy of investment; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
October 10, 2022	Jason Knight	0.30	Respond to correspondence received from Questrade re: transfer of funds and units; Review various investor notices re: directions on transfer of units held in Crystal Wealth funds.
October 11, 2022	Bruce Bando	0.70	Various correspondence with counsel re: Pillar Capital and review materials; Various correspondence with Spectrum re: mortgages in default and review documents.
October 11, 2022	Jason Knight	0.20	Review various correspondence from Spectrum, team, and counsel in Saskatchewan re: foreclosure and distressed mortgage matters.

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Date	Full Name	Time	Detail
October 11, 2022	Rosa Wilford	1.00	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple September statements.
October 12, 2022	Bruce Bando	0.20	Correspondence from Spectrum re: mortgage payout; Various correspondence with counsel re: same.
October 12, 2022	Jason Knight	0.10	Draft responses to correspondence received from Questrade re: transfer of funds.
October 12, 2022	Paul Kouadio	0.30	Emails with RBC and NBIN re: POA and request for transfer to NBIN re: Media Fund.
October 13, 2022	Paul Kouadio	0.60	Follow up emails with RBC and NBIN re: POA and request for transfer to NBIN re: Media Fund; Review transfer forms and investor master spreadsheet and respond to NBIN and RBC accordingly.
October 13, 2022	Rosa Wilford	0.80	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile September statement; reconcile September GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
October 14, 2022	Paul Kouadio	0.50	Correspond with NBIN re: investors inquiries including transfers, POA and missing distributions.
October 14, 2022	Rosa Wilford	1.00	Review and reconcile September GIC term deposit; attach copies of investments and approve various estate balance reports for review and approval by Trustee.
October 17, 2022	Bruce Bando	0.20	Correspondence with NBIN; Correspondence with Adair; Internal correspondence re: banking matters.
October 17, 2022	Paul Kouadio	0.60	Update monthly NBIN's custody fees schedule and send to NBIN; Review mailbox; Review September 2022 investment portfolio statements from NBIN and internal email thereon.
October 18, 2022	Bruce Bando	0.30	Correspondence with MLT AiKins and review thereof; Correspondence with counsel re: SS&C; Correspondence with Spectrum re: mortgage payout.
October 18, 2022	Jason Knight	0.20	Review correspondence re: sale of foreclosure unit.
October 20, 2022	Bruce Bando	0.30	Various correspondence with Spectrum re: mortgage payout; Various correspondence from MLT Aikins.
October 20, 2022	Jason Knight	0.20	Review various correspondence re: Saskatchewan mortgage and payout of same.
October 20, 2022	Paul Kouadio	2.80	Call and email with NBIN re: succession and estate issue, ACM Income and Growth Funds; Emails with RBC re: POA, request for transfer to NBIN and dealer to dealer transfer; Email to investor re: NBIN statements re: Factoring Fund; Review notice from CRA re: Dividend Fund and internal correspondence re: same; Call and email to investor re: change of address; Call and email re: 3rd distribution and status of distributions re: Dividend and Property Funds.

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Date	Full Name	Time	Detail
October 20, 2022	Rosa Wilford	0.50	Review internal email instructions and respond to phone call from team re CRA Notice; re Banking; Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
October 20, 2022	Valerie Naccarato	0.10	Open mail, sort, scan and notify team.
October 21, 2022	Paul Kouadio	1.40	Update mailing address and respond to investor; Return calls and emails to investors re: NBIN account statements and status of receivership; Emails re: professional fees.
October 24, 2022	Bruce Bando	0.20	Adair and related class action matters.
October 24, 2022	Jonathan Krieger	0.70	Review of matters re; reconciliation of funds; Correspondence thereto; Correspondence re: file completion considerations;
October 24, 2022	Paul Kouadio	0.30	Call and email to investors re: NBIN account statements.
October 25, 2022	Bruce Bando	0.30	Various correspondence from Spectrum re: renewal of a mortgage; File matters.
October 25, 2022	Rosa Wilford	0.80	Review mail; Prepare receipt requisition form; Post deposit entries; Print slip and stamp date for review and signing by officer; Notify team; Scan and save to server; Emails; Review internal email instructions and respond to phone call from team re CRA Notice; re Banking; Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
October 25, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
October 26, 2022	Jason Knight	0.20	Review various correspondence from Spectrum, team, and counsel re: foreclosure matter.
October 26, 2022	Paul Kouadio	0.80	Return investors email re: LIRA account at NBIN and status of receivership; Review NBIN accounts; Internal discussion re: professional fees allocation.
October 26, 2022	Rosa Wilford	0.50	Review courier; Scan and notify team for review and directions; Prepare receipt requisition forms with support/copies; Post deposit entries; Print slips and stamp date for review and signing by officer; Provide to team for banking; Emails.
October 27, 2022	Rosa Wilford	0.20	Review account ledger; Notify team with report/current balances in estate account with details on Investments on hand for review and directions; Email.
October 27, 2022	Rosa Wilford	0.50	Review account ledgers; Notify team with report/current balances in estate accounts with details on Investments on hand for review and directions; Emails.
October 27, 2022	Valerie Naccarato	0.40	Deposit at bank.
October 28, 2022	Paul Kouadio	0.10	Email from investors.

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Date	Full Name	Time	Detail
October 28, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking on directions on purchasing new GIC Investment; Review account ledger; Print trial balance and match to support; Prepare Bank letter; Prepare disbursement requisition form with supporting documentation; Setup accrual payment; Provide to authorized signing officers for review and signing; Email.
October 28, 2022	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file originals.
October 31, 2022	Paul Kouadio	0.20	Email to investor re: status of receivership.
October 31, 2022	Rosa Wilford	0.50	Meet with team re signing letter; Correspondences to Bank for authorization of GIC Purchase; Fax; Email.
November 1, 2022	Bruce Bando	0.50	Various correspondence with Spectrum re: mortgages in default or not renewed and review various attachments.
November 1, 2022	Jason Knight	0.20	Review correspondence from bailiff and Spectrum re: Saskatchewan property.
November 1, 2022	Paul Kouadio	0.10	Email to TD re: unit holding for client.
November 1, 2022	Rosa Wilford	0.50	Review correspondences from Bank re GIC Purchase; Review investment; Post entries; Print and attach transaction report; Update investment schedule; Respond to bank; Notify team with supporting documentation; Emails.
November 2, 2022	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgages in default.
November 2, 2022	Rosa Wilford	0.80	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
November 2, 2022	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.
November 3, 2022	Bruce Bando	0.20	Various correspondence from Spectrum.
November 3, 2022	Jason Knight	0.70	Matters re: Spectrum re: Saskatchewan property and documents thereof.
November 4, 2022	Paul Kouadio	4.50	Allocate quarterly professional fees between funds for receiver and monthly fees for Aird & Berlis; Email to team thereto.
November 4, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger and authorized approvals; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
November 7, 2022	Jason Knight	0.10	Review monthly reporting from Spectrum.
November 7, 2022	Paul Kouadio	1.00	Various emails with NBIN re: payment towards principal on Mortgage fund from Spectrum; Email from investors.
November 8, 2022	Bruce Bando	0.10	Correspondence from Spectrum re: mortgage in default.

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Date	Full Name	Time	Detail
November 8, 2022	Jason Knight	0.10	Review correspondence from Spectrum re: renewal matters re: specific mortgage.
November 8, 2022	Paul Kouadio	0.40	Email from investors.
November 9, 2022	Bruce Bando	0.10	Correspondence from Spectrum re: mortgage in default.
November 9, 2022	Jason Knight	0.10	Review correspondence and renewal documents from Spectrum.
November 10, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple October statements.
November 10, 2022	Rosa Wilford	1.60	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile October statement; reconcile October GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
November 10, 2022	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original
November 14, 2022	Paul Kouadio	0.70	Update monthly NBIN's custody fees schedule and send to NBIN; Review NBIN monthly statements and CW mailbox.
November 16, 2022	Bruce Bando	0.70	Various correspondence with Spectrum re: mortgage in default and review material.
November 16, 2022	Jason Knight	0.10	Review correspondence re: mortgage in default.
November 16, 2022	Paul Kouadio	1.20	Calls and emails with NBIN and investors re: NBIN account statements, distributions and status of receivership re: Mortgage Fund; Email to investor re: transfer of cash and RRSP from NBIN.
November 18, 2022	Bruce Bando	0.10	Investor matter.
November 18, 2022	Paul Kouadio	1.00	Call with National Credit Recovery re: recovery of debts for auto loans under Clayton Smith. Correspondence with B Bando thereto; General management, review of CW mailbox and investors emails.
November 21, 2022	Bruce Bando	0.10	Correspondence with Spectrum.
November 21, 2022	Jason Knight	0.10	Review update from Spectrum re: mortgage file.
November 21, 2022	Paul Kouadio	0.40	Review bank statements; General file management and investors communication.
November 22, 2022	Bruce Bando	1.00	Reivew and assemble analysis of mortgage in default; Various correspondence with Spectrum thereof.
November 22, 2022	Jason Knight	0.10	Review further correspondence from Spectrum re: mortgage matter.
November 23, 2022	Bruce Bando	0.20	Reivew information to assemble a response to an investor inquiry; Various correspondence with Spectrum re: mortgage payment arrangements.
November 24, 2022	Bruce Bando	0.30	Various corespondence with Spectrum re: mortgage in default and renewals; Region of Peel and TD matters.
November 24, 2022	Paul Kouadio	0.30	Email to J Knight re: investors mean of communication; General file management.

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Date	Full Name	Time	Detail
November 25, 2022	Bruce Bando	1.90	Review status of the file; Various correspondence with counsel re: investor question; Internal correspondence thereof to include 2022 T3 matters.
November 25, 2022	Paul Kouadio	3.30	Emails from investors; Draft email to B Bando re: Richardson Wealth inquiries; Email with B Bando and J Knight re: preparation of T3 Workbook and review same; General file management.
November 28, 2022	Bruce Bando	0.30	Various correspondence with Spectrum re: mortgages in default and review of files thereof.
November 28, 2022	Jason Knight	0.10	Review various correspondence re: mortgage file.
November 29, 2022	Bruce Bando	0.10	Correspondence with counsel.
November 29, 2022	Jonathan Krieger	0.50	Review of matters re remaining loans;
November 29, 2022	Paul Kouadio	0.20	Email with IT team re: voicemails and mailbox; Calls to voicemail.
November 30, 2022	Bruce Bando	0.10	Various correspondence with Spectrum.
November 30, 2022	Paul Kouadio	4.00	Review T3 Workbook and various documents for tax returns.
November 30, 2022	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
December 1, 2022	Bruce Bando	0.20	Correspondence from Spectrum; Correspondence with counsel.
December 1, 2022	Jason Knight	0.10	Review correspondence re: mortgage matter; Review Pond Technologies payment.
December 1, 2022	Paul Kouadio	2.70	Update monthly professional fees schedule; Review G/L account and email to team re: A&B invoices.
December 1, 2022	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger and authorized approvals; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
December 2, 2022	Bruce Bando	0.20	Various correspondence with counsel re: discharge of mortgage.
December 2, 2022	Jason Knight	0.20	Review correspondence between team and counsel re: discharge of Ontario mortgage and response to investor correspondence received.
December 2, 2022	Jonathan Krieger	1.00	Review of matters re: redemptions; Correspondence with team thereto;
December 2, 2022	Paul Kouadio	0.20	Email to TD re: investor account holding.
December 4, 2022	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple November statements.
December 5, 2022	Valerie Naccarato	0.20	Scan cheque requisition forms to server and file originals.
December 6, 2022	Jason Knight	0.30	Review affidavit re: mortgage matter and draft correspondence to counsel re: same.

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Date	Full Name	Time	Detail
December 6, 2022	Paul Kouadio	0.40	Email to investors re: update on receivership and status of distributions.
December 7, 2022	Jason Knight	0.20	Review monthly summary report provided by Spectrum and file same.
December 8, 2022	Jonathan Krieger	0.80	Review of matters re; open files; Correspondence re: expropriation letter;
December 8, 2022	Paul Kouadio	3.50	Review T3 Workbook and various documents for 2022 tax returns.
December 8, 2022	Rosa Wilford	1.50	Review and reconcile November GIC term deposits; attach copies of investments and approve various estate balance reports for review and approval by Trustee.
December 9, 2022	Paul Kouadio	2.30	Continue review T3 Workbook and various documents for 2022 tax returns.
December 9, 2022	Valerie Naccarato	0.20	Open mail, scan and email to team; Scan cheque requisition form to server and file original.
December 11, 2022	Jason Knight	0.20	Finalize affidavit re: mortgage foreclosure and draft email correspondence to counsel re: same.
December 12, 2022	Bruce Bando	0.30	Review correspondence from BLG re: St. Marys and expropriation proceedings; Forward to counsel.
December 12, 2022	Paul Kouadio	2.00	Review numerous attachments to T3 Workbook and various documents for 2022 tax returns; Investors correspondence.
December 13, 2022	Bruce Bando	0.10	Various correspondence with counsel on a Spectrum legal action file and review thereof.
December 13, 2022	Jason Knight	0.10	Review correspondence re: mortgage foreclosure matter.
December 14, 2022	Jonathan Krieger	0.40	Review of information re: investor communications and corr with team thereto;
December 14, 2022	Paul Kouadio	3.80	Numerous calls and emails to investors re: previous and future distributions, status of receivership, class actions and update contact details.
December 15, 2022	Bruce Bando	0.80	Various correspondence with Pond and review status; Internal correspondence re: T3 preparation. Various correspondence with Spectrum re: mortgage in default and review of files.
December 15, 2022	Jason Knight	0.30	Correspondence and phone call with team re: T3 workbook.
December 15, 2022	Paul Kouadio	3.70	Review and update monthly professional fees schedule; Update NBIN's Custody Fees workbook for November 2022.
December 16, 2022	Paul Kouadio	3.30	Review documents and correspondence re: residential mortgages; Review distributions to investors; Draft email to B Bando re: investor inquiries on Property and Dividend Funds.
December 19, 2022	Bruce Bando	0.90	Investor matter, investigate, review current situation and various internal discussions thereof.

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Date	Full Name	Time	Detail
December 19, 2022	Paul Kouadio	3.80	Review monthly investment portfolio statements; Meeting with B Bando re: investor inquiry on Property and Mortgage Funds; Review Spectrum monthly statement re: residential mortgages for Property Fund; Call and email to investor re: previous and future distributions and status of receivership.
December 20, 2022	Bruce Bando	0.70	Review and amend response to an investor.
December 20, 2022	Jason Knight	0.90	Prepare for and attend call with team to discuss and walk through the T3 workbook for the various funds; Review correspondence from Spectrum re: mortgage.
December 20, 2022	Paul Kouadio	1.00	Meeting with J Knight re: T3 Workbook; Update same; Email to investor re: questions to Property Fund.
December 21, 2022	Jason Knight	0.20	Review various correspondence from Spectrum re: distressed mortgages and proceedings re: same.
December 21, 2022	Paul Kouadio	3.00	Prepare T3 Workbook and various documents for 2022 tax returns.
December 22, 2022	Paul Kouadio	2.50	Continue preparation of T3 Workbook.
December 23, 2022	Paul Kouadio	0.30	Return investor inquiry and update contact details.
December 30, 2022	Jason Knight	0.30	Review correspondence re: Pond loan payments; Review correspondence from Spectrum re: status of foreclosure files and proposed next steps.

Time Summary

J. Krieger, Sr. Vice President	3.40	hours @	\$695.00	per hour	\$	2,363.00
B. Bando, Vice President	13.00	hours @	\$595.00	per hour	\$	7,735.00
J. Knight, Vice President	5.90	hours @	\$550.00	per hour	\$	3,245.00
R. Wilford, Manager	16.50	hours @	\$295.00	per hour	\$	4,867.50
P. Kouadio, Manager	62.50	hours @	\$250.00	per hour	\$	15,625.00
V. Naccarato, Analyst	2.30	hours @	\$165.00	per hour	\$	379.50
	103.60				\$	34,215.00
5% Technology and Administration					\$	1,710.75
					\$	35,925.75
HST					\$	4,670.35
Total Invoice					\$	40,596.10

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-8768**

To professional services as Receiver rendered for the period January 1, 2023 to January 31, 2023.

Date	Full Name	Time	Detail
January 2, 2023	Jason Knight	0.20	Draft email to counsel re: ability to discharge mortgages and draft correspondence to Spectrum re: same.
January 3, 2023	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage discharge and mortgage in default and review thereof.
January 3, 2023	Jason Knight	0.10	Review correspondence from Spectrum and counsel re: discharge of mortgages.
January 3, 2023	Paul Kouadio	0.60	Email re: unit holding for client; Call with investor re: missing transfers from NBIN re: F/H funds.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
January 4, 2023	Jason Knight	0.10	Correspondence with counsel to mortgagor re: discharge of mortgage and process for same.
January 4, 2023	Paul Kouadio	1.20	Email to investor and NBIN re: missing transfer from cash account re: F/H funds; Email to investor re: copy of will and update to status of receivership.
January 5, 2023	Jason Knight	0.50	Correspondence with Spectrum and counsel re: mortgage matters; Review and execute interest authorization form; Coordinate delivery of interest authorization form.
January 5, 2023	Paul Kouadio	0.40	Review account details; Email to investor re: account details.
January 6, 2023	Bruce Bando	0.10	Various correspondence from Spetrum re: mortgage in default and mortgage discharge.
January 6, 2023	Jason Knight	0.30	Further correspondence with counsel re: mortgage discharge forms; Review invoice and documentation re: clean-up of property in foreclosure; Review order re: foreclosure and file same.
January 6, 2023	Paul Kouadio	0.30	Change of mailing address and email to investor thereto.
January 9, 2023	Paul Kouadio	0.20	Change of mailing address and email to investor thereto.
January 10, 2023	Bruce Bando	0.10	Correspondence from Spectrum re: legal proceedings regarding a mortgage.
January 10, 2023	Jason Knight	0.20	Review correspondence and attachments provided by Spectrum re: foreclosure matter.
January 10, 2023	Paul Kouadio	1.40	Return investor inquiries re: updates on receivership and status of distributions; inquiry on NBIN account and value of funds.
January 11, 2023	Jason Knight	0.10	Review correspondence from counel and Spectrum re: foreclosure file.
January 12, 2023	Bruce Bando	0.20	Review and process legal bill; Various correspondence related thereto.
January 12, 2023	Paul Kouadio	3.80	Allocate professional fees among funds for A&B; Various correspondence with M Markussen and B Bando and team re: invoices; Review account and instruct team for payments.
January 12, 2023	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple December statements.
January 12, 2023	Valerie Naccarato	0.20	Scan receipts to server and file originals.
January 13, 2023	Bruce Bando	0.30	General file matters; legal bill matters.
January 13, 2023	Jonathan Krieger	0.50	Review of matters re; remaining assets; Corr thereto.

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Date	Full Name	Time	Detail
January 13, 2023	Paul Kouadio	6.70	Allocate professional fees among funds for October to December 2022 for Receiver and A&B; Various correspondence with M Markussen and B Bando re: invoices; Review account and instruct team for payments.
January 14, 2023	Rosa Wilford	1.50	Reconcile December GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
January 16, 2023	Bruce Bando	0.40	Investor inquiries and discussion thereof.
January 16, 2023	Paul Kouadio	3.40	Update NBIN's monthly custody fees and email to NBIN thereto; Return NBIN inquiry re: change of investor's mailing address; Return investor's call re: missing distributions, future distributions, Wells Asset Management; Update contact details.
January 17, 2023	Jason Knight	0.10	Review update from Spectrum and counsel re: foreclosure matter.
January 17, 2023	Paul Kouadio	0.80	Emails with team re: professional fees; Review drafts from team and instruct payments.
January 18, 2023	Bruce Bando	0.20	Review and e-sign disbursements.
January 18, 2023	Valerie Naccarato	0.20	Scan cheque requisition forms to server and file originals.
January 19, 2023	Jason Knight	0.10	Review correspondence from counsel and Spectrum re: discharge of mortgage.
January 19, 2023	Paul Kouadio	1.50	Review portfolio statements from NBIN for all funds; Email to NBIN re: same; Return email from investor re: update on receivership and status of distributions re: Factoring Fund.
January 20, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to the server and file original.
January 22, 2023	Jason Knight	0.20	Review invoice from legal counsel and draft correspondence to Spectrum re: same.
January 23, 2023	Bruce Bando	0.30	Various correspondence with Spectrum and mortgage counsel and review thereof.
January 24, 2023	Bruce Bando	0.20	Correspondence from Spectrum re: mortgages..
January 24, 2023	Paul Kouadio	5.30	Email to NBIN re: update of mailing address; Call and emails to NBIN re: annual investment portfolio statements for 2022 and investment income summary for 2022 for all Crystal Wealth funds; Review GL account and A&B bill for December 2022 and instruct payment of same; Update professional fees allocation schedule.
January 25, 2023	Paul Kouadio	0.80	Return investor inquiry to update on receivership re: Factoring Fund; Email and call with NBIN re: 2022 portfolio and investment statements.
January 26, 2023	Bruce Bando	0.10	Correspondence from Spectrum re: mortgage in default.

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Date	Full Name	Time	Detail
January 26, 2023	Paul Kouadio	0.20	Email to NBIN accounting department and service team and re: 2022 investment income summary reports.
January 27, 2023	Paul Kouadio	1.80	Review investment portfolio statements for 2022 for all Crystal Wealth funds; Correspond with NBIN thereto.
January 28, 2023	Jason Knight	0.10	Review update correspondence from Spectrum re: various mortgage matters and legal costs re: same.
January 30, 2023	Jonathan Krieger	0.40	Correspond re: tax matters; Discussions thereto.
January 30, 2023	Paul Kouadio	0.30	Email to NBIN re: 2022 Investment Income Summary; Review emails.
January 31, 2023	Bruce Bando	0.20	Correspondence from Pond; Various correspondence with Spectrum.
January 31, 2023	Jonathan Krieger	0.60	Review of matters re; open legal issues; Discussions thereto.
January 31, 2023	Paul Kouadio	5.20	Return investors emails and calls re: NBIN statements, update on receivership and status of distributions re: Mortgage, Factoring, Media, Medical and Resource Funds; Update contact details; Continue preparing sections of the T3 Workbook for 2022 tax returns.
January 31, 2023	Rosa Wilford	0.50	Review GIC Investments maturing; Correspondences with Bank to provide re-invested GICs: Email.

Time Summary

J. Krieger, Sr. Vice President	1.50 hours @	\$765.00 per hour	\$ 1,147.50
B. Bando, Vice President	2.30 hours @	\$625.00 per hour	\$ 1,437.50
J. Knight, Vice President	2.00 hours @	\$595.00 per hour	\$ 1,190.00
R. Wilford, Manager	3.50 hours @	\$350.00 per hour	\$ 1,225.00
P. Kouadio, Manager	33.90 hours @	\$350.00 per hour	\$ 11,865.00
V. Naccarato, Analyst	0.60 hours @	\$150.00 per hour	\$ 90.00
	43.80		\$ 16,955.00
5% Technology and Administration			\$ 847.75
			\$ 17,802.75
HST			\$ 2,314.36
Total Invoice			\$ 20,117.11

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSO-8889**

To professional services as Receiver rendered for the period January 3, 2023 to February 28, 2023.

Date	Full Name	Time	Detail
January 3, 2023	Rosa Wilford	0.80	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wires; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.

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Date	Full Name	Time	Detail
January 14, 2023	Rosa Wilford	2.00	Review multiple internal email instructions from team re Banking; Review payment requests; Review account ledger and authorized approvals; Prepare disbursement requisition forms; Post various invoice entries; Issue cheques; Respond to team re enquiries on payments made to date; Notify team insufficient funds; Provide supporting documentation for review and directions on GIC on hand; Emails.
January 18, 2023	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment requests; Review account ledger; Notify team insufficient funds in estate account and provide details on Investments on hand for review and direction; Prepare bank letter re redemption of GIC; Emails.
January 19, 2023	Rosa Wilford	1.00	Correspondences with Bank; re GIC Redemption; Fax; Emails; On-line banking review account and print screens re expecting redemption; Post receipt and interest entries; Run and match to report; Update GIC Schedule; Notify team; Review payment request and authorized approvals; Prepare disbursement requisition forms; Post invoice entries; Issue cheques; Emails.
January 25, 2023	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment requests; Review account ledger and authorized approvals; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
January 31, 2023	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.
February 1, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
February 1, 2023	Paul Kouadio	2.30	Email re: unit holding for client re: Mortgage Fund; Call and emails with investors re: distributions for Factoring, Medical and HY Mortgage Funds; Review CRA letter re: 2021 T2 and research files hereto; Emails to team thereto.
February 1, 2023	Bruce Bando	0.20	Correspondence from Spectrum; CRA T2 matters on CWMSL.
February 1, 2023	Jason Knight	0.10	Review correspondence from Spectrum re: foreclosure of Alberta property; Review correspondence from Pond re: loan payment.

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Date	Full Name	Time	Detail
February 2, 2023	Paul Kouadio	5.80	Call and email from/to advisor re: CW clients and NBIN transfers; Update mailing address and respond to investor re: missing distributions and update to receivership; Review and attend to various files for preparation of 2021 T2 corporate tax return.
February 3, 2023	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple January statements.
February 3, 2023	Paul Kouadio	1.70	Review statements from NBIN for investors; Call and email with NBIN re: investors inquiries; Update mailing address and respond to investor; Correspond with NBIN re: T3 returns.
February 6, 2023	Paul Kouadio	0.30	Update mailing addresses, emails and respond to investors.
February 6, 2023	Bruce Bando	0.60	Various correspondence with Spectrum re: mortgages in default; Discussions on T3 workbook; Correspondence re: Pallisades.
February 6, 2023	Jason Knight	0.20	Review various correspondence from Spectrum re: various mortgage matters; Review monthly reporting and file same.
February 7, 2023	Rosa Wilford	1.50	Reconcile January GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
February 7, 2023	Bruce Bando	0.60	Reivew of and discusison in Pallisades; Correspondence with Spectrum; Discussion on Pond.
February 7, 2023	Jason Knight	0.30	Draft responses to correspondence received from Questrade; Correspondence with team re: Pond loan; Review correspondence re: shares.
February 7, 2023	Paul Kouadio	4.80	Review DRS re: Palisades shares; Research and calls with Keystone, Odyssey and NBIN re: Resource Fund, Emails to NBIN and team thereto; Return investor inquiries.
February 8, 2023	Valerie Naccarato	0.40	Deposit at bank.
February 8, 2023	Paul Kouadio	1.70	Review and instruct deposit re: cheque from CRA re: Factoring Fund; Call and email with investors re: update on receivership and status of distributions re: Mortgage, Resource, Factoring, Medical and Media Funds; Update contact details.
February 8, 2023	Rosa Wilford	0.80	Review mail; Prepare receipt requisition form; Post deposit entries; Print slip and stamp date for review and signing by officer; Notify team; Scan and save to server; Emails. Review internal email instructions from team re Banking on directions on purchasing new GIC Investment; Review account ledger; Print trial balance and match to support; Prepare Bank

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Date	Full Name	Time	Detail
			letter; Prepare disbursement requisition form with supporting documentation; Setup accrual payment; Provide to authorized signing officers for review and signing; Email.
February 9, 2023	Bruce Bando	0.40	Pallisades matter and review NBIN requirements; Correspondence thereof.
February 9, 2023	Paul Kouadio	2.30	Call with Richardson Wealth and Palos re: update on receivership and status of distributions re: Mortgage, HY Mortgage, Infrastructure, Medical and Media Funds; Discuss sale of Pallisades shares with NBIN and B Bando re: Resource Fund; Emails to NBIN thereto.
February 10, 2023	Valerie Naccarato	0.20	Scanned deposirt requisition form to server and filed original.
February 10, 2023	Paul Kouadio	0.90	Discuss sale of Pallisades shares with B Bando re: Resource Fund; Email to NBIN thereto; Return investor inquiry.
February 10, 2023	Rosa Wilford	0.50	Correspondences to and from Bank for authorization re; new GIC Investment Certificate; Post term deposit entries; Run report; Match to investment; Provide to team with supporting documentation; Update GIC schedule; Email.
February 13, 2023	Paul Kouadio	0.70	Email to investor re: status of further distributions and receivership re: Dividend and Property Funds; Call and email with NBIN re: sale of palisades shares re: Resource Fund.
February 13, 2023	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgages in default; Correspondence with NBIN and discussion thereof re: Pallisades.
February 13, 2023	Jason Knight	0.10	Review correspondence from Spectrum re: foreclosure matters.
February 13, 2023	Jonathan Krieger	0.80	Correspond re: investor inquiries; Discussions thereto.
February 14, 2023	Jason Knight	0.30	Review and execute discharge documents for mortgage payout; Draft letter enclosing discharge documents; Correspondence with P. Federoff re: affidavit for mortgage.
February 14, 2023	Rosa Wilford	0.20	Correspondences to and from Bank re discrepancy on GIC Investment Purchase; On-line banking; Review print screens match to report; Attach support to backup; Email.
February 15, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
February 15, 2023	Paul Kouadio	0.30	Update NBIN monthly custody fees schedule and respond to NBIN thereto.
February 15, 2023	Bruce Bando	0.20	Various corespondence with Spectrum re: mortgages in default.

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Date	Full Name	Time	Detail
February 15, 2023	Jason Knight	0.60	Review correspondence from counsel and appraisal re: foreclosure unit; Attend meeting with counsel to affirm affidavit re: foreclosure proceedings.
February 16, 2023	Bruce Bando	0.20	Various correspondence with Spectrum; Correspondence with NBIN.
February 16, 2023	Jonathan Krieger	0.20	Investor correspondence.
February 16, 2023	Paul Kouadio	0.80	Call and email with NBIN re: sale of palisades shares re: Resource Fund; Return investor inquiry re: NBIN statements re: ACM Income and Growth Funds.
February 16, 2023	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
February 17, 2023	Bruce Bando	0.10	Correspondence with an investor.
February 17, 2023	Jonathan Krieger	0.30	Correspondence re: investor queries.
February 17, 2023	Paul Kouadio	0.70	Return investor email re: status of further distributions and receivership re: Factoring Fund; Email NBIN.
February 21, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
February 22, 2023	Paul Kouadio	0.40	Return investors inquiries re: tax slips and client account opening documentation.
February 22, 2023	Jason Knight	0.10	Review update from counsel re: foreclosure.
February 23, 2023	Bruce Bando	0.30	T3 matters and discussion thereof.
February 24, 2023	Jonathan Krieger	0.70	Review of matters re: status of assets; Correspond with team thereto.
February 27, 2023	Bruce Bando	0.20	Discussions and correspondence re: T3.
February 27, 2023	Paul Kouadio	5.80	Update T3 workbook re: all funds; Access to NBIN NetRep for transactions; Meeting with J Knight to discuss same; Emails to team.
February 27, 2023	Jason Knight	1.10	Review draft T3 workbook and make notes on same; Prepare for and attend call with team to review T3 workbook.
February 28, 2023	Paul Kouadio	1.70	Finalize update to T3 workbook and send to J Knight. All funds.
February 28, 2023	Jason Knight	0.40	Review invoice and correspondence from Spectrum re: foreclosure matter; Draft correspondence to Spectrum re: December 2022 investor statement for mortgages; Review December 2022 mortgage statement and file same.

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Date	Full Name	Time	Detail
February 28, 2023	Rosa Wilford	0.50	Review internal email instructions from team re Banking; On-line banking; Review and print screens for expecting incoming wire; Notify team; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Respond to emails.

Time Summary

J. Krieger, Sr. Vice President	2.00	hours @	\$765.00	per hour	\$	1,530.00
B. Bando, Vice President	3.00	hours @	\$625.00	per hour	\$	1,875.00
J. Knight, Vice President	3.20	hours @	\$595.00	per hour	\$	1,904.00
R. Wilford, Manager	10.40	hours @	\$350.00	per hour	\$	3,640.00
P. Kouadio, Manager	30.20	hours @	\$350.00	per hour	\$	10,570.00
V. Naccarato, Analyst	1.20	hours @	\$150.00	per hour	\$	180.00
	50.00				\$	19,699.00
5% Technology and Administration					\$	984.95
					\$	20,683.95
HST					\$	2,688.91
Total Invoice					\$	23,372.86

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

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

B E T W E E N:**ONTARIO SECURITIES COMMISSION**

Applicant

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CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED, CLAYTON SMITH, CLJ EVEREST LTD., 1150752 ONTARIO LIMITED, CRYSTAL WEALTH MEDIA STRATEGY, CRYSTAL WEALTH MORTGAGE STRATEGY, CRYSTAL ENLIGHTENED RESOURCE AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-8993**

To professional services as Receiver rendered for the period March 1, 2023 to April 30, 2023.

Date	Full Name	Hours	Detail
March 1, 2023	Bruce Bando	0.10	Various correspondence from Spectrum.
March 1, 2023	Paul Kouadio	2.00	Amend T3 workbook re: accruals, NAV, Spectrum statement and NBIN statements for all funds.
March 1, 2023	Jason Knight	0.10	Review file update from Spectrum.
March 2, 2023	Bruce Bando	0.10	Various correspondence with Spectrum re: mortgage in default.
March 3, 2023	Paul Kouadio	0.40	Review 2022 investment income summary from NBIN and email to team thereto; Email to investor re: unit

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Date	Full Name	Hours	Detail
			holding re: Mortgage fund.
March 3, 2023	Valerie Naccarato	0.20	Scan mail received, save to server and notify team.
March 3, 2023	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple February statements.
March 3, 2023	Jason Knight	0.10	Review correspondence from counsel re: mortgage default proceedings.
March 4, 2023	Jason Knight	2.30	Begin reviewing 2022 T3 return workbook and make revisions to same.
March 6, 2023	Paul Kouadio	0.90	Attend call with team to discuss T3 workbook; Review same; Correspond with tax team re: tax review.
March 6, 2023	Bruce Bando	0.30	Discussion re: T3 workbook.
March 6, 2023	Jason Knight	3.10	Continue to review 2022 T3 workbook and make revisions to same; Perform reconciliation of professional fees; Update interfund NAV adjustments; Draft correspondence to team re: final workbook; Attend call with team to discuss T3 workbook.
March 7, 2023	Michael Zimnicki	0.20	Review F/S for group T3s.
March 7, 2023	Scott Reeves	0.50	Call with P. Kouadio to review timeline for the file.
March 7, 2023	Paul Kouadio	0.60	Call with tax team re: tax review; Investors correspondence.
March 8, 2023	Rosa Wilford	0.20	Review mail; Scan to server; Notify team for review and directions.
March 8, 2023	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.
March 8, 2023	Paul Kouadio	1.40	Correspond with team and NBIN re: transfers to be made re: Mortgage fund; Review GL and T3 workbook; Email to NBIN thereto; Return investor inquiry re: NBIN statement and tax slip.
March 8, 2023	Jason Knight	0.30	Review correspondence from Spectrum re: foreclosure matter; Call with team to discuss proposed wire transfers.
March 9, 2023	Valerie Naccarato	0.10	Open mail, scan to server and notify team.
March 9, 2023	Bruce Bando	0.20	Correspondence with NBIN; Correspondence with an investor.
March 9, 2023	Paul Kouadio	0.50	Review NBIN monthly investment portfolio statements; Email to team; Email to NBIN re: transfer of funds.
March 9, 2023	Jason Knight	0.10	Review correspondence from Spectrum re: repayment extension.

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Date	Full Name	Hours	Detail
March 10, 2023	Rosa Wilford	0.30	Review mail; Scan to server; Notify team for review and approval to pay invoice; Confirm approval; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
March 10, 2023	Paul Kouadio	0.30	Emails to NBIN re: transfers and review same.
March 10, 2023	Jason Knight	0.10	Review correspondence re: NBIN transfers.
March 11, 2023	Scott Reeves	5.00	Reviewing file and comparing FS from PY to this year, preparing ACM Growth Fund, ACM Income Fund, Bullion fund, Conscious Capital Fund.
March 12, 2023	Scott Reeves	4.50	Preparing T3s for Factoring fund, Hedge Fund and High Yield Fund; Reviewing notes for previous files and making minor adjustments.
March 13, 2023	Scott Reeves	2.00	Reviewing and adjusting my notes for the completed returns, fixing minor issues, drafting email with completed returns.
March 13, 2023	Valerie Naccarato	0.10	Open mail, scan and email team.
March 13, 2023	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple February statements.
March 13, 2023	Paul Kouadio	0.10	Email re: 2021 T2 returns.
March 14, 2023	Scott Reeves	2.50	Making adjustments, efile matters and send returns for signature.
March 14, 2023	Michael Zimnicki	2.00	Review group of T3s.
March 14, 2023	Bruce Bando	0.20	T3 matters.
March 14, 2023	Paul Kouadio	3.70	Allocate monthly custody fees and respond to NBIN; Return investor inquiries re: NBIN statement and distributions re: ACM Income and Growth Funds; Update investors contact details; Review T3 returns prepared by tax team for 7 funds, execute T183 forms and correspond with team.
March 14, 2023	Jason Knight	0.10	Review correspondence from Spectrum re: inspections of property.
March 15, 2023	Scott Reeves	8.50	Save signed T183s and file; Preparing T3 returns for the Infrastructure fund, Media fund, Medical Fund, Mortgage Fund, Resource Fund, Sustainable Dividend Fund, and Sustainable Property Fund; Drafting email with links to returns and notes; Reviewing comments for the mortgage fund.

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Date	Full Name	Hours	Detail
March 15, 2023	Bruce Bando	0.80	Various correspondence with counsel re: mortgage on default; File matters; QC registration matters.
March 15, 2023	Paul Kouadio	0.40	Correspond with tax team re: T3 returns; Review update returns for 7 funds.
March 15, 2023	Jason Knight	0.70	Review final T3s for funds and review reconciliation to T3 workbook; Correspondence with tax team re: T3 returns; Review correspondence re: notice received from counsel re: foreclosure.
March 16, 2023	Scott Reeves	3.50	Meeting with Paul about the file; Adjustment to Mortgage fund.
March 16, 2023	Michael Zimnicki	1.80	Review final 7 MFTs.
March 16, 2023	Rosa Wilford	1.50	Reconcile February GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
March 16, 2023	Bruce Bando	0.20	Various correspondence re: T3's.
March 16, 2023	Jonathan Krieger	0.30	Correspond re: Pond matter; Correspond re: status of recoveries.
March 16, 2023	Paul Kouadio	2.30	Workshop with S Reeves re: T3 returns; Review T3 workbook; Discuss 2021 T2 return preparation.
March 17, 2023	Scott Reeves	2.00	Discussion about filing issues; Reviewing email from Paul and adding T183s to folders; Adjustments to returns.
March 17, 2023	Jonathan Krieger	0.70	Correspondence and call re: Pond matter; Discussions with team thereto.
March 17, 2023	Bruce Bando	0.50	Discussion re: status of Pond and review files.
March 17, 2023	Valerie Naccarato	0.20	Scanned cheque requisition form to server and file original.
March 17, 2023	Paul Kouadio	2.50	Review final T3 returns prepared by tax team for 7 funds, execute T183 forms and correspond with team.
March 18, 2023	Jason Knight	0.30	Review revised T3 workbook and correspondence from tax team re: same.
March 19, 2023	Jason Knight	0.10	Review correspondence from tax team re: filing of T3 returns.
March 19, 2023	Scott Reeves	0.50	Reviewing efile confirmations from Maria and sending to restructuring team for their records.
March 20, 2023	Bruce Bando	0.30	T32 and T2 matters; Correspondence from Spectrum; Investor matter.

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Date	Full Name	Hours	Detail
March 20, 2023	Paul Kouadio	0.60	Call with CRA re: 244's GST/HST returns; Briefing B Bando thereto; Review files; Email to team re: fees allocation and tracker.
March 21, 2023	Jonathan Krieger	0.30	Correspond re: matters related to remaining assets and action items.
March 21, 2023	Bruce Bando	0.40	Various correspondence from Spectrum; File matters.
March 21, 2023	Jason Knight	0.10	Review updates from Spectrum re: renewals and foreclosure proceedings.
March 21, 2023	Rosa Wilford	0.30	Review internal email instructions from team re Banking; Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Email.
March 22, 2023	Bruce Bando	0.20	Various correspondence with Spectrum and its counsel re: mortgage in default.
March 22, 2023	Rosa Wilford	0.20	Review internal instructions from team re Banking; Review account and HST; Respond to team with supporting document; Email.
March 22, 2023	Jason Knight	0.10	Review correspondence and documents from counsel re: mortgage foreclosure.
March 22, 2023	Paul Kouadio	2.10	Call with CRA re: 244's GST/HST returns; Prepare returns since July 2021 to date.
March 23, 2023	Paul Kouadio	1.70	244's GST/HST returns; Prepare returns since July 2021 to date.
March 24, 2023	Bruce Bando	1.00	Various internal correspondence and discussion re: Pond; various correspondence with Pond and review amortization schedule; Review, sign and return audit confirmation.
March 24, 2023	Paul Kouadio	2.30	Email to NBIN re: ACM Income and Growth Funds. Review Pond shares interest summary and discuss with team re: Conscious Capital; Emails thereto; Call and email to investors re: NBIN statement and distributions re: Factoring, ACM Income and Growth, Medical, Media, HY Mortgage and Infrastructure Funds.
March 24, 2023	Jason Knight	0.10	Review email and attend call with team to discuss Pond shares.
March 27, 2023	Paul Kouadio	0.60	Review mailbox and investors inquiries; Review notice from CRA and correspondence re: 2441472 Ontario Inc.
March 27, 2023	Bruce Bando	0.30	Various correspondence with Spectrum and counsel re: sale proceedings of a property and review of listing agreement thereof.

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Date	Full Name	Hours	Detail
March 27, 2023	Jonathan Krieger	0.50	Correspond re: matters related to remaining assets; Discussion re: mortgage portfolio.
March 28, 2023	Bruce Bando	0.30	Various correspondence with Spectrum re: various legal actions.
March 28, 2023	Jason Knight	0.10	Review updates re: listing of foreclosure property and extension of mortgage.
March 28, 2023	Rosa Wilford	0.60	Review account ledger for maturing GICs dated today; Correspondences to Bank on providing matured and renewed investment certificate; Email; Review account ledger and PDF EGLR Report; and notify team on reviewing Banking GL on providing directions on possibly purchasing a new GIC investment; Email.
March 28, 2023	Rosa Wilford	0.20	Review account ledger for maturing GICs dated today; Correspondences to Bank on providing matured and renewed investment certificate; Email.
March 29, 2023	Rosa Wilford	0.30	Review account ledger for maturing GICs dated today; Correspondences to Bank on providing matured and renewed investment certificate re GTA Capital; Email.
March 29, 2023	Bruce Bando	0.40	Various correspondence with Spectrum legal counsel and complete listing agreement.
March 29, 2023	Paul Kouadio	0.50	Return investors inquiries re: missing distributions re: Mortgage, Factoring, Media, Bullion, Hedge Funds; Correspond with NBIN re: Pallisade shares.
March 29, 2023	Rosa Wilford	0.60	Review account ledger for maturing GIC; Correspondences to and from Bank to provide copies of investment certificate; Review documents; Prepare receipt and disbursement requisitions forms for matured / renewed GIC's principal and interest; Post entries; Update schedule. Emails.

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Date	Full Name	Hours	Detail
March 29, 2023	Rosa Wilford	1.00	Review internal email instructions from team re Banking on directions on purchasing new GIC Investment; Review account ledger; Print trial balance and match to support; Prepare Bank letter; Prepare disbursement requisition form with supporting documentation; Setup accrual payment; Provide to authorized signing officers for review and signing; Correspondences to and from Bank for authorization re; new GIC Investment Certificate; Post term deposit entries; Run report; Match to investment; Provide to team with supporting documentation; Update GIC schedule; Emails.
March 31, 2023	Rosa Wilford	0.50	Follow-up correspondence with financial institution re new investment purchase; Review and post entries and update GIC schedule; Emails.
April 3, 2023	Paul Kouadio	1.30	Discuss 244's HST returns with B Bando; Review 2022 T3 NOAs from CRA for all funds; Update investors contact details; Respond to investor's inquiry re: status of distributions re: Mortgage, Factoring, Bullion, Media and Hedge funds.
April 3, 2023	Bruce Bando	0.60	T2 assessment matters; Discussion on HST matters; Various correspondence with counsel to Spectrum.
April 3, 2023	Jason Knight	0.20	Review correspondence re: Pond Loan payment and T3 NOAs received; Review correspondence from Spectrum re: foreclosure property update.
April 3, 2023	Rosa Wilford	0.50	On-line banking; Review print screens for expecting incoming wire; Prepare receipt and disbursement requisition forms; Post deposit and EFT entries, print slip and stamp date for signing; Respond to enquiries and notify team; Emails.
April 4, 2023	Paul Kouadio	0.20	Investor's inquiry re: status of distributions re: Mortgage, Factoring, Bullion, Media and Hedge funds.
April 4, 2023	Bruce Bando	0.30	Various correspondence with Spectrum and counsel, review offer and comment thereon.
April 4, 2023	Jason Knight	0.20	Review correspondence from Spectrum re: sale agreement; Review sale agreement and execute same.
April 5, 2023	Paul Kouadio	0.20	Update investor's address and email thereto.
April 5, 2023	Bruce Bando	0.20	Various correspondence with counsel re: sale of property.

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Date	Full Name	Hours	Detail
April 5, 2023	Jason Knight	0.20	Review revised sale agreement, execute same, and draft correspondence to counsel.
April 6, 2023	Rosa Wilford	1.50	Reconciliation of multiple accounts for March 2023; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
April 6, 2023	Valerie Naccarato	0.30	Scan cheque and deposit requisition forms to server and file originals.
April 7, 2023	Paul Kouadio	0.30	Call from investor re: status of further distributions and receivership re: Medical, Media, HY Mortgage and Infrastructure Funds.
April 10, 2023	Rosa Wilford	1.50	Reconcile March GIC term deposits; Print Summary of Estate Balance Reports; Print and attach copies of investments; Match to various reconciliations and initial report; Provide to authorized officer for review and signing.
April 11, 2023	Paul Kouadio	1.30	Review notice of objection from CRA; Review Receivership Order; Various emails with B Bando and team thereto; Call from investment advisor for many clients re: status of further distributions and receivership re: Mortgage fund, estates and accounts with NBIN.
April 12, 2023	Jason Knight	0.20	Review correspondence from Spectrum re: enforcement proceedings; Review monthly reporting from Spectrum.
April 14, 2023	Paul Kouadio	2.00	Call CRA re: T2 returns; Review investors inquiries; Review NBIN invoice and update monthly custody fees schedule; Emails thereto.
April 17, 2023	Bruce Bando	0.30	Review, execute and return release of a mortgage discharge to Spectrum.
April 17, 2023	Paul Kouadio	0.20	Check investors inquiries and mailbox.
April 17, 2023	Jonathan Krieger	0.60	Correspond re: investor matters; Discussions with team thereto.
April 18, 2023	Jason Knight	0.20	Review correspondence from team and Spectrum re: mortgage foreclosure.
April 19, 2023	Bruce Bando	1.00	Various correspondence and discussion with Pond; Assemble information re: potential purchaser and internal correspondence thereof.
April 19, 2023	Jonathan Krieger	0.60	Review of matters and correspond re: Pond notes, asset.
April 19, 2023	Paul Kouadio	0.20	Review monthly portfolio statements from NBIN; Investors inquiries and mailbox.

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Date	Full Name	Hours	Detail
April 20, 2023	Bruce Bando	2.50	Various correspondence with Spectrum re: property under sale; Review of files and planning for the next report to court; Internal discussions thereof.
April 23, 2023	Jason Knight	0.10	Review correspondence re: foreclosure matter.
April 24, 2023	Paul Kouadio	0.10	Check investors inquiries and mailbox.
April 24, 2023	Bruce Bando	2.20	Continue planning re: report and discussions thereof; Various correspondence with Spectrum, review documents and provide directions re: mortgage in default and sale of a property; Various correspondence with counsel re: SK renewal.
April 24, 2023	David Collins	2.50	Internal meeting. Reviewed first report of the Receiver.
April 25, 2023	Bruce Bando	2.90	Continue with planning the next report and review source documents; Various discussions with Spectrum re: mortgages in default.
April 25, 2023	David Collins	1.50	Internal calls and correspondence. Reviewed excel information.
April 26, 2023	Bruce Bando	0.80	Various correspondence with Spectrum re: mortgages in default; Various correspondence with counsel thereof; Various correspondence with Pond and discussion thereof; Discussion on investment workbook.
April 26, 2023	Jason Knight	0.20	Review correspondence from counsel and Spectrum re: foreclosure matters.
April 27, 2023	Paul Kouadio	0.10	Check investors inquiries and mailbox.
April 27, 2023	Bruce Bando	0.80	Various correspondence with Spectrum and counsel re: sale of properties; Review situation with Pond, internal discussions and correspondence re: same.
April 27, 2023	Jason Knight	0.30	Review and execute transfer authorization and draft correspondence to counsel re: same.
April 27, 2023	David Collins	0.10	Internal correspondence.
April 28, 2023	Jonathan Krieger	1.30	Call with counsel re: secured position; Correspond and discussions with team re: matters related to mortgages, Pond; Review of materials re: same.
April 28, 2023	Bruce Bando	4.20	Prepare for and attend conference call with counsel; Various correspondence with Pond and review of information; Prepare for and attend conference call with Pond; Various discussions thereafter; Correspondence with counsel thereof.

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Date	Full Name	Hours	Detail
April 28, 2023	Jonathan Krieger	0.10	Call with counsel re; secured position; Correspond and discussions with team re: matters related to mortgages, Pond; Review of materials re; same;
April 28, 2023	David Collins	1.50	Reviewed information provided by Pond in advance of call. Call with Pond Technologies. Internal calls and correspondence.
April 28, 2023	Jason Knight	0.30	Internal correspondence re: mortgage analysis; Review correspondence from Spectrum re: mortgage.

Time Summary

J. Krieger, Sr. Vice President	4.40	hours @	\$695.00	per hour	\$	3,058.00
B. Bando, Vice President	21.10	hours @	\$625.00	per hour	\$	13,187.50
J. Knight, Vice President	9.60	hours @	\$595.00	per hour	\$	5,712.00
M. Ziminicki, Tax Director	4.00	hours @	\$590.00	per hour	\$	2,360.00
R. Wilford, Manager	12.20	hours @	\$350.00	per hour	\$	4,270.00
P. Kouadio, Manager	28.80	hours @	\$350.00	per hour	\$	10,080.00
D. Collins, Sr. Associate	5.60	hours @	\$305.00	per hour	\$	1,708.00
S. Reeves, Manager	29.00	hours @	\$230.00	per hour	\$	6,670.00
V. Naccarato, Analyst	1.10	hours @	\$150.00	per hour	\$	165.00
	115.80				\$	47,210.50
5% Technology and Administration					\$	2,360.53
					\$	49,571.03
HST					\$	6,444.23
Total Invoice					\$	56,015.26

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-9075**

To professional services as Receiver rendered for the period May 1, 2023 to May 31, 2023.

Date	Full Name	Time	Detail
May 1, 2023	Bruce Bando	1.30	Various correspondence from and discussion with counsel re: Pond and review thereof; Internal discussion on investment workbook.
May 1, 2023	David Collins	1.30	Internal calls and correspondence. Worked on cash reconciliation for Funds.
May 1, 2023	Jason Knight	0.40	Prepare for and attend call with team to discuss mortgage fund and reconciliation of balances outstanding.

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Date	Full Name	Time	Detail
May 1, 2023	Jonathan Krieger	0.80	Correspondence re: Pond, proposals; Correspondence re: remaining assets; Review of materials thereto.
May 1, 2023	Paul Kouadio	0.20	Email re: unit holding for client re: Mortgage Fund; Check investors inquiries and mailbox.
May 2, 2023	Bruce Bando	0.20	Correspondence with counsel re: Pond.
May 2, 2023	Paul Kouadio	2.50	Investor inquiries; Review tax documents re: corporate tax returns; Research and install tax software.
May 3, 2023	Bruce Bando	0.80	Correspondence from Spectrum re: mortgage paid out and execute release; Various correspondence with counsel re: Pond; Voicemail from and various correspondence with Pond.
May 3, 2023	David Collins	4.10	Internal calls and correspondence. Continued reconciliation.
May 3, 2023	Jonathan Krieger	0.50	Review of materials re: Pond status; Correspondence thereto.
May 3, 2023	Rosa Wilford	0.50	Online banking; Review print screens and notify team on receipt of funds and to provide directions; Prepare receipt and disbursement requisition forms; Post deposit and eft entries, print slip and stamp date for signing; Email.
May 4, 2023	Bruce Bando	3.30	Court report matters and begin drafting thereof; CW Fund analysis and various discussions thereof; NBIN matters and discussion re: deposit; Correspondence with Xynergy.
May 4, 2023	David Collins	4.00	Internal calls and correspondence. Continued reconciliation of Funds.
May 4, 2023	Paul Kouadio	2.80	Calls and emails with team, NBIN and Newport Private Health re: funds; Return investors calls and emails re: update on receivership and status of distributions re: NBIN portfolio statements, Mortgage, F, Med, Media, HY Mortgage, Infrastructure.
May 4, 2023	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple April 2023 statements.
May 5, 2023	Bruce Bando	3.10	Detailed review of the mortgage portfolio and correspondence with Spectrum; Continue with investment matters to include various internal discussions; Continue with the report.
May 5, 2023	David Collins	3.00	Internal calls and correspondence. Continued constructing reconciliation.

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Date	Full Name	Time	Detail
May 7, 2023	Rosa Wilford	1.50	Review and reconcile multiple April GIC term deposits and approve various estate balance reports for review and approval by Trustee.
May 8, 2023	Bruce Bando	0.20	Various correspondence with counsel to Spectrum and counsel re: mortgage and review thereof.
May 8, 2023	David Collins	3.00	Continued with reconciliation of Funds.
May 8, 2023	Jonathan Krieger	1.10	Review of matters re: CW remaining assets; Correspondence re: Pond agreement; Discussions thereto.
May 9, 2023	Bruce Bando	0.10	Correspondence with counsel to Spectrum re: mortgage discharge.
May 9, 2023	David Collins	3.00	Internal calls and correspondence. Reviewed financial information. Continued reconciliation.
May 9, 2023	Jason Knight	0.40	Review various correspondence from Spectrum and team re: foreclosure matters and removal of mortgages from titles in Saskatchewan; Correspondence with team re: Resource Fund and cash flows re: same.
May 9, 2023	Paul Kouadio	0.10	Investment Portfolio Statements from NBIN.
May 10, 2023	Bruce Bando	2.40	Attend meeting and conference call re: CW Funds workbook and next steps; Various correspondence with counsel to Spectrum; Various correspondence with Spectrum and review thereof re: status of mortgages.
May 10, 2023	David Collins	2.00	Amended draft reconciliation and provided to J. Knight in advance of call. Internal call and correspondence re: reconciliation.
May 10, 2023	Jason Knight	1.00	Review workbook prepared by team re: fund reconciliation; Prepare for and attend call with team to discuss fund reconciliations and next steps re: same; Review updates from Spectrum on legal files.
May 10, 2023	Paul Kouadio	0.50	Return investors inquiries re: status of receivership and distributions, NBIN statements re: Mortgage Fund.

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Date	Full Name	Time	Detail
May 11, 2023	Bruce Bando	0.70	Review and approve payments; Correspondence received re: BC registration, various correspondence with counsel and provide certificate to Spectrum; Correspondence received re: security registration, forward to Spectrum and various correspondence with counsel to Spectrum thereof.
May 11, 2023	David Collins	2.00	Continued generating reconciliation.
May 11, 2023	Jonathan Krieger	0.90	Correspondence re; Pond matters; Review of materials re: mortgage portfolio and next steps proposed thereto.
May 11, 2023	Paul Kouadio	2.20	Call to Information Services Corporation re: registration of interest in land in SK; Emails thereto; Update NBIN monthly fees and emails to NBIN; Update professional fees tracker.
May 11, 2023	Rosa Wilford	0.60	Review payment request and authorized approval from Trustee on file; Review account ledger; Prepare disbursement requisition forms; Post entries; Issue cheques; Emails.
May 12, 2023	David Collins	3.00	Continued cash reconciliation.
May 15, 2023	Bruce Bando	0.20	Various correspondence from Spectrum re: specific mortgage and portfolio.
May 16, 2023	Bruce Bando	2.40	Various internal correspondence of mail and notices received related to the legal actions being undertaken re: residential mortgages; Various correspondence with Spectrum thereof; Sixth Report matters.
May 16, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
May 17, 2023	Bruce Bando	2.50	Report matters; Various correspondence from counsel and then Spectrum re: registration.
May 17, 2023	Jason Knight	0.10	Review correspondence from Spectrum re: update on foreclosure file and potential sale of proposal.
May 19, 2023	Bruce Bando	2.30	Various correspondence with Spectrum re: mortgages outstanding; Review Fund workbooks, summarize status of mortgages and internal correspondence thereof.
May 19, 2023	Paul Kouadio	0.20	Return investors inquiries re: status of receivership and distributions.

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Date	Full Name	Time	Detail
May 22, 2023	Rosa Wilford	1.00	Review banking instructions from team: Review authorized payment request and account ledger; Notify team insufficient funds in estate account and provide details on Investments on hand for review and direction; Prepare bank letter re redemption of GIC; Post EFT entries; Prepare disbursement requisition form; Post invoice entries; Issue cheque; Emails.
May 23, 2023	Bruce Bando	0.50	Various correspondence with Spectrum on a mortgage legal action; File management matters.
May 23, 2023	Jason Knight	0.10	Review correspondence re: extension.
May 23, 2023	Jonathan Krieger	1.10	Review of Pond matters; Review of reporting re: mortgage balances and next steps; Discussion thereto.
May 23, 2023	Paul Kouadio	1.60	Calls and emails with investors re: status of receivership and distributions re: Mortgage, Precious Metals and Media funds; NBIN statements; Update contact details.
May 24, 2023	Bruce Bando	2.90	Various correspondence with counsel and review attachments re: land titles matters; Forward same to Spectrum; Discussion on schedules to the report; Continue with the report.
May 24, 2023	David Collins	0.30	Internal calls re: preparation of reporting.
May 24, 2023	Jonathan Krieger	0.90	Investor communications; Correspondence re: matters related to remaining investments; Review of documentation thereto;
May 24, 2023	Rosa Wilford	0.30	Respond to phone call /email re query on status of funds in account and provide directions; Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form; Post invoice entries; Issue cheque.
May 25, 2023	Bruce Bando	2.70	Correspondence with Spectrum re: mortgage in default; Review of creditor matters for the report.
May 25, 2023	David Collins	2.50	Continued final reconciliation.
May 25, 2023	Jason Knight	0.10	Review correspondence from Spectrum and team re: Saskatchewan mortgage.
May 25, 2023	Paul Kouadio	0.30	Correspond with A&B re: legal matters.

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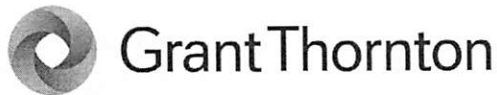
Date	Full Name	Time	Detail
May 25, 2023	Rosa Wilford	0.30	Review payment request and authorized approval from Trustee on file; Review account ledger; Prepare disbursement requisition form; Post entries; Issue cheque; Email.
May 26, 2023	Bruce Bando	1.40	Continue review of creditor matters for the report.
May 29, 2023	Bruce Bando	1.90	Various correspondence and attend conference call with Pond, review proposal and perform research; Roll-up balance sheet matters; Correspondence from counsel re: property taxes relating to a mortgage in default and forward to Spectrum.
May 29, 2023	David Collins	3.50	Internal calls and correspondence. Call with Pond Technologies. Continued reconciliation.
May 29, 2023	Paul Kouadio	0.40	Return investors inquiries; Various calls re: update of contact details.
May 29, 2023	Rosa Wilford	0.70	Correspondences to and from Bank; re GIC Investment partial redemption; On-line banking review and print screens re expecting GIC redemption; Post receipt and interest entries; Run and match to report; Update GIC Schedule; Review authorized payment requests; Prepare requisition forms with support; Post disbursements; Issue cheque; Emails.
May 30, 2023	Bruce Bando	1.60	Discussion and correspondence re: Pond and release same; Discussions re: investment roll forward.
May 30, 2023	David Collins	2.50	Review Fund reconciliation.
May 31, 2023	Bruce Bando	2.00	Review reconciliation of cash flow and discussions thereof; Correspondence from Pond; Various correspondence with counsel.
May 31, 2023	David Collins	1.50	Completion of reconciliation; Discussions with team.
May 31, 2023	Rosa Wilford	0.30	Scanned cheque and receipt requisition forms to server and filed originals.

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Time Summary

J. Krieger, Sr. Vice President	5.30	hours @	\$695.00	per hour	\$	3,683.50
B. Bando, Vice President	32.50	hours @	\$625.00	per hour	\$	20,312.50
J. Knight, Vice President	2.10	hours @	\$595.00	per hour	\$	1,249.50
R. Wilford, Manager	6.70	hours @	\$350.00	per hour	\$	2,345.00
P. Kouadio, Manager	10.80	hours @	\$350.00	per hour	\$	3,780.00
D. Collins, Sr. Associate	35.70	hours @	\$305.00	per hour	\$	10,888.50
V. Naccarato, Analyst	0.20	hours @	\$150.00	per hour	\$	30.00
	93.30				\$	42,289.00
5% Technology and Administration					\$	2,114.45
					\$	44,403.45
HST					\$	5,772.45
Total Invoice					\$	50,175.90

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

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

BETWEEN:**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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSON-9268

To professional services as Receiver rendered for the period June 1, 2023 to July 31, 2023.

Date	Full Name	Time	Detail
June 1, 2023	Bruce Bando	3.50	Correspondence from Spectrum re: various mortgages in default; Continue with the report.
June 2, 2023	Bruce Bando	2.40	Sixth report matters to include review and discussion on SRD for each trust account; Review various correspondence from Pond; Correspondence from counsel.
June 5, 2023	Bruce Bando	0.30	Various correspondence with counsel re: Pond; Correspondence with Pond; Correspondence from Spectrum.
June 6, 2023	Bruce Bando	0.10	Various correspondence with Spectrum.

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
June 8, 2023	Bruce Bando	0.40	Various correspondence with Spectrum re: mortgages in default; Review and provide directions on correspondence with Pond.
June 12, 2023	Bruce Bando	0.40	Various correspondence with Spectrum, review stat dec, execute and return to Spectrum.
June 13, 2023	Bruce Bando	0.10	Correspondence with Pond.
June 14, 2023	Bruce Bando	1.30	Review documents provided by Pond as well as the requested NDA; Correspondence with counsel thereof.
June 15, 2023	Bruce Bando	0.60	Correspondence with counsel and review Pond related loan documents; Draft and release response to Pond re: NDA.
June 16, 2023	Bruce Bando	0.10	Correspondence from Pond and forward to counsel.
June 19, 2023	Bruce Bando	1.70	Correspondence with Spectrum; Report matters re: Mortgage Fund.
June 20, 2023	Bruce Bando	2.50	Correspondence with Spectrum on legal proceedings and listing matters; Report matters re: Mortgage Fund.
June 21, 2023	Bruce Bando	2.00	Report matters re: Mortgage Fund.
June 22, 2023	Bruce Bando	2.00	CW trust account and allocation review to include various discussions thereof.
June 23, 2023	Bruce Bando	1.80	Report matters re: Resource and Factoring Funds.
June 26, 2023	Bruce Bando	2.20	Banking and transaction related review as well as correspondence with J. Knight thereof.
June 27, 2023	Bruce Bando	0.50	Various correspondence from Spectrum re: mortgage of an estate and mortgage in arrears; Correspondence and discussion with counsel re: BC mortgage issue; Various correspondence re: report.
June 28, 2023	Bruce Bando	2.20	Investor inquiry; Correspondence with Spectrum on various mortgages; Report matters; Meeting to review spreadsheet analyses re: CW Funds; Correspondence with counsel re: BC mortgage discharge registration.
June 29, 2023	Bruce Bando	1.10	Various correspondence with Spectrum on mortgage in default; Review Ascend and banking entries re: Pond.
June 30, 2023	Bruce Bando	2.20	Review Ascend and banking entries re: of another CW Group.
July 5, 2023	Bruce Bando	1.00	Various correspondence from Spectrum re: mortgage discharges and request of extension regarding at mortgage; Review professional fee allocation sheet for the next report.
July 6, 2023	Bruce Bando	0.70	Various correspondence with Spectrum re: mortgage discharge and mortgage in default; Review counsel correspondence and supporting documents re: property in rural Saskatchewan.
July 11, 2023	Bruce Bando	0.50	Various correspondence with Spectrum on various mortgages to include discussion re: Saskatchewan property.
July 12, 2023	Bruce Bando	0.30	Review mortgage discharge document from Saskatchewan counsel and correspondence thereof; Various correspondence with counsel re: notarizing same.
July 13, 2023	Bruce Bando	0.20	Various correspondence with Spectrum on two mortgages and review supporting documentation.

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Date	Full Name	Time	Detail
July 17, 2023	Bruce Bando	0.20	Various correspondence with Spectrum re: two mortgages and review thereof; Correspondence with counsel re: Spectrum mortgage.
July 20, 2023	Bruce Bando	0.50	Meeting with counsel to execute discharge certificate and forward to Spectrum; Review discharge documents relating to another mortgage.
July 25, 2023	Bruce Bando	0.20	Various correspondence with Spectrum on two mortgages.
July 27, 2023	Bruce Bando	0.50	Various correspondence with mortgages in default; Various correspondence with counsel re: executing a mortgage discharge and AB filing.
July 31, 2023	Bruce Bando	0.20	Various correspondence with Spectrum mortgage discharges and mortgage in default; Correspondence with counsel thereof.
June 1, 2023	David Collins	2.00	Internal call. Balance sheet reconciliation and workbook.
June 2, 2023	David Collins	0.30	Internal call and correspondence.
June 7, 2023	David Collins	0.60	Internal calls / correspondence; Review materials provided by Company.
June 8, 2023	David Collins	1.50	Reviewed all materials provided by Pond and provided comments for B. Bando. Sent questions re: cash flow to Pond management.
June 9, 2023	David Collins	0.30	Internal call; Correspondence with Company.
June 13, 2023	David Collins	0.10	Correspondence with Pond.
June 22, 2023	David Collins	0.30	Internal call re: reconciliation.
June 28, 2023	David Collins	1.00	Internal calls and correspondence.
June 2, 2023	Jonathan Krieger	0.80	Discussions re: asset monetization; Correspondence re: matters related to remaining assets; Correspondence re: reporting and investor communications.
June 6, 2023	Jonathan Krieger	0.80	Correspondence re: remaining asset portfolio; Correspondence with team thereto.
June 26, 2023	Jonathan Krieger	0.50	Investor inquiries; Correspondence with team.
July 13, 2023	Jonathan Krieger	0.70	Investor inquiry matters; Communications with team re: responses.
July 21, 2023	Jonathan Krieger	0.80	Correspondence re: court reporting; Correspondence re: investor communications.
June 1, 2023	Paul Kouadio	0.20	Email re: unit holding for client re: Mortgage Fund; Investors inquiries and mailbox.
June 5, 2023	Paul Kouadio	0.50	Return investors inquiries re: update on receivership and status of distributions re: Factoring, HY Mortgage, Media Funds.
June 7, 2023	Paul Kouadio	0.60	Calls with investors re: update on receivership and status of distributions re: Resource, Factoring, Medical and Mortgage Funds.
June 9, 2023	Paul Kouadio	0.10	Investors inquiries.
June 12, 2023	Paul Kouadio	0.40	Investors inquiries.

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Date	Full Name	Time	Detail
June 14, 2023	Paul Kouadio	1.80	Update NBIN monthly fees and emails to NBIN; Review investment portfolio statements; email re: update on receivership and notice to investors re: Property Fund.
June 19, 2023	Paul Kouadio	0.30	Email to investors re: update on receivership re: Mortgage, Factoring and Income and Growth Funds.
June 26, 2023	Paul Kouadio	0.50	Emails to investors re: update on receivership and status of distributions re: Mortgage, HY Mortgage, Media and Infrastructure Funds.
June 30, 2023	Paul Kouadio	0.20	Return investors emails and calls re: update on receivership and status of distributions.
July 5, 2023	Paul Kouadio	1.10	Correspond with NBIN re: investors accounts re: Mortgage Fund; Return investors inquires re: update on receivership and status of distributions re: Factoring, Medical, HY Mortgage Funds; Email to TD re: unit holding for client re: Mortgage Fund.
July 13, 2023	Paul Kouadio	2.30	Return multiple investors emails and calls re: update on receivership and status of distributions re: Mortgage, Factoring, Media, Resource and Income and Growth Funds, and tax slips and write offs; Update contact details.
July 14, 2023	Paul Kouadio	0.60	Call and email with NBIN re: investors inquiries; Review monthly investment portfolio statements.
July 17, 2023	Paul Kouadio	0.90	Call and emails with NBIN and investors re: update on receivership re: M/F/Income and Growth Funds, and investors accounts; Allocate NBIN custody fees and respond to NBIN.
July 21, 2023	Paul Kouadio	0.60	Emails to investors re: update on receivership re: Mortgage, Factoring, Infrastructure, Media and Income and Growth Funds; Update mailing address; Email to NBIN re: client account and distribution.
July 24, 2023	Paul Kouadio	1.80	Return calls to investors re: update on receivership and status of distribution re: Dividend and Property Funds; Call re: mortgage payout statement from Spectrum re: Mortgage Fund; Emails re: status of distributions re: ACM Income and Growth Funds.
July 25, 2023	Paul Kouadio	0.70	Emails re: status of distributions re: ACM Income and Growth Funds.
July 27, 2023	Paul Kouadio	0.40	Email to NBIN re: distributions to investors re: ACM Income and Growth Funds.
July 31, 2023	Paul Kouadio	1.30	Emails to investor re: update on Factoring and Mortgage Funds; Call to investor re: update on receivership and status of distribution; Call and email to NBIN re: investor inquiry.
June 1, 2023	Rosa Wilford	0.20	Scanned cheques and receipt requisition forms to server and filed originals.

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Date	Full Name	Time	Detail
June 7, 2023	Rosa Wilford	0.40	Review mail from Tert & Ross; Review account ledger; Notify team with supporting documentation for review and directions; Scan and save to server; Email. Review payment request and authorized approval from Trustee on file; Review account ledger; Prepare disbursement requisition form; Post entries; Issue cheque; Email.
June 15, 2023	Rosa Wilford	1.60	Reconciliation of multiple accounts for May 2023; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
June 20, 2023	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Email.
June 22, 2023	Rosa Wilford	1.50	Review and reconcile multiple May GIC term deposits and approve various estate balance reports for review and approval by Trustee.
June 26, 2023	Rosa Wilford	1.10	Provide team with multiple reports for each of the eleven bank accounts.
July 7, 2023	Rosa Wilford	1.50	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple June 2023 statements.
July 10, 2023	Rosa Wilford	2.00	Review and reconcile multiple June GIC term deposits and approve various estate balance reports for review and approval by Trustee.
July 18, 2023	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Email.
July 28, 2023	Rosa Wilford	0.80	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and secured signing by authorized officers; Emails; Correspondences to and from Bank for authorization of wire transfer/confirmation re Parlee for July 2023; Fax; Emails; Respond to phone call / email from Bank for verification on wire; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.
June 14, 2023	Valerie Naccarato	0.10	Open mail, scan to server and notify team.
June 15, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
June 23, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
July 13, 2023	Valerie Naccarato	0.10	Open mail, scan to server and notify team.
July 28, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.

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**Time Summary**

J. Krieger, Sr. Vice President	3.60	hours @	\$695.00	per hour	\$	2,502.00
B. Bando, Vice President	31.70	hours @	\$625.00	per hour	\$	19,812.50
R. Wilford, Manager	9.70	hours @	\$350.00	per hour	\$	3,395.00
P. Kouadio, Manager	14.30	hours @	\$350.00	per hour	\$	5,005.00
D. Collins, Sr. Associate	6.10	hours @	\$305.00	per hour	\$	1,860.50
V. Naccarato, Analyst	<u>0.80</u>	hours @	\$150.00	per hour	\$	<u>120.00</u>
	66.20				\$	32,695.00
5% Technology and Administration					\$	<u>1,634.75</u>
					\$	<u>34,329.75</u>
HST					\$	<u>4,462.87</u>
Total Invoice					\$	<u>38,792.62</u>

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

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

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-9745**

To professional services as Receiver rendered for the period August 1, 2023 to January 31, 2024.

Date	Staff	Hours	Detail
August 29, 2023	Jonathan Krieger	0.50	Investor queries; Correspondence thereto.
September 5, 2023	Bruce Bando	0.20	Various correspondence with Spectrum; Various correspondence with counsel.
September 6, 2023	Jonathan Krieger	0.50	Investor inquiries; Correspondence thereto.
September 6, 2023	Bruce Bando	0.20	Various correspondence with counsel; Review and approve payments.

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Date	Staff	Hours	Detail
September 7, 2023	Jonathan Krieger	0.40	Correspondence with team re; matters related to investor communications, status.
September 7, 2023	Bruce Bando	0.80	Various correspondence with Spectrum re: mortgages and reporting; Various correspondence and meeting with counsel re: same.
September 8, 2023	Rosa Wilford	1.70	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple August 2023 statements.
September 8, 2023	Paul Kouadio	2.50	Return multiple calls and emails from investors re: update on receivership and status of distributions re: Mortgage, Factoring, Medical, High Yield Mortgage funds; Return general inquiries from financial advisors; Email re: unit holding for client re: Mortgage Fund; Emails re: discharge of mortgage; Emails to team.
September 8, 2023	Jonathan Krieger	0.40	Creditor correspondence re; status update.
September 8, 2023	Bruce Bando	0.20	Various correspondence with investors; Correspondence from Spectrum.
September 11, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
September 11, 2023	Valerie Naccarato	0.10	Open mail, scan and email to staff.
September 11, 2023	Bruce Bando	0.30	Various correspondence with Spectrum and also with counsel re: SK mortgage discharge.
September 12, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
September 14, 2023	Rosa Wilford	1.70	Review and reconcile multiple August GIC term deposits and approve various estate balance reports for review and approval by Trustee.
September 18, 2023	Paul Kouadio	3.80	Allocate monthly NBIN fees and email to NBIN thereto; Review monthly investment portfolio statements from NBIN; Review fee allocation schedule; Return investors calls and emails re: update on receivership and status of distributions re: Factoring, Medical, Media, High Yield Mortgage; Property and Dividend funds; Update investors contact details.

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Date	Staff	Hours	Detail
September 19, 2023	Paul Kouadio	0.40	Return investor call re: update on receivership and status of distributions re: Mortgage, Factoring, Hedge, Income and Growth funds.
September 21, 2023	Bruce Bando	0.10	Correspondence with Spectrum re: remaining portfolio.
September 22, 2023	Paul Kouadio	0.50	Return inquiry from TD advisor re: holdings under TD Waterhouse dealer codes re: Mortgage fund.
September 26, 2023	Jonathan Krieger	0.50	Investor inquiries; Correspondence from counsel.
September 26, 2023	Paul Kouadio	4.30	Allocate professional fees between funds; Review various invoices and various correspondence with team re: same; Attend to investors inquiries.
September 26, 2023	Bruce Bando	0.20	Voicemail and correspondence from advisor to Pond.
September 27, 2023	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Email.
September 27, 2023	Bruce Bando	0.60	Various correspondence with advisor to Pond as well as Pond; Correspondence with counsel; Correspondence with Spectrum re: mortgage in default.
September 28, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to the server and file original.
September 28, 2023	Bruce Bando	1.00	Conference call and correspondence with consultant to Pond; Various correspondence with counsel thereof.
September 28, 2023	Paul Kouadio	3.60	Return investors calls and emails re: update on receivership and status of distributions; Update contact details re: Mortgage, Factoring, Medical, Media and Infrastructure funds; Allocate monthly time from A&B amongst funds.
September 29, 2023	Bruce Bando	0.70	Discussion with advisor to Pond; Various correspondence re: same.
October 2, 2023	Paul Kouadio	0.30	Review GL and invoices; Correspond with team and instruct payment of professional invoices.

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Date	Staff	Hours	Detail
October 2, 2023	Bruce Bando	2.70	Various correspondence with the consultant to Pond, review memorandum as well as loan schedule and related correspondence, agreements, data and presentation; Various correspondence with Spectrum re: mortgage in default and proceedings; Various correspondence with counsel and review of Order re: Pond; Internal discussion and correspondence thereof.
October 2, 2023	Jonathan Krieger	0.80	Review of matters re: proposed settlement; Correspondence and discussions with team thereto.
October 3, 2023	Paul Kouadio	2.40	Calls and emails to investors re: future distributions and account issues, transfer of account balances, update on receivership and status of distributions, unit holding and update of contact details re: Mortgage, Factoring, Media, Medical, Infrastructure, Bullion, Hedge, Income and Growth funds.
October 3, 2023	Rosa Wilford	1.60	Reconciliation of multiple accounts for September 2023; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
October 3, 2023	Bruce Bando	0.80	Correspondence from Spectrum re: mortgage; correspondence from advisor to Pond; Various correspondence with counsel re: Pond and provide comments re: minutes of settlement.
October 4, 2023	Valerie Naccarato	0.20	Scan cheque and deposit requisition forms to the server and filed originals.
October 4, 2023	Bruce Bando	2.00	Various correspondence with counsel re: Pond; Review of files and public filings for settlement agreement; Various correspondence with Pond.
October 5, 2023	Paul Kouadio	0.30	Emails with NBIN and investor re: transfer of balance and investment accounts re: income and growth fund.
October 5, 2023	Bruce Bando	0.50	Various correspondence with counsel on agreement; Review, finalize and execute same.

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Date	Staff	Hours	Detail
October 6, 2023	Bruce Bando	0.10	Correspondence with Spectrum re: mortgage.
October 6, 2023	Paul Kouadio	0.20	Respond to investor inquiry re: Media fund.
October 10, 2023	Bruce Bando	0.40	Various correspondence with Pond; Various correspondence with Spectrum.
October 11, 2023	Rosa Wilford	1.60	Reconciliation of multiple September 2023 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
October 11, 2023	Bruce Bando	0.10	Correspondence with Spectrum and review reporting.
October 11, 2023	Paul Kouadio	0.50	Respond to investor inquiries re: update on receivership and Media fund; Review mailbox.
October 12, 2023	Bruce Bando	0.50	Prepare for and attend conference call with Spectrum.
October 13, 2023	Valerie Naccarato	0.10	Open mail, scan and notify team.
October 13, 2023	Paul Kouadio	0.30	Review monthly investment portfolio statements.
October 16, 2023	Bruce Bando	0.30	Correspondence from advisor to Pond; Various correspondence with counsel thereof; Discussion re: same.
October 16, 2023	Paul Kouadio	0.20	Email to advisor re: update to receivership.
October 17, 2023	Valerie Naccarato	0.10	Open mail, scan and notify team.
October 17, 2023	Paul Kouadio	0.50	Allocate NBIN monthly custody fees among funds; Email to NBIN thereto.
October 18, 2023	Paul Kouadio	0.80	Emails and call with advisors re: update on receivership and status of distributions re: Mortgage, High Yield Mortgage, Infrastructure, Medical and Media Funds.
October 19, 2023	Bruce Bando	0.10	Various correspondence with Pond and advisors.
October 20, 2023	Paul Kouadio	0.30	Various correspondence with NBIN re: distributions and investors inquiries.
October 23, 2023	Paul Kouadio	1.50	Return investor call and email re: update on receivership and status of distributions re: Factoring Fund, US Real Estate LP; Return investors correspondence re: general inquiries.

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Date	Staff	Hours	Detail
October 24, 2023	Paul Kouadio	2.20	Email to NBIN re: Crystal Wealth funds; Respond to investors inquiries re: cash transfers and update on receivership and status of distributions re: Mortgage, High Yield Mortgage, Medical, Media Funds, Dividend and Property funds.
October 25, 2023	Paul Kouadio	1.10	Update mailing addresses and respond to investors re: Medical and Resource funds; Return investor calls re: update on receivership and status of distributions re: Mortgage fund.
October 25, 2023	Bruce Bando	0.30	Various correspondence with Pond and their advisor; Various correspondence re: investor inquiry; Correspondence re: mortgage discharge.
October 26, 2023	Bruce Bando	0.40	Various correspondence with Spectrum on various mortgages and report status.
October 27, 2023	Bruce Bando	0.10	Correspondence from counsel to Pond.
October 30, 2023	Paul Kouadio	0.80	Address change and emails to investor re: status of receivership and distributions re: Property & Dividend Fund; Investor mailbox.
October 30, 2023	Bruce Bando	1.00	Various correspondence from counsel to Pond; Various correspondence with counsel; Review Receipt and Waiver, amend and execute; Discussions on status, investor matters and next steps.
October 31, 2023	Jonathan Krieger	0.40	Review of matters re: mortgages outstanding, matters related to Pond position.
October 31, 2023	Bruce Bando	1.50	Various correspondence related to the closing of the Pond transaction; Various correspondence and review thereof from Spectrum re: mortgage in default and offer on another property.
November 1, 2023	Bruce Bando	1.20	Correspondence from counsel re: mortgage discharge; Various correspondence and discussions with Spectrum and review thereof; Correspondence with counsel thereafter.
November 1, 2023	Paul Kouadio	0.60	Email with NBIN re: Olympia Trust statement re: Factoring and Bullion funds; Email to TD re: unit holding for client re: Mortgage Fund; Return investor call re: Income and Growth

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Date	Staff	Hours	Detail
			funds.
November 2, 2023	Bruce Bando	0.80	Various correspondence with counsel; Review and amend letter to homeowner; Various correspondence with Spectrum; Correspondence with Spectrum on another mortgage in default.
November 3, 2023	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.
November 3, 2023	Bruce Bando	0.30	Various correspondence re: potential sale.
November 3, 2023	Paul Kouadio	0.80	Respond to investors inquiries re: update on receivership and status of distributions; Email to investor re: address change re: Income and Growth funds.
November 6, 2023	Paul Kouadio	0.60	Attend to investors inquiries and mailbox; Call and email re: RESP and account issues re: Income and Growth funds.
November 6, 2023	Rosa Wilford	1.70	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple October 2023 statements.
November 6, 2023	Bruce Bando	0.20	Correspondence with Spectrum; Correspondence from and investor; Discussion on status.
November 7, 2023	Bruce Bando	0.10	Correspondence with counsel.
November 8, 2023	Rosa Wilford	1.70	Review and reconcile multiple October GIC term deposits and approve various estate balance reports for review and approval by Trustee.
November 9, 2023	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file originals.
November 15, 2023	Paul Kouadio	1.30	Allocate NBIN monthly custody fees among funds; Email to NBIN thereto; Return investors inquiries re: update on receivership and status of distributions re: Address change.
November 15, 2023	Jonathan Krieger	0.50	Correspondence with counsel; Review of remaining open matters.
November 16, 2023	Paul Kouadio	0.40	Email to investor re: update on receivership and status of distributions.
November 17, 2023	Valerie Naccarato	0.10	Open mail, scan to server and notify team.

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Date	Staff	Hours	Detail
November 18, 2023	Paul Kouadio	0.70	Respond to investor's inquiry re: update on receivership and status of distributions; Call and email re: account transfers; Update contact details.
November 20, 2023	Bruce Bando	0.80	Prepare for and attend conference call with counsel; Correspondence thereafter with counsel.
November 20, 2023	Jonathan Krieger	0.50	Review of remaining assets; Correspondence with team re: legal direction.
November 23, 2023	Bruce Bando	0.10	Correspondence with counsel re: mortgage discharge.
November 29, 2023	Jonathan Krieger	0.50	Correspondence with investor re: queries; Correspondence with team thereto.
November 30, 2023	Jonathan Krieger	0.50	Discussion re: remaining mortgage assets and direction thereto.
November 30, 2023	Bruce Bando	1.30	Review and consider various correspondence with Spectrum re: mortgage, internal discussions and response back; Correspondence with Spectrum on another mortgage; Disbursement matters.
November 30, 2023	Paul Kouadio	0.10	Discuss investors inquiries with J Krieger.
December 1, 2023	Paul Kouadio	2.50	Respond to multiple inquiries from investors, various calls and emails re: status of further distributions and update to receivership, withdrawals of funds from investment accounts, update contact details.
December 4, 2023	Bruce Bando	0.20	Various correspondence with counsel.
December 5, 2023	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage.
December 6, 2023	Bruce Bando	0.40	Prepare for and attend conference call with Spectrum.
December 7, 2023	Bruce Bando	0.10	Correspondence with Spectrum and review monthly report.
December 8, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
December 8, 2023	Paul Kouadio	0.20	Investors mailbox and inquiries; Review statements from NBIN.
December 8, 2023	Bruce Bando	0.30	Various correspondence with counsel re: sale of a property and review attachments; Various correspondence with Spectrum re: mortgage in default.

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Date	Staff	Hours	Detail
December 10, 2023	Rosa Wilford	1.60	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple November 2023 statements.
December 12, 2023	Paul Kouadio	0.10	Review investment portfolio statements from NBIN.
December 13, 2023	Rosa Wilford	1.60	Reconciliation of multiple November 2023 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
December 13, 2023	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgage in default and review files.
December 13, 2023	Paul Kouadio	0.40	Call and email to investor re: update on receivership and status of distributions re: F/H; Update contact details.
December 14, 2023	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
December 14, 2023	Bruce Bando	0.20	Correspondence with Spectrum re: mortgage in default.
December 14, 2023	Paul Kouadio	0.70	Correspond with NBIN re: monthly custody fees; Allocate custody fees among funds; Email to investor re: update on receivership and status of distributions re: F/H.
December 19, 2023	Bruce Bando	0.30	Various correspondence with Spectrum and execute agreement re: mortgage settlement.
December 20, 2023	Bruce Bando	0.10	Correspondence with counsel re: mortgage discharge.
December 21, 2023	Bruce Bando	0.20	Various correspondence with AB counsel and Spectrum.
January 2, 2024	Paul Kouadio	1.90	Review investors accounts; Various correspondence including emails and calls re: unit holding for client re: Mortgage fund, transfers of funds and NBIN matters, update on receivership and status of distributions.
January 2, 2024	Bruce Bando	0.30	Various correspondence from Spectrum and review thereof; Enquiry from an investor.
January 3, 2024	David Collins	0.10	Internal meeting.
January 3, 2024	Bruce Bando	0.50	Various correspondence with counsel; Discussion re: worksheets and assets.

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Date	Staff	Hours	Detail
January 4, 2024	Bruce Bando	0.70	Various correspondence Spectrum and review status of a mortgage in default and consider next steps.
January 4, 2024	Paul Kouadio	1.00	Call and email to investors re: Mortgage, Factoring, Medical, Media and Infrastructure; Update on receivership and status of distributions; Update contact details.
January 5, 2024	Valerie Naccarato	0.20	Scanned deposit requisition form to server and filed original.
January 5, 2024	Jonathan Krieger	0.50	Correspondence with team; Correspondence with counsel.
January 5, 2024	Bruce Bando	0.30	Various correspondence with Spectrum on mortgage proceeds and monthly reporting; Various correspondence with counsel.
January 5, 2024	Paul Kouadio	0.60	Return investors emails re: update on receivership and status of distributions.
January 11, 2024	Rosa Wilford	1.70	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple December 2023 statements.
January 11, 2024	Paul Kouadio	0.80	Return investors calls and emails re: withdrawals, NBIN matters, account transfers, update on receivership and status of distributions.
January 12, 2024	Rosa Wilford	1.60	Review and reconcile multiple December GIC term deposits and approve various estate balance reports for review and approval by Trustee.
January 15, 2024	Paul Kouadio	0.50	Correspond with NBIN re: monthly custody fees; Allocate custody fees among funds; Email to NBIN thereto; Investors correspondence.
January 17, 2024	Paul Kouadio	0.10	Update investor contact details.
January 19, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Email.
January 19, 2024	Paul Kouadio	0.50	Correspond with NBIN re: investor's account details for settling of account; Review request thereto.
January 22, 2024	Paul Kouadio	0.60	Correspond with investors re: Dividend/Property funds; Update

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Date	Staff	Hours	Detail
			contact details.
January 24, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
January 25, 2024	Paul Kouadio	0.80	Return investor call re: account related inquiries; Email to investor re: F/H; Update contact details.
January 26, 2024	Paul Kouadio	0.20	Investors inquiries.
January 29, 2024	Rosa Wilford	0.60	Review mail/courier; Notify team; Prepare receipt requisition form with supporting documentation; Post deposit entries, print slip and stamp date for signing; Prepare daily schedule; Emails. Deposit at Bank.
January 29, 2024	Rosa Wilford	0.10	Review mail/courier; Notify team; Prepare receipt requisition form with supporting documentation; Post deposit entries, print slip and stamp date for signing; Prepare daily schedule; Emails. Deposit at Bank.
January 29, 2024	Bruce Bando	0.40	Various correspondence and discussion with Spectrum re: mortgage and examination; Correspondence with counsel.
January 29, 2024	Paul Kouadio	0.10	Investors inquiries.
January 30, 2024	Paul Kouadio	3.50	Review professional invoices; Update professional fees schedule and allocate fees among funds for the past quarter; Investors inquiries.
January 30, 2024	Bruce Bando	0.20	Various correspondence with counsel and Spectrum re: mortgage.
January 31, 2024	Bruce Bando	0.60	Attend meeting at Aird & Berlis re: sign mortgage discharge and discussion on Dome Mountain proceedings.
January 31, 2024	David Collins	0.30	Internal call and correspondence.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

**Time Summary**

J. Krieger, Sr. Vice President	6.00	hours @	\$695.00	per hour	\$	4,170.00
B. Bando, Vice President	25.10	hours @	\$625.00	per hour	\$	15,687.50
R. Wilford, Manager	17.80	hours @	\$350.00	per hour	\$	6,230.00
P. Kouadio, Manager	45.50	hours @	\$350.00	per hour	\$	15,925.00
D. Collins, Sr. Associate	0.40	hours @	\$305.00	per hour	\$	122.00
V. Naccarato, Analyst	<u>2.40</u>	hours @	\$150.00	per hour	\$	<u>360.00</u>
	97.20				\$	42,494.50
5% Technology and Administration					\$	<u>2,124.73</u>
					\$	44,619.23
HST					\$	<u>5,800.50</u>
Total Invoice					\$	<u>50,419.72</u>

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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSON-9913

To professional services as Receiver rendered for the period February 1, 2024 to February 29, 2024.

Date	Full Name	Time	Detail
February 1, 2024	Bruce Bando	0.10	Various correspondence with counsel re: discharge of a mortgage.
February 1, 2024	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.
February 2, 2024	Bruce Bando	0.20	Correspondence with counsel re: mortgage discharge; T2 matters.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
February 2, 2024	Paul Kouadio	1.50	Correspond with investors re: NBIN statements, update on receivership and status of distributions re: various funds; Return inquiry re: unit holding for client; Review NBIN portfolio statements; Correspondence re: T2 return.
February 2, 2024	Valerie Naccarato	0.10	Open mail, scan, notify team, save copy to server.
February 2, 2024	Valerie Naccarato	0.10	Open mail, scan, notify team and save copy to server.
February 4, 2024	Rosa Wilford	1.70	Reconciliation of multiple accounts for January 2024; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
February 5, 2024	Paul Kouadio	1.60	Various correspondence with multiple investors re: distributions, NBIN, account transfers, class action, update contact details re: various funds.
February 6, 2024	Paul Kouadio	3.80	Prepare draft T2 returns for 2021 and 2022 for CWMSL; Call to CRA thereto.
February 7, 2024	Paul Kouadio	0.80	Return investors emails and calls re: NBIN statements, RRSP accounts, update contact details re: various funds.
February 7, 2024	Rosa Wilford	0.40	Review payment requests and authorized approvals; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
February 8, 2024	Bruce Bando	1.90	Correspondence from BLG re: expropriation and subsequent correspondence with counsel thereafter; Review of information and various discussions re: 2023 T3 workbook.
February 8, 2024	David Collins	5.70	Internal meeting re: T3 preparations; Prepare T3 workbook.
February 8, 2024	Paul Kouadio	3.50	Update professional fees schedule and allocate Receiver's fees among funds for report to Court.
February 8, 2024	Rosa Wilford	1.70	Reconciliation of multiple January 2024 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
February 9, 2024	Bruce Bando	0.40	Various correspondence with Spectrum and execute mortgage discharge; T3 matters including professional fee analysis.
February 9, 2024	Paul Kouadio	3.90	Update professional fees schedule and finalize allocation of fees among funds; Finalize T2 returns for 2021, 2022 and 2023 for CWMSL.

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Date	Full Name	Time	Detail
February 9, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
February 12, 2024	Bruce Bando	0.20	Various correspondence with counsel re: mortgage discharge and property expropriation.
February 12, 2024	Paul Kouadio	0.50	Return investors inquiries re: update on receivership and status of distributions re: various funds.
February 13, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Email.
February 15, 2024	Paul Kouadio	0.30	Review NBIN monthly invoice; Allocate NBIN fees among funds and correspond with NBIN thereto.
February 15, 2024	Rosa Wilford	0.50	Review account ledger for maturing GIC; Correspondences to and from Bank to provide copies of investment certificate; Review documents; Prepare receipt and disbursement requisitions forms for matured / renewed GIC's principal and interest; Post entries; Update schedule. Emails.
February 15, 2024	Valerie Naccarato	0.20	Scan cheque requisition forms to server and file originals.
February 19, 2024	Bruce Bando	0.20	Ostrowski discharge matters and various correspondence with counsel.
February 20, 2024	Bruce Bando	0.10	Various correspondence with counsel re: mortgage discharge.
February 20, 2024	Paul Kouadio	0.50	Return investors inquiries and update investors contact details re: various funds.
February 21, 2024	Bruce Bando	0.20	Correspondence with an investor; Various correspondence with counsel related to a mortgage.
February 23, 2024	Bruce Bando	0.20	Various correspondence with counsel re: Ostrowski.
February 23, 2024	Paul Kouadio	0.20	Email to investor re: estate settlement re: various funds.
February 27, 2024	David Collins	3.80	Internal meeting re: taxation workbook.
February 27, 2024	Rosa Wilford	2.00	Provide team with lists of accounts and multiple Estate Reports; Save to server; Emails.
February 27, 2024	Scott Reeves	0.70	Review correspondence and PY timelines and drafting response thereof.
February 28, 2024	David Collins	4.70	Update T3 workbook; Correspondence with Spectrum; Internal meetings and correspondence.
February 29, 2024	David Collins	4.80	Finalize T3 workbook; Internal calls and correspondence.

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Date	Full Name	Time	Detail
February 29, 2024	Rosa Wilford	0.30	Review payment requests and authorized approvals; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.

Time Summary

B. Bando, Vice President	3.50	hours @	\$625.00	per hour	\$	2,187.50
R. Wilford, Manager	6.90	hours @	\$375.00	per hour	\$	2,587.50
P. Kouadio, Manager	16.60	hours @	\$350.00	per hour	\$	5,810.00
D. Collins, Manager	19.00	hours @	\$305.00	per hour	\$	5,795.00
S. Reeves	0.70	hours @	\$260.00	per hour	\$	182.00
V. Naccarato, Analyst	0.80	hours @	\$150.00	per hour	\$	120.00
	47.50				\$	16,682.00
5% Technology and Administration					\$	834.10
					\$	17,516.10
HST					\$	2,277.09
Total Invoice					\$	19,793.19

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

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

BETWEEN:**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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSON-9999

To professional services as Receiver rendered for the period March 1, 2024 to March 31, 2024.

Date	Full Name	Time	Detail
March 1, 2024	David Collins	0.80	Internal call re: T3 workbook and go-forward requirements.
March 1, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
March 4, 2024	Bruce Bando	2.20	Continue with the review of and discussion regarding the worksheets re: T3 returns.
March 4, 2024	David Collins	1.10	Internal meeting re T3 workbook; Internal correspondence.
March 4, 2024	Michael Zimnicki	0.50	Review financial statements for returns.

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
March 4, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
March 5, 2024	David Collins	0.10	Internal correspondence.
March 5, 2024	Michael Zimnicki	0.30	Review mortgage fund bad debt matter.
March 5, 2024	Scott Reeves	5.00	Work on starting roll forward of files, mortgage fund T3 preparation, review mortgage fund bad debt matter and perform research.
March 6, 2024	Bruce Bando	0.50	Prepare for and attend conference call with tax group; Search for and provide information on Pond.
March 6, 2024	David Collins	0.30	Internal call re: T3 filings.
March 6, 2024	Michael Zimnicki	0.50	Settlement treatment with Pond.
March 6, 2024	Scott Reeves	0.20	Internal team meeting re: tax issue with interest and debt forgiveness.
March 7, 2024	Bruce Bando	0.10	Correspondence re: T3.
March 7, 2024	Michael Zimnicki	0.50	Review financial statement for funds.
March 7, 2024	Valerie Naccarato	0.20	Scan Investment Income Summary - 2023 and save copy to server; Scan cheque requisition form to server and file original.
March 8, 2024	Scott Reeves	2.50	Draft returns for the resource fund and the factoring fund.
March 10, 2024	Scott Reeves	3.00	Prepare medical fund, media fund and bullion fund T3s.
March 11, 2024	Bruce Bando	0.20	Review correspondence from counsel re: DenHollander.
March 11, 2024	Paul Kouadio	3.20	Allocate professional fees among funds; Review investment income statements from NBIN; Various correspondences with investors re: update on receivership and status of distributions.
March 12, 2024	Paul Kouadio	0.80	Allocate NBIN monthly fees among funds and correspond with NBIN thereto; Review CRA notice of assessment for 2021 - 2023.
March 13, 2024	Bruce Bando	1.20	Various correspondence with counsel and review DenHollander situation; Inquiry from an investor.
March 13, 2024	Paul Kouadio	1.40	Review monthly investment statements from NBIN; Correspond with NBIN re: investor inquiries re: various funds and accounts with NBIN.
March 13, 2024	Valerie Naccarato	0.10	Open mail, scan, and email team.

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Date	Full Name	Time	Detail
March 14, 2024	Rosa Wilford	1.70	Reconciliation of multiple accounts for February 2024; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
March 15, 2024	Paul Kouadio	0.30	Various investors inquiries.
March 15, 2024	Rosa Wilford	0.80	Reconciliation of multiple February 2024 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
March 18, 2024	Bruce Bando	0.30	Correspondence with counsel re: DenHollander.
March 18, 2024	Paul Kouadio	0.90	Return investors emails and call re: update on receivership and status of distributions re: tax slips.
March 19, 2024	Bruce Bando	1.50	Various correspondence from UHT; Prepare for and attend conference call with counsel re: DenHollander and a mortgage; Various correspondence with Spectrum re: mortgage discharge and execute same.
March 19, 2024	Paul Kouadio	0.80	Return investor call re: land title registry and mortgage; Email thereto.
March 20, 2024	Bruce Bando	0.20	Various correspondence with counsel re: SK registrations; Correspondence with Spectrum re: mortgage discharge.
March 20, 2024	David Collins	0.20	Correspondence with tax group.
March 20, 2024	Paul Kouadio	0.60	Return investors inquiries; Research, emails, and discussions re: land title registry and mortgage discharge.
March 20, 2024	Rosa Wilford	0.10	Review various account ledgers; Notify team for review and directions on purchasing Investments. Provide team with account balances/reports and GICs on hand; Emails.
March 20, 2024	Rosa Wilford	0.50	Review various account ledgers; Notify team for review and directions on purchasing Investments. Provide team with account balances/reports and GICs on hand; Emails.
March 20, 2024	Scott Reeves	0.50	Email to team re: timelines; Follow-up with team re: planning timelines.
March 21, 2024	Bruce Bando	0.30	Correspondence and discussion re: T3 returns; Correspondence from counsel and follow up correspondence re: UHT returns.
March 21, 2024	David Collins	0.40	Review T3 workbook.
March 21, 2024	Rosa Wilford	0.80	Review internal email response/instructions from team re Banking on directions on purchasing new GICs; Review account ledgers and prepare disbursement requisition forms with support for signing; Prepare bank letters; Notify team re secured DocuSign; Emails.
March 21, 2024	Scott Reeves	0.40	T3 matters; Respond to team email.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
March 22, 2024	Bruce Bando	0.20	Various correspondence with counsel re: St. Mary's and land registration.
March 22, 2024	Rosa Wilford	0.60	Correspondences to and from Bank for authorizations re; new GIC Investment Certificates; Post term deposit entries; Run report; Match to investment and on-line bank print screens; Update GIC schedule; Notify team; Emails.
March 24, 2024	Michael Zimnicki	1.00	T3 review.
March 24, 2024	Scott Reeves	3.00	Review completed returns, update FS for mortgage and high yield mortgage, draft high yield and mortgage T3.
March 25, 2024	Bruce Bando	0.40	Various correspondence with counsel re: DenHollander; banking related matters.
March 25, 2024	Rosa Wilford	1.00	Review payment requests and authorized approvals; Review account ledger re CWMSL; Notify team on reviewing account CWMSL with insufficient funds and GIC investments on hand for directions; Prepare bank letter for signing; Correspondences to and Bank on partial GIC redemption; Post entries; Update GIC schedule; Prepare disbursement requisition forms with support for review and signing by authorized officers; Post invoice entries; Issue cheques; Emails.
March 25, 2024	Scott Reeves	5.00	Review financial statements and make adjustments to T3s, printing slips and returns to send, draft email with notes regarding FS adjustments, draft high yield and mortgage fund and infrastructure fund T3s
March 25, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
March 26, 2024	Bruce Bando	0.60	Correspondence from counsel re: Ostrowski; Discussions on T3's; Begin review of distribution worksheet.
March 26, 2024	David Collins	0.80	Internal meeting; Update T3 workbook.
March 26, 2024	Paul Kouadio	0.80	Return investors inquiries and various correspondence re: update on receivership and status of further distributions re: various funds; Update contact details.
March 26, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
March 26, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
March 27, 2024	Bruce Bando	1.00	Various correspondence and discussion re: T3's and accounting entries and review thereof.
March 27, 2024	David Collins	1.10	Review T3s; Internal meeting and correspondence; Update T3 workbook.
March 27, 2024	Michael Zimnicki	1.00	Review balance of T3s.

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Date	Full Name	Time	Detail
March 27, 2024	Scott Reeves	9.00	Prepare T3's for hedge fund, conscious capital fund, acm income fund, acm growth fund, sustainable dividend fund, sustainable property fund; Update mortgage fund Discuss signing of same, review new workbook and reply and review responses and follow up with Mike, draft notes and send T3s for review; Saving all signed T183s into file, update both mortgage fund T3s for updated FS.
March 28, 2024	Bruce Bando	0.30	Various correspondence and discussion regarding T3's.
March 28, 2024	Michael Zimnicki	0.30	Review T3's.
March 28, 2024	Rosa Wilford	0.50	Review account ledger for maturing GICs re #'s 0256 and 0282; Correspondences to Bank to provide copies of re-invested GIC on matured term deposits; Email.
March 28, 2024	Scott Reeves	1.00	Print remaining returns; Send to team for review and respond to questions.
March 28, 2024	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.

Time Summary

B. Bando, Vice President	9.00	hours @	\$625.00	per hour	\$	5,625.00
M. Zimnicki, Tax Director	4.10	hours @	\$670.00	per hour	\$	2,747.00
R. Wilford, Manager	6.60	hours @	\$375.00	per hour	\$	2,475.00
P. Kouadio, Manager	8.80	hours @	\$350.00	per hour	\$	3,080.00
D. Collins, Manager	1.10	hours @	\$305.00	per hour	\$	335.50
S. Reeves, Sr. Associate	29.60	hours @	\$260.00	per hour	\$	7,696.00
V. Naccarato, Analyst	1.10	hours @	\$150.00	per hour	\$	165.00
	60.30				\$	22,123.50
5% Technology and Administration					\$	1,106.18
					\$	23,229.68
HST					\$	3,019.86
Total Invoice					\$	26,249.54

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSON-10242

To professional services as Receiver rendered for the period April 1, 2024 to May 31, 2024.

Date	Full Name	Time	Detail
April 1, 2024	Bruce Bando	2.90	Various correspondence re: T3's. T3 matters; Review historical balance sheets; Discussions thereof.
April 1, 2024	David Collins	0.30	Signed T183s; Internal correspondence.
April 1, 2024	Rosa Wilford	1.00	Review correspondences from Bank re Investment Certificates # 0256 and 0282; Review account ledger; Prepare receipt and disbursement requisition forms for matured / renewed GIC's principal and interest; Post entries; Update schedules; Scan to server; Provide to team for review and signing.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
April 1, 2024	Scott Reeves	1.20	Saving all slips, organizing filing with team; confirming no distributions with B. Bando; saving filing confirmations and sending to D. Collins and B. Bando.
April 2, 2024	Bruce Bando	0.50	Prepare for and attend conference call with counsel; Review Factoring Fund position.
April 3, 2024	Bruce Bando	0.80	Discussion and correspondence on fee tracking; Various correspondence with counsel and review of attachments; Attend conference call to virtually sign mortgage discharge documents; Internal discussion on DenHollander.
April 3, 2024	David Collins	0.40	Internal calls and correspondence re: billing and tracking materials.
April 3, 2024	Michael Dellaire	2.00	Internal call re: File briefing; Review of worksheet; Update professional fee allocation; Correspond internally re: Updated worksheet.
April 3, 2024	Rosa Wilford	1.20	Review banking instructions from team; Review payment requests and account ledger; Notify authorized officers for review, approvals, and secured signing; Prepare Bank letters re wire payments; Prepare disbursement requisition forms with support; Setup accrual payments; Emails. Correspondences to and from Bank for authorization of wire transfers/confirmations; Faxes; Emails; Respond to phone call / email from Bank for verification on wires; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmations.
April 4, 2024	Bruce Bando	0.50	Discussion with an investor and review of investor worksheet; Correspondence with Pond re: shares.
April 4, 2024	Rosa Wilford	1.70	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple March 2024 statements.
April 5, 2024	Jonathan Krieger	0.90	Review of matters re: investor correspondence; Communications; Correspondence re: remaining asset recovery, considerations thereto.
April 5, 2024	Michael Dellaire	0.10	Correspond internally re: Tracking sheet.
April 7, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
April 8, 2024	Bruce Bando	0.40	Correspondence from counsel re: Denhollanders; Return inquiry from an investor and review CW emails.
April 8, 2024	Jonathan Krieger	0.90	Review of counsel summary; Correspondence thereto re: litigation matters and alternatives.
April 8, 2024	Valerie Naccarato	0.30	Scan various deposit and cheque requisition forms to server and file originals.
April 9, 2024	Bruce Bando	0.30	Pond shares matters and disposition of same; Correspondence from counsel re: mortgage discharge; Correspondence counsel re: DenHollanders.
April 10, 2024	Bruce Bando	0.30	Investor correspondence; Process MLT bill.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
April 11, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Email.
April 11, 2024	Valerie Naccarato	0.10	General banking matters.
April 12, 2024	Bruce Bando	1.00	NBIN matters; Attend to various correspondence and inquiries from investors.
April 14, 2024	Rosa Wilford	1.70	Review and reconcile multiple March 2024 GIC term deposits and approve various estate balance reports for review and approval by Trustee.
April 15, 2024	Valerie Naccarato	0.20	General banking matters.
April 16, 2024	Bruce Bando	0.30	Correspondence from Pond and review thereof Correspondence from NBIN.
April 16, 2024	Valerie Naccarato	0.10	Review of CW communications.
April 17, 2024	Bruce Bando	0.30	Various correspondence with counsel and review draft of DenHollander response.
April 18, 2024	Bruce Bando	0.40	Review audit confirmation, amend, sign and email to the auditors of Pond.
April 18, 2024	Valerie Naccarato	0.20	Review of CW communications received in mail.
April 19, 2024	Bruce Bando	0.60	Various correspondence re: Pond shares; Review and execute document for St. Mary's and correspondence with counsel thereof.
April 19, 2024	Jonathan Krieger	0.60	Investor communications; Correspondence re; remaining assets.
April 22, 2024	Bruce Bando	0.20	Discussion re: NBIN charges and tracking thereof.
April 22, 2024	Jonathan Krieger	0.50	Correspondence with team re: content for website; Correspondence re; response to stakeholders.
April 22, 2024	Michael Dellaire	0.10	Internal discussion.
April 23, 2024	Ada Shahini	0.20	Updated the website write up and responded to teams email.
April 23, 2024	Bruce Bando	2.50	Research and return investor calls and emails; Correspondence with counsel re: investor request to change payee; Update case website.
April 24, 2024	Bruce Bando	0.70	Various correspondence with an investor; Review banking matters re: funds.
April 25, 2024	Bruce Bando	1.30	Continue review of banking matters re: funds.
April 25, 2024	Rosa Wilford	0.40	Review various banking EGL Reports; Scan to server; Respond to team with support; Emails.
April 26, 2024	Bruce Bando	0.20	Correspondence with CIBC and investigate matter re: Pond shares.
April 29, 2024	Bruce Bando	0.30	Review and respond to CIBC re: Pond shares; Various correspondence with counsel.
April 29, 2024	Michael Dellaire	0.50	Review NBIN invoice; Update spreadsheet; Correspond with NBIN re: March Custody Invoice.
May 2, 2024	Bruce Bando	0.20	Various correspondence with counsel re: Pond shares.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
May 5, 2024	Rosa Wilford	1.70	Reconciliation of multiple accounts for April 2024; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
May 6, 2024	Bruce Bando	1.60	Matters re: accounting among funds, review of information and discussions thereof; Correspondence from Spectrum.
May 6, 2024	David Collins	2.00	Matters re: accounting among funds, review of information and discussions thereof.
May 6, 2024	Rosa Wilford	0.30	Reconciliation of multiple April 2024 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
May 6, 2024	Rosa Wilford	0.80	Reconciliation of multiple April 2024 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
May 7, 2024	Bruce Bando	2.80	Review Pond share situation to include various correspondence wit CIBC with required forms and correspondence with counsel; Various correspondence with counsel re: request from an investor for change in payee, review and amend forms as well as review specific holdings by the investor; Discussion re: VCW funds, accounting and allocation of fees; Return investor inquiries.
May 7, 2024	David Collins	0.50	Reviewed GL information.
May 7, 2024	Jonathan Krieger	0.40	Correspondence with team re: matters related to final assets, discussions thereto.
May 8, 2024	Bruce Bando	1.40	Respond to various investor inquiries; Review tax slip matters to include various correspondence with NBIN; Update master investor tracking sheet.
May 14, 2024	Bruce Bando	0.50	Various correspondence with counsel re: changes to ownership to units and begin drafting related documents.
May 15, 2024	Bruce Bando	0.90	Return investor inquiries; Various correspondence from NBIN and investigate.
May 17, 2024	David Collins	5.10	Drafted reconciliation workbook; Internal correspondence.
May 17, 2024	Rosa Wilford	1.30	Review payment requests and authorized approvals; Review account ledger; Notify team on reviewing account with insufficient funds and GIC investments on hand re CWMSL for directions; Emails. Review internal email instructions from team re Banking on directions on collapsing GIC; Review account ledger and prepare bank letter for secured signing; Correspondences with authorized officer with support; Email. Correspondences to and from Bank for authorization on GIC Investment collapse; Prepare disbursement requisition form and post entries; Run report; On-line banking review print screens and match to investment; Provide to team with supporting documentation; Update GIC schedule; Emails.
May 17, 2024	Valerie Naccarato	0.10	Review of communications re: CW.

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Date	Full Name	Time	Detail
May 21, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
May 22, 2024	Bruce Bando	0.70	Various correspondence with counsel and then CIBC re: Pond shares; Various correspondence with NBIN and research investor addresses;
May 23, 2024	Valerie Naccarato	0.20	General banking administration.
May 24, 2024	Bruce Bando	0.10	Various correspondence with counsel re: DenHolladner.
May 24, 2024	Jonathan Krieger	0.50	Review of matters re: settlement; Correspondence thereto.
May 27, 2024	Bruce Bando	0.60	Various investor inquiries and discussion re: same; Various correspondence with counsel and review attachments thereof re: DenHollanders.
May 27, 2024	David Collins	1.00	Correspondence with investors; Updated investor information; Internal call.
May 28, 2024	Bruce Bando	0.10	Correspondence from NBIN and forward internally.
May 28, 2024	David Collins	0.30	Correspondence with NBIN; Internal correspondence.
May 29, 2024	David Collins	2.80	Updated investor information; Call with investors; Reviewed trust account information.
May 30, 2024	David Collins	4.00	Reviewed trust account information.
May 31, 2024	Bruce Bando	0.10	Various correspondence with counsel re: mortgage.
May 31, 2024	David Collins	0.40	Calls with investor.

Time Summary

J. Krieger, Sr. Vice President	3.80 hours @ \$695.00 per hour	\$ 2,641.00
B. Bando, Vice President	22.50 hours @ \$625.00 per hour	\$ 14,062.50
R. Wilford, Manager	11.00 hours @ \$375.00 per hour	\$ 4,125.00
D. Collins, Manager	16.80 hours @ \$305.00 per hour	\$ 5,124.00
S. Reeves, Sr. Associate	1.20 hours @ \$260.00 per hour	\$ 312.00
A. Shahini, Sr. Associate	0.20 hours @ \$255.00 per hour	\$ 51.00
M. Dellaire, Associate	2.70 hours @ \$190.00 per hour	\$ 513.00
V. Naccarato, Analyst	1.20 hours @ \$150.00 per hour	\$ 180.00
	59.40	\$ 27,008.50
5% Technology and Administration		\$ 1,350.43
		\$ 28,358.93
HST		\$ 3,686.66
Total Invoice		\$ 32,045.59

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



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

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

BETWEEN:**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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSON-10341

To professional services as Receiver rendered for the period June 1, 2024 to June 30, 2024.

Date	Full Name	Time	Detail
June 3, 2024	Bruce Bando	1.70	Various correspondence with counsel re: mortgage discharge; Correspondence with counsel and CIBC re: Pond shares; Meeting to discuss fund and banking matters.
June 3, 2024	David Collins	2.60	Fund reconciliation; Authored memo to file; Correspondence with TD; Internal meeting re: fund reconciliations.
June 4, 2024	Bruce Bando	2.60	Various correspondence with counsel re: DenHollanders; Various correspondence with CIBC re: Pond shares; Begin review of banking matters re: allocation among funds and related CW entities.

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
June 4, 2024	David Collins	0.20	Internal call and correspondence.
June 5, 2024	Bruce Bando	2.50	Continue with the review of banking matters re: allocation among funds and related CW entities and discussion thereof.
June 5, 2024	David Collins	0.20	Internal meeting re: reconciliation.
June 6, 2024	Bruce Bando	0.10	Various correspondence with counsel re: Denhollanders.
June 7, 2024	David Collins	2.50	Reviewed and updated allocation worksheet.
June 7, 2024	Jonathan Krieger	0.80	Review matters re proposed litigation settlement; Correspondence thereto;
June 10, 2024	Michael Dellaire	0.80	Work on fee allocation.
June 12, 2024	Rosa Wilford	1.70	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple May 2024 statements.
June 13, 2024	Bruce Bando	0.10	Correspondence with NBIN; Internal correspondence thereof.
June 13, 2024	Valerie Naccarato	0.10	Open mail, scan notify team.
June 14, 2024	Rosa Wilford	0.80	Review and reconcile multiple May 2024 GIC term deposits and approve various estate balance reports for review and approval by Trustee.
June 17, 2024	Michael Dellaire	2.80	Work on professional fee allocation; Correspond internally re: Aird & Bertis invoice.
June 17, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
June 18, 2024	Bruce Bando	0.50	Consider report matters and discussion thereof.
June 18, 2024	David Collins	0.10	Internal call and correspondence.
June 18, 2024	Michael Dellaire	3.20	Correspond internally re: A&B invoice; Review A&B invoice; Complete update to professional fee allocation spreadsheet; Correspond internally re: Updated fee allocation; Update NBIN spreadsheet; Correspond with NBC re: NBIN fees.
June 19, 2024	Jonathan Krieger	0.50	Investor correspondence; File management matters;
June 20, 2024	Bruce Bando	0.20	Correspondence with counsel and complete AB filing.
June 20, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
June 21, 2024	Valerie Naccarato	0.20	Scan cheque requisition forms to server and file originals.
June 24, 2024	Bruce Bando	1.80	Various correspondence with counsels re: mortgage discharge; Prepare for and attend meeting to review investments on a fund by fund basis and tend to adjustments to the financial statements.
June 24, 2024	David Collins	1.60	Internal meeting re: Report and fund reconciliations and notes thereto.

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Date	Full Name	Time	Detail
June 24, 2024	Jonathan Krieger	0.50	Review of matters re; asset holdings; Discussion with team thereto and file completion considerations; Correspondence re; mortgages remaining;
June 25, 2024	David Collins	0.70	Calls with Advanced Voice Recognition; Internal correspondence; Reviewed materials from AVRSYS.
June 25, 2024	Rosa Wilford	0.30	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Emails.
June 26, 2024	Bruce Bando	0.50	Various discussions re: fund analysis.
June 26, 2024	David Collins	6.00	Internal meetings and correspondence; Developed fund and fee reconciliation; Correspondence with AVRSYS.
June 27, 2024	David Collins	2.50	Internal correspondence; Updated final reconciliation workbook.
June 28, 2024	Bruce Bando	0.20	Correspondence from CIBC; Various correspondence with counsel re: Pond shares.
June 28, 2024	David Collins	1.90	Fund reconciliation; Correspondence with AVRSYS.

Time Summary

J. Krieger, Sr. Vice President	1.80	hours @	\$695.00	per hour	\$	1,251.00
B. Bando, Vice President	10.20	hours @	\$625.00	per hour	\$	6,375.00
R. Wilford, Manager	3.40	hours @	\$375.00	per hour	\$	1,275.00
D. Collins, Manager	18.30	hours @	\$305.00	per hour	\$	5,581.50
M. Dellaire, Associate	6.80	hours @	\$190.00	per hour	\$	1,292.00
V. Naccarato, Analyst	0.30	hours @	\$150.00	per hour	\$	45.00
	40.80				\$	15,819.50
5% Technology and Administration					\$	790.98
					\$	16,610.48
HST					\$	2,159.36
Total Invoice					\$	18,769.84

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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSO-10443**

To professional services as Receiver rendered for the period July 1, 2024 to July 31, 2024.

Date	Full Name	Hours	Detail
July 3, 2024	Bruce Bando	0.50	Private company securities and discussions thereof.
July 3, 2024	David Collins	1.40	Internal meetings; Correspondence with AVRSYS; Review of outstanding securities; Correspondence with Ronin8; Correspondence with investor.
July 4, 2024	Bruce Bando	2.10	Various correspondence with counsel re: DenHollanders; Various discussion and meeting re: fund financial, cash flow and allocation matters and work thereof.
July 4, 2024	David Collins	5.00	Internal meeting; Reviewed records; Developed allocation worksheet.

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
July 4, 2024	Jonathan Krieger	0.80	Review of matters re: reconciliation; Correspondence with team thereto;
July 4, 2024	Rosa Wilford	1.70	Reconciliation of multiple accounts for June 2024; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
July 5, 2024	Bruce Bando	1.00	Continue review and discussion on cash flow and allocation matters and work thereto; Various correspondence from counsel re: DenHollanders.
July 5, 2024	David Collins	3.30	Internal call and correspondence; Reviewed banking records; Reviewed T3 workbooks; Prepared reconciliation.
July 5, 2024	Rosa Wilford	0.80	Reconciliation of multiple June 2024 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
July 8, 2024	David Collins	5.00	Internal meeting; Reconciled trust account information.
July 8, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
July 9, 2024	David Collins	1.70	Banking reconciliation; Correspondence re; remaining assets.
July 10, 2024	David Collins	5.10	Call and correspondence with investors; Continued banking reconciliation.
July 10, 2024	Jonathan Krieger	0.60	Review of tax matters; Correspondence thereto; Review of materials; Discussion re; shares;
July 11, 2024	Bruce Bando	0.60	Investor inquiry matters; Review and discussion re: allocations among funds.
July 11, 2024	David Collins	3.20	External correspondence re: potential assets; Internal call; Continued reconciliation work.
July 11, 2024	Jonathan Krieger	0.50	Correspondence re: bankruptcy considerations; Discussion thereto;
July 11, 2024	Valerie Naccarato	0.20	Open mail, scan statements, email team and save copies to server.
July 12, 2024	Bruce Bando	0.40	Various correspondence and discussion re: investor inquiries.
July 12, 2024	David Collins	1.00	Internal correspondence; Correspondence with investor; Reviewed billing data.
July 15, 2024	Bruce Bando	0.70	Various discussions on fund allocations.
July 15, 2024	David Collins	3.60	Correspondence with investors; Updated investor information; Drafted memorandum to file; Updated T4 workbook; Internal meeting; Prepared materials for Court Report.
July 15, 2024	Rosa Wilford	1.10	Review payment requests and authorized approvals; Review account ledger; Prepare disbursement requisition forms with support for review and signing by authorized officers; Post invoice entries; Issue cheques; Emails.
July 16, 2024	Bruce Bando	0.60	Various correspondence with counsel re: Denhollanders; Fund matters; Mortgage fund matters re: 244 and bankruptcy issue.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Hours	Detail
July 16, 2024	David Collins	1.30	Internal correspondence; Correspondence with investors; Correspondence with NBIN; Drafted supporting materials for Sixth Report.
July 16, 2024	Rosa Wilford	0.40	Scan cheques and signed receipt requisition forms to server and provide to team for filing originals.
July 17, 2024	Bruce Bando	1.00	Various correspondence with counsel and discussion thereof re: bankruptcy of 244; Attend conference call with NBIN on an investor.
July 17, 2024	David Collins	3.00	Call and correspondence with NBIN; Drafted supporting information for Sixth Report.
July 18, 2024	Bruce Bando	0.20	Fund matters.
July 18, 2024	David Collins	2.00	Drafted materials for Sixth Report.
July 18, 2024	Rosa Wilford	0.80	Review payment request and authorized approval; Review account ledger; Prepare bank letter for review and DocuSign by authorized officers; Prepare disbursement requisition form with support; Emails. Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; On-line banking and print screens; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation; Emails.
July 19, 2024	David Collins	0.10	Correspondence with NBIN.
July 22, 2024	Bruce Bando	0.70	Discussion on fund matters; Various correspondence re: disposition of Pond shares and required documentation; Mortgage discharge inquiry and forward to counsel.
July 22, 2024	David Collins	5.50	Drafted documentation for Sixth Report; Internal meeting and correspondence; Correspondence with investor.
July 23, 2024	Bruce Bando	0.20	Various correspondence with counsel and counsel to owner re: mortgage discharge.
July 23, 2024	David Collins	1.00	Call and correspondence with investors; Drafted supporting documentation for Sixth Report.
July 24, 2024	David Collins	0.20	Correspondence with AVRSYS.
July 25, 2024	Bruce Bando	0.10	Correspondence with counsel re: Pond shares.
July 29, 2024	Bruce Bando	0.20	Correspondence from NBIN re: investor and investigate.
July 29, 2024	Valerie Naccarato	0.20	Scan cheque requisition forms server and file originals.
July 30, 2024	David Collins	0.60	Correspondence with NBIN; Call with investor.
July 31, 2024	Bruce Bando	0.20	Discussion on investor matter and questions.
July 31, 2024	David Collins	0.20	Internal call and correspondence re: investor and other matters.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

**Time Summary**

J. Krieger, Sr. Vice President	1.90	hours @	\$695.00	per hour	\$	1,320.50
B. Bando, Vice President	8.40	hours @	\$625.00	per hour	\$	5,250.00
R. Wilford, Manager	4.80	hours @	\$375.00	per hour	\$	1,800.00
D. Collins, Manager	43.20	hours @	\$305.00	per hour	\$	13,176.00
V. Naccarato, Analyst	<u>0.60</u>	hours @	\$150.00	per hour	\$	<u>90.00</u>
	58.90				\$	21,636.50
5% Technology and Administration					\$	<u>1,081.83</u>
					\$	22,718.33
HST					\$	2,953.38
Total Invoice					\$	<u>25,671.71</u>

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

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

BETWEEN:**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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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

BILL OF COSTS

BN 12738 4717 RT0001
Client #225805
Invoice#LSON-10496

To professional services as Receiver rendered for the period August 1, 2024 to August 31, 2024

Date	Full Name	Detail	Time
August 1, 2024	David Collins	Calls and correspondence with investors.	0.60
August 6, 2024	Bruce Bando	Correspondence with an investor; Discussion regarding another investor inquiry; Correspondence from counsel re: Denhollanders; Report matters.	0.80
August 6, 2024	David Collins	Correspondence with investors.	0.20
August 6, 2024	Jonathan Krieger	Review of materials re; shares and communications thereto; Correspondence re; Denhollender settlement;	0.90
August 9, 2024	Rosa Wilford	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple July 2024 statements.	1.70

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Detail	Time
August 12, 2024	Bruce Bando	NBIN and investor matter.	0.10
August 12, 2024	David Collins	Updated investor information; Internal correspondence.	0.40
August 14, 2024	David Collins	Reviewed information re: historical deposits; Related internal correspondence.	0.30
August 14, 2024	Rosa Wilford	Review payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support for review and signing by authorized officers; Post invoice entries; Issue cheque; Email.	0.30
August 16, 2024	Bruce Bando	Various correspondence with NBIN.	0.20
August 16, 2024	David Collins	Updated investor information; Correspondence with investor.	0.20
August 16, 2024	Rosa Wilford	Review and reconcile multiple July 2024 GIC term deposits and approve various estate balance reports for review and approval by Trustee.	1.70
August 19, 2024	Michael Dellaire	Review NBIN invoices; Correspond with NBIN re: Payment allocation.	0.40
August 20, 2024	David Collins	Correspondence with investors; Correspondence with NBIN; Updated investor information.	0.60
August 20, 2024	Jonathan Krieger	Correspondence re: shares and trading matters;	0.30
August 20, 2024	Valerie Naccarato	Scan cheque requisition form to server and file original.	0.20
August 21, 2024	Rosa Wilford	Review mail/courier; Notify team; Review account ledger; Prepare receipt requisition forms with supporting documentation; Post deposit entries, print slips and stamp date for signing; Provide slips to team for banking; Scan to server; Emails.	0.30
August 22, 2024	Bruce Bando	Sixth Report matters and discussion thereof.	3.50
August 22, 2024	David Collins	Internal call re: funds.	0.50
August 22, 2024	Valerie Naccarato	General banking administration.	0.40
August 23, 2024	David Collins	Correspondence with investor.	0.20
August 26, 2024	Bruce Bando	Discussions on report and specific investment matters.	0.50
August 27, 2024	Bruce Bando	Discussion on private share matter and review summary.	0.30
August 27, 2024	David Collins	Reviewed and summarized outstanding equity positions; Correspondence with AVRSYS; Internal call and correspondence.	1.30
August 27, 2024	Valerie Naccarato	Scan deposit requisition form to server and file original; General banking administration.	0.20
August 28, 2024	Bruce Bando	Review of NBIN statements and compare to Receiver's records; Correspondence with NBIN re: same.	2.30
August 28, 2024	David Collins	Internal meeting; Updated investor information.	0.40
August 29, 2024	Bruce Bando	Various correspondence with counsel re: mortgage discharge and Denhollanders.	0.20

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

**Time Summary**

J. Krieger, Sr. Vice President	1.20	hours @	\$695.00	per hour	\$	834.00
B. Bando, Vice President	7.90	hours @	\$625.00	per hour	\$	4,937.50
R. Wilford, Manager	4.00	hours @	\$375.00	per hour	\$	1,500.00
D. Collins, Manager	4.70	hours @	\$305.00	per hour	\$	1,433.50
M. Dellaire, Associate	0.40	hours @	\$190.00	per hour	\$	76.00
V. Naccarato, Analyst	<u>0.80</u>	hours @	\$150.00	per hour	\$	<u>120.00</u>
	19.00				\$	8,901.00
5% Technology and Administration					\$	445.05
					\$	<u>9,346.05</u>
HST					\$	<u>1,214.99</u>
Total Invoice					\$	<u>10,561.04</u>

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSO-10791**

To professional services as Receiver rendered for the period September 1, 2024 to October 31, 2024.

Date	Full Name	Time	Detail
September 3, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
September 4, 2024	Bruce Bando	0.80	Correspondence from NBIN re: response to investment questions; Review documents and attend meeting with counsel re: mortgage discharge.
September 5, 2024	Bruce Bando	0.40	Sixth Report matters.
September 5, 2024	David Collins	0.30	Correspondence with investors.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
September 6, 2024	Bruce Bando	3.50	Review and conduct various financial analyses re: funds and investments and discussions thereof re: next steps. Various correspondence with Spectrum on reporting on all mortgages.
September 6, 2024	David Collins	1.00	Internal call re: next steps before discharge.
September 9, 2024	Bruce Bando	0.30	Discussion on specific investor inquiries; Correspondence with counsel re: 244 Ontario bankruptcy matters.
September 11, 2024	Bruce Bando	0.20	Various correspondence with Spectrum re: mortgages and final reporting.
September 11, 2024	Jonathan Krieger	0.60	Review of Correspondence re remaining assets; Correspondence re; matters related to court relief, reporting.
September 11, 2024	Rosa Wilford	1.70	Reconciliation of multiple accounts for August 2024; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
September 13, 2024	Rosa Wilford	0.30	Review payment request: Notify team for review and approval to pay invoice; Confirm approval; Review account ledger; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque; Meet with signing officers: Emails.
September 15, 2024	Rosa Wilford	0.80	Reconciliation of multiple August 2024 GIC Investments and approve various estate balance reports for Trustee's review and approvals.
September 16, 2024	Bruce Bando	0.40	Various correspondence with NBIN; Investor inquiry.
September 16, 2024	Jonathan Krieger	1.00	Review of file completion matters; Correspondence re; mortgages; Correspondence re; shares.
September 17, 2024	Bruce Bando	0.20	Various correspondence with Spectrum and review of information; Correspondence with NBIN.
September 17, 2024	David Collins	0.20	Updated investor information.
September 18, 2024	Valerie Naccarato	0.20	Scan cheque requisition form to server and file original.
September 19, 2024	Bruce Bando	2.90	Correspondence with Fidelity Investments re: a CW investor; Review previous reports re: investments followed by various correspondence and discussions with counsel re: sections of the report to draft; Correspondence with Spectrum and review analysis provided and compare to the fund workbook.
September 20, 2024	Bruce Bando	0.10	Correspondence from Spectrum.
September 20, 2024	Jonathan Krieger	0.30	Correspondence re; tax matters.
September 23, 2024	Bruce Bando	1.00	Meeting and discussion on fund reconciliation.
September 23, 2024	David Collins	1.40	Internal meeting re: reconciliations and Sixth Report.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
September 23, 2024	Harvey Han	3.10	Work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court.
September 23, 2024	Jonathan Krieger	0.30	Meeting re: reconciliation.
September 23, 2024	Rosa Wilford	1.20	Review payment requests and authorized approvals; Review account ledger re CWMSL; Notify team on reviewing account CWMSL with insufficient funds and GIC investments on hand for directions; Prepare receipt and disbursement requisitions with support; Prepare bank letter for DocuSign with Investment support; Correspondences to and from Bank on partial GIC redemption; Post entries; Update GIC schedule; Prepare disbursement requisition forms with support for review and signing by authorized officers; Post receipt and disbursement entries; Issue cheque; Emails.
September 24, 2024	Bruce Bando	0.40	Various correspondence with Spectrum; Discussion on fund reconciliation.
September 24, 2024	David Collins	0.20	Internal meeting re: reconciliation.
September 24, 2024	Harvey Han	3.00	Work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
September 25, 2024	Bruce Bando	3.10	Meeting on fund reconciliation; Various correspondence from Spectrum and review of information for fund reconciliation; Correspondence with counsel re: Ministry of Finance notice; Medical Fund update review.
September 25, 2024	David Collins	0.60	Internal meeting re: fund reconciliation; Internal correspondence re: MoF mail; Correspondence with interested parties.
September 25, 2024	Harvey Han	5.90	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
September 26, 2024	Bruce Bando	3.70	Continue with the fund workbook and drafting of report; Various discussions thereof.
September 26, 2024	David Collins	0.40	Internal call re: residual assets and liquidations.
September 26, 2024	Harvey Han	6.35	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
September 27, 2024	Bruce Bando	3.00	Continue with the fund workbook and drafting of report re: on-book investments; Conference call and discussions thereof re: reconciliation.

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Date	Full Name	Time	Detail
September 27, 2024	David Collins	0.80	Internal calls and correspondence re: reconciliations and end of file matters; Correspondence with investor.
September 27, 2024	Harvey Han	6.50	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
September 27, 2024	Valerie Naccarato	0.20	Scan disbursement requisition form to server and file original.
September 30, 2024	Bruce Bando	4.30	Continue with the Sixth Report, with focus on residential mortgages and commercial loans section.
October 1, 2024	Bruce Bando	0.90	Fund reconciliation matters and meeting/discussions thereof.
October 1, 2024	David Collins	2.30	Internal meeting re: reconciliations and distributions; Reviewed draft reconciliation workbook and provided comments and feedback; Correspondence with investors.
October 2, 2024	Bruce Bando	1.80	Various discussions re: fund workbook and T3 summary; Correspondence with Spectrum re: mortgage portfolio information; Marketable securities matters and various correspondence with NBIN; Correspondence with Xynergy and draft update to counsel.
October 2, 2024	David Collins	0.40	Internal meeting re: NBIN assets; Correspondence with NBIN re: liquidation of assets.
October 2, 2024	Harvey Han	6.25	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
October 3, 2024	David Collins	0.20	Internal correspondence re: investor tax letters.
October 3, 2024	Harvey Han	5.00	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
October 3, 2024	Harvey Han	0.50	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
October 4, 2024	Bruce Bando	0.60	Various correspondence with Spectrum; Fund reconciliation discussion.
October 4, 2024	David Collins	1.00	Reviewed Crystal Wealth asset summary document; Internal call re: summary document.
October 4, 2024	Michael Dellaire	0.20	Allocate NBIN custody fees; Correspond with NBIN re: Custody fees.

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Date	Full Name	Time	Detail
October 4, 2024	Rosa Wilford	1.70	On-line banking; Print various statements; Review estate bank accounts; Post eft entries and reconcile multiple September 2024 statements.
October 7, 2024	Bruce Bando	2.70	Correspondence and review of fund reconciliation and supporting workbooks; Various discussions thereof.
October 7, 2024	Harvey Han	2.50	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions and meeting thereof.
October 7, 2024	Valerie Naccarato	0.20	Scan deposit requisition form to server and file original.
October 8, 2024	Bruce Bando	0.20	Various correspondence with counsel re: report.
October 9, 2024	Harvey Han	4.00	Continue to work on reconciliation and updating of fund workbook with reference to historical T3 returns and previous reporting to the Court; Various discussions thereof.
October 9, 2024	Rosa Wilford	0.80	Review and reconcile multiple September 2024 GIC term deposits and approve various estate balance reports for review and approval by Trustee.
October 10, 2024	Bruce Bando	0.10	Various correspondence with counsel re: provincial registration matter.
October 11, 2024	Bruce Bando	0.20	Various correspondence with counsel and internal discussion re: Ontario charter.
October 11, 2024	Harvey Han	0.60	Call with Ministry of Finance to ask for the required documents for avoiding cancellation.
October 15, 2024	Harvey Han	0.25	Called Ministry of Finance again regarding the cancellation; left voice messages again and waited for response.
October 17, 2024	Harvey Han	0.75	Tried to call Ministry of Finance regarding the notice of cancellation several times; Drafted email to Judy regarding the documents required for avoiding cancellation.
October 17, 2024	Jonathan Krieger	0.60	File status review re: open issues; Correspondence with team thereto;
October 17, 2024	Michael Dellaire	0.20	Review September 2024 NBIN invoice; Updated NBIN fee tracker; Correspond with NBIN re: Fee allocation.
October 18, 2024	Bruce Bando	0.90	Various correspondence with counsel and review materials re: NFL contract matters; Correspondence with an investor; Bankruptcy matters re: 244; Various correspondence with NBIN re: securities.

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Date	Full Name	Time	Detail
October 18, 2024	Harvey Han	0.50	Called several times with Ministry of Finance to check the timeframe of reviewing the notices and various discussions thereof.
October 21, 2024	Bruce Bando	2.50	Prepare for and attend conference call with counsel re: NFL and review of other related documents; Correspondence with Spectrum; Fund workbook matters and discussions thereof; Various correspondence with NBIN re: marketable securities and sale thereof.
October 21, 2024	Harvey Han	0.80	Internal meeting re: fund reconciliation workbook.
October 22, 2024	Bruce Bando	0.30	Ontario charter registration matters to include correspondence with counsel; Various correspondence with Spectrum.
October 22, 2024	David Collins	1.60	Call and correspondence with investors; Updated investor information; Correspondence with NBIN; Reviewed asset reconciliation workbook.
October 23, 2024	Bruce Bando	2.10	Various discussions re: Fund reconciliation and review of files; Various correspondence with counsel and review thereof; Correspondence with Xynergy.
October 23, 2024	David Collins	3.00	Reviewed information from counsel; Internal call and correspondence re: outstanding assets; Reviewed asset reconciliation workbook.
October 23, 2024	Harvey Han	0.20	NFL contract matters re: fund reconciliation.
October 24, 2024	Bruce Bando	0.30	NFL matters and discussion thereof; Review investor request.
October 24, 2024	David Collins	0.50	Correspondence with NBIN; Correspondence with investor; Updated investor information.
October 25, 2024	Bruce Bando	0.80	Investor inquiry; Prepare for and attend conference call with Spectrum; Discussion thereafter.
October 25, 2024	David Collins	1.50	Call with Spectrum; Call and correspondence with investors; Updated investor information; Reviewed investor materials; Correspondence with counsel; Correspondence with NBIN.
October 25, 2024	Harvey Han	0.50	Discussion on outstanding mortgages for fund reconciliation workbook.
October 25, 2024	Harvey Han	0.50	Outstanding mortgage matters for fund reconciliation workbook.
October 28, 2024	Bruce Bando	0.60	Fund reconciliation and investor distribution matters.
October 28, 2024	David Collins	3.50	Call with investor; Reviewed asset summary workbook and updated December 31 reconciliations.
October 29, 2024	Bruce Bando	2.70	Fund reconciliation and cash allocation work and discussions thereof; Continue with Sixth Report.

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Date	Full Name	Time	Detail
October 29, 2024	David Collins	5.50	Reviewed and reconciled banking information; Internal meetings and correspondence re: final accounting matters.
October 30, 2024	Bruce Bando	4.40	Continue with Fund Workbook, distribution workbook and professional fees workbook to include various discussions thereof; Banking matters for approval.
October 30, 2024	David Collins	6.90	Internal meetings; Review and reconciliation of trust accounts; Internal correspondence re: banking matters.
October 30, 2024	Jonathan Krieger	0.90	Review of analysis with team; Correspondence and comments thereto;
October 31, 2024	Bruce Bando	4.90	Discussion and review re: investor matter; Various correspondence with counsel thereof; Distribution workbook matters to include various discussions thereof; Sixth Report.
October 31, 2024	David Collins	2.20	Internal call re: investor matters; Correspondence with investor; Correspondence with A&B; Reviewed and reconciled banking information.
October 31, 2024	Rosa Wilford	0.80	Review payment request and authorized approval from Trustee on file re Crystal Wealth Media Strategy; Review account ledger; Prepare disbursement requisition form with support; Setup accruals; Prepare bank letter for wire payment; Meet with signing officers; Emails; Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Respond to phone call / email from Bank for verification on wire; Post disbursement and payment entries; Print and attach transaction report; Provide team with wire confirmation.

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**Time Summary**

J. Krieger, Sr. Vice President	3.70	hours @	\$695.00	per hour	\$	2,571.50
B. Bando, Vice President	50.30	hours @	\$625.00	per hour	\$	31,437.50
R. Wilford, Manager	7.30	hours @	\$375.00	per hour	\$	2,737.50
D. Collins, Manager	33.50	hours @	\$305.00	per hour	\$	10,217.50
H. Han, Associate	47.20	hours @	\$190.00	per hour	\$	8,968.00
M. Dellaire, Associate	0.40	hours @	\$190.00	per hour	\$	76.00
V. Naccarato, Analyst	<u>0.80</u>	hours @	\$150.00	per hour	\$	<u>120.00</u>
	143.20				\$	56,128.00
5% Technology and Administration					\$	<u>2,806.40</u>
					\$	58,934.40
HST					\$	<u>7,661.47</u>
Total Invoice					\$	<u>66,595.87</u>

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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-10957**

To professional services as Receiver rendered for the period November 1, 2024 to November 30, 2024.

Date	Staff	Hours	Detail
November 1, 2024	David Collins	2.00	Correspondence with TD; Internal correspondence re: billing; Internal call re: cost allocations; Correspondence with investor; Correspondence with National Bank; Reviewed and reconciled banking information.

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
November 2, 2024	Rosa Wilford	0.70	On-line banking, review and print screens: Match to outgoing payments and attach support to requisition. On-line banking review print screens: Prepare bank letter; Correspondences to and from bank; Prepare final reconciliation of account for October 2024; Close account re CW Media Strategy.
November 4, 2024	Bruce Bando	0.20	Update on analysis and fee tracker.
November 5, 2024	Bruce Bando	1.10	Various correspondence with NBIN re: the process of selling the shares of Pond and review thereof, as well as investor matters; File administration matters.
November 5, 2024	David Collins	1.80	Internal meeting; Correspondence with NBIN; Reviewed trust account information.
November 5, 2024	Michael Dellaire	0.30	Review past invoices re: Fee allocation.
November 6, 2024	Bruce Bando	0.40	Discussion on fund and cash reconciliation.
November 6, 2024	David Collins	4.00	Correspondence with counsel; Internal correspondence; Reviewed and reconciled trust account information.
November 6, 2024	Harvey Han	0.20	Reviewed the email from Shelia; Drafted email to explain the situation and provided suggestion.
November 6, 2024	Michael Dellaire	0.20	Review past invoices re: Fee allocation.
November 7, 2024	Bruce Bando	0.50	Correspondence with Spectrum and discuss next steps; Correspondence with Xynergy.
November 7, 2024	David Collins	0.40	Internal calls and correspondence.
November 7, 2024	Harvey Han	0.20	Call with team regarding the mortgages and payment received.
November 7, 2024	Michael Dellaire	0.10	Internal discussion re: Invoices and fee allocation.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
November 7, 2024	Rosa Wilford	2.80	Review payment requests and authorized approvals; Review account ledger re CWMSL; Notify team on reviewing account CWMSL with insufficient funds and GIC investments on hand for directions; Prepare receipt and disbursement requisitions with support; Prepare bank letter for DocuSign with Investment support; Correspondences to and from Bank on partial GIC redemption; Post entries; Update GIC schedule; Prepare disbursement requisition forms with support for review and signing by authorized officers; Post receipt and disbursement entries; Issue cheque; Emails. Reconciliation of multiple accounts for October 2024; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
November 8, 2024	Bruce Bando	0.10	Correspondence from Spectrum.
November 8, 2024	David Collins	0.30	Correspondence with creditor; Internal call.
November 8, 2024	Jonathan Krieger	0.90	Correspondence with team re; open matters; Correspondence re; final report; Communications thereto.
November 8, 2024	Rosa Wilford	1.70	Reconciliation of multiple accounts for October 2024; On-line banking; Run and match to reports and sign; Post various EFT Entries and prepare requisitions; Provide to authorized officer for review and signing with supporting statements.
November 11, 2024	David Collins	0.30	Internal call; Correspondence with counsel; Correspondence with NBIN.
November 11, 2024	Rosa Wilford	1.70	Reconciliation of multiple October 2024 GIC Investments and approve various estate balance reports for Trustee's review and approvals.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
November 12, 2024	Bruce Bando	1.90	Fund and professional fee reconciliation discussions; Update section in the report re: BDO and information from Spectrum and update fourth distribution workbook.
November 12, 2024	David Collins	3.80	Internal correspondence; Correspondence with counsel; Reviewed draft consent form; Correspondence with investor; Reviewed trust records.
November 12, 2024	Harvey Han	0.90	Reviewed each mortgage and determined its payout date, amount and other information; correspondence and provided recommendation. Discussion regarding the mortgage notes.
November 12, 2024	Michael Dellaire	5.20	Discuss invoices and fee allocation internally; Update fee allocation sheet; Work on updating past entries per internal discussions; Track fund deltas with entry updates; Internal correspondence re: Allocation inquiry.
November 12, 2024	Valerie Naccarato	0.20	Scanned cheque requisition form to the server and filed original.
November 13, 2024	Bruce Bando	2.10	Various correspondence with Xynergy; Discussion re: Spectrum and mortgages; fund reconciliation matters.
November 13, 2024	David Collins	3.30	Internal meeting and correspondence; Prepared mailing for NBIN re: Pond; Reviewed trust account details.
November 13, 2024	Harvey Han	0.40	Discussion re: outstanding mortgages; provided suggestions. Correspond with Spectrum to arrange meeting for further information about the outstanding mortgage.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
November 13, 2024	Michael Dellaire	6.20	Complete professional fee allocation and Pond entry amendments; Complete Pond amendment delta tracker; Internal discussion re: Same; Correspond internally re: Same.
November 13, 2024	Rosa Wilford	1.40	Correspondences to and from Bank to provide copy of investment certificate re 0264 CW Mortgage Strategy; Review document; Prepare receipt requisition form for matured GIC's principal and interest; On-line banking, print screen and match to investment; Post entries; Update schedule. Notify team with updated reports; Emails. Review payment requests and authorized approvals; Review account ledger; Prepare disbursement requisition forms with support for review and signing by authorized officers; Post invoice entries; Issue cheques; Emails. Review account ledger and on-line banking print screens for un-cleared items; Prepare partial reconciliation of account; Correspondences to and from Tert & Ross; Prepare bank letter and disbursement requisition form with supporting documentation for stop payment on cheque re #100232 and replacement cheque #100236; Correspondences with bank; Post void and issue cheque; Meet with signing officers; Emails.
November 14, 2024	Bruce Bando	1.30	Discussions on allocations.
November 14, 2024	David Collins	4.60	Reviewed trust account information and internal call re: same.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
November 14, 2024	Harvey Han	4.00	Reviewed the notes and summary excel sheet to determine the outstanding mortgages and commented on each mortgage; Prepared analysis and documents for the meeting with Spectrum; Meeting with Spectrum to explain the information we need; Correspond with Spectrum regarding the required documents.
November 15, 2024	Bruce Bando	1.50	Various discussions and review of workbook re: fund and fee reconciliation.
November 15, 2024	David Collins	3.60	Internal call and correspondence; Reviewed professional fee allocations; Reviewed T3s and Trust account details and determined trust account distributions.
November 15, 2024	Valerie Naccarato	0.20	Scan deposit and cheque requisition forms to server and file originals.
November 18, 2024	Harvey Han	0.10	Correspond with Spectrum regarding the mortgage information.
November 19, 2024	Bruce Bando	2.60	Various discussions re: mortgages; Investor matters and draft update to same; Discussion and correspondence with counsel on status of the report and notice to investors.
November 19, 2024	David Collins	0.50	Correspondence with investor; Internal meeting and correspondence re: investor communications; Call with counsel.
November 19, 2024	Harvey Han	1.90	Discussion re: mortgage details. Updated the cash balance on the distribution sheet according to the National Bank records and GL; Reviewed and made allocations re: Suzanne West transactions from 2017 T3 to 2023 T3.
November 20, 2024	Bruce Bando	0.10	Discussion on Spectrum listing and search for APS of sale of mortgages.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
November 20, 2024	Harvey Han	0.50	Reviewed documents from Spectrum; Discussion re: funds and review thereof.
November 21, 2024	Harvey Han	0.30	Reviewed sales agreement regarding the outstanding mortgages; Correspondence re: allocation of the payment.
November 22, 2024	Bruce Bando	0.70	Correspondence with counsel re: investor communication; Correspondence with Xynergy; Complete NBIN required form to see Pond shares and correspondence thereafter; Spectrum mortgage and fund workbook work.
November 22, 2024	Harvey Han	3.60	Reviewed mortgage agreements details and Spectrum notes; Updated the mortgage information on the worksheet; Checked T3 for all transactions to ensure receipt of funds; Highlighted the mortgages without transaction history; Drafted email to Spectrum to request additional information.
November 25, 2024	Bruce Bando	0.70	Discussion on Spectrum and mortgage analysis as well as cash reconciliation.
November 25, 2024	David Collins	1.50	Reviewed and updated trust account distribution information and internal meetings and correspondence thereto.
November 25, 2024	Harvey Han	1.00	Reviewed the cheque and T3 workbook to ensure the existence and accuracy of the transactions; Updated the report worksheet; Drafted email to Spectrum regarding the payout amount.
November 26, 2024	Bruce Bando	0.30	Investor communications and case website; Correspondence Spectrum.
November 26, 2024	David Collins	0.60	Internal meeting re: investor communications; Correspondence with investors.

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Date	Staff	Hours	Detail
November 26, 2024	Jonathan Krieger	0.60	Correspondence re; share matters; Correspondence; remaining assets; Correspondence re; case website update.
November 27, 2024	Bruce Bando	0.20	Various correspondence with Spectrum and discussion thereof.
November 27, 2024	David Collins	0.30	Correspondence with investors.

Time Summary

J. Krieger, Sr. Vice President	1.50	hours @	\$695.00	per hour	\$	1,042.50
B. Bando, Vice President	13.70	hours @	\$625.00	per hour	\$	8,562.50
R. Wilford, Manager	8.30	hours @	\$375.00	per hour	\$	3,112.50
D. Collins, Manager	27.00	hours @	\$305.00	per hour	\$	8,235.00
H. Han, Associate	13.10	hours @	\$190.00	per hour	\$	2,489.00
M. Dellaire, Associate	12.00	hours @	\$190.00	per hour	\$	2,280.00
V. Naccarato, Analyst	0.40	hours @	\$150.00	per hour	\$	60.00
	76.00				\$	25,781.50
5% Technology and Administration					\$	1,289.08
					\$	27,070.58
HST					\$	3,519.17
Total Invoice					\$	30,589.76

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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-11118/11221**

To professional services as Receiver rendered for the period December 1, 2024 to January 31, 2025.

Date	Full Name	Time	Detail
December 2, 2024	Bruce Bando	0.20	Various correspondence with counsel and review thereof.
December 4, 2024	David Collins	0.50	Review banking information; Internal correspondence re: banking.
December 4, 2024	Rosa Wilford	0.60	Review account ledger; Prepare receipt requisition forms with supporting documentation; Post deposit entries, print slips and stamp date for signing; Provide slips to team for banking; Scan to server; Respond to team with support requesting review and approvals to be made.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
December 4, 2024	Valerie Naccarato	0.40	Deposit at bank.
December 5, 2024	David Collins	0.30	Review banking information; Coordinate fund transfers.
December 5, 2024	Harvey Han	2.00	Reviewed information from Spectrum; Finalize the mortgage worksheet.
December 5, 2024	Rosa Wilford	3.60	Review banking instructions from team; Review authorized payment requests and account ledgers; Prepare bank letters for transfer between various accounts; Prepare disbursement requisition forms and secured signing; Correspondences to team and to and from Bank for authorization of transfers; On-line banking; print screens and match to amounts; Prepare receipt requisition forms with transaction reports for authorized review and signing; Post deposit entries, print slips; Provide team with confirmations; Post eft entries and reconcile multiple November 2024 statements.
December 6, 2024	Bruce Bando	0.30	Discussion re: banking matters and fund reconciliation.
December 6, 2024	David Collins	0.40	Internal call re: trust account reconciliations and banking matters.
December 6, 2024	Rosa Wilford	1.70	Review and reconcile multiple November 2024 GIC term deposits and approve various estate balance reports for review and approval by Trustee.
December 9, 2024	Bruce Bando	0.90	Various discussions and review of work re: banking and fund reconciliation as a result of the work on mortgages.
December 9, 2024	David Collins	1.50	Internal meeting re: banking and reporting matters; Update reconciliation workbook.
December 9, 2024	Harvey Han	0.30	Discussion re: mortgage amounts and review spreadsheets.
December 9, 2024	Rosa Wilford	1.60	Review internal email instructions from team re Banking; Review CW Mortgage Strategy Account ledger and respond to team for review and directions; Prepare bank letters re collapsing five GIC investments; DocuSign: Correspondences to and from Bank; On-line banking and review print screens; Post entries and interest; Prepare requisition forms with support for review and signing by authorized officers; Provide team with updated banking report.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
December 10, 2024	Bruce Bando	0.60	Review, approve and discussions re: various banking transactions; Discussion on investors and distribution workbook.
December 10, 2024	David Collins	1.50	Internal meetings and correspondence re: bank reconciliations, payments, and transfers; Update reconciliation worksheet; Correspondence with Xynergy.
December 10, 2024	Rosa Wilford	2.20	Review various payment requests and authorized approvals from Trustee on file; Review account ledger; Prepare disbursement requisition forms with support; Setup accruals; Prepare bank letters for wire payments; Issue cheques; Confirm approvals; DocuSign; Emails. Correspondences to and from Bank for authorization of wire transfers/confirmations; Faxes; Emails; Respond to phone call / email from Bank for verification on wires; Post disbursement and payment entries; Print and attach transaction reports; Provide team with wire confirmations and updated banking reports. Review internal email instructions from team re Banking; Review account ledgers; Prepare letter re transfer between accounts; DocuSign; Correspondences to and from Bank; On-line banking and review and print screens/match to transfers; Prepare receipt and disbursement requisition forms with support for signing by authorized signing officer; Notify team.
December 11, 2024	Jonathan Krieger	0.90	Review of reconciliation; Correspondence with team thereto.

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Date	Full Name	Time	Detail
December 11, 2024	Rosa Wilford	3.60	Review payment requests and authorized approvals from Trustee on file; Review multiple account ledgers; Prepare various disbursement requisition forms with support; Setup accruals; Prepare bank letters for wire payment and multiple transfers between accounts; Correspondences to and from Bank for authorization of wire payment/transfers/confirmations; Faxes; Emails; Respond to phone call / email from Bank for verification on wire; Post disbursement, receipt and payment entries; On-line banking and print screens; Match to payments; Print and attach transaction reports; Provide team with wire confirmation and updated banking GL reports on various bank accounts.
December 12, 2024	Bruce Bando	0.20	Discussion on fund reconciliation re: mortgages.
December 12, 2024	David Collins	0.60	Internal calls and correspondence re: banking matters and professional fees.
December 12, 2024	Harvey Han	2.00	Review T3 workbooks from 2017 to 2023 to individual fund workbooks and discussions thereof.
December 12, 2024	Valerie Naccarato	0.20	Scan cheque requisition forms to server and file originals.
December 13, 2024	Bruce Bando	0.20	Various banking matters.
December 13, 2024	Rosa Wilford	3.60	Review internal instructions from team; Review seven account ledgers; Prepare Bank letters; Correspondences to and from Bank re interest and closing multiple accounts; On-line banking and match print screens to banking reports; Reconciliation of accounts from December 1 to 13, 2024 and attach to support; Review correspondences from Bank re returned wires; Notify team for review and instructions; Respond to bank with details; On-line banking and print screens; Prepare receipt requisition forms; Post deposit entries, print slips and stamp date for signing; Provide team with updated banking GL report.
December 16, 2024	Bruce Bando	0.20	Various correspondence with NBIN and discussion thereof.
December 16, 2024	David Collins	1.00	Calls and correspondence with investors; Review December banking information and update reconciliation workbook.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
December 16, 2024	Rosa Wilford	0.30	Review account ledger and payment request from team re banking; Notify authorized officer for review and approval; Prepare disbursement requisition form with support; Post entries; Issue cheques.
December 17, 2024	Bruce Bando	0.20	Various correspondence with counsel; Correspondence with NBIN.
December 17, 2024	David Collins	0.10	Correspondence with NBIN re: wire transfers.
December 17, 2024	Rosa Wilford	0.50	Review correspondence from Bank re returned wire; Notify team for review and instructions; Respond to bank with details; On-line banking and print screens; Prepare receipt requisition form; Post deposit entries, print slip and stamp date for signing; Provide team with updated banking GL report; Emails.
December 18, 2024	Bruce Bando	0.80	Prepare for and attend conference call with counsel; Fund workbook matters; Various correspondence with NBIN.
December 18, 2024	David Collins	0.10	Correspondence with NBIN re: wire transfers.
December 18, 2024	Jonathan Krieger	0.50	Call with counsel; Review of open file issues.
December 18, 2024	Rosa Wilford	0.30	Review account ledger and payment request from team re banking; Notify authorized officer for review and approval; Prepare disbursement requisition form with support; Post entries; Issue cheque.
December 19, 2024	Valerie Naccarato	0.10	Scan deposit and cheque requisition forms to server.
December 20, 2024	Bruce Bando	0.20	Various correspondence with counsel re: writs and review thereof; Various correspondence with Xynergy.
December 20, 2024	Harvey Han	7.10	Continue review of T3 workbooks from 2017 to 2023 to individual fund workbooks and discussions thereof; Review the Spectrum worksheets and incorporate with the aforementioned workbooks.
December 23, 2024	Harvey Han	0.50	Correspondence regarding the T3 and fund reconciliations.
December 23, 2024	Harvey Han	0.60	Discussion and correspondence re: reconciliation work.
December 24, 2024	Jonathan Krieger	0.50	Review of reconciliation, discussion re: action items for file completion.

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Date	Full Name	Time	Detail
January 2, 2025	David Collins	0.30	Correspondence with NBIN; Internal call.
January 6, 2025	David Collins	0.50	Correspondence with investors; Internal meeting.
January 8, 2025	David Collins	0.20	Correspondence with investor; Internal correspondence.
January 14, 2025	David Collins	1.00	Internal call and correspondence re: account reconciliations and asset sales.
January 15, 2025	Harvey Han	1.00	Review and discussion of analysis
January 16, 2025	Bruce Bando	0.20	Various correspondence with counsel re: report; Investor inquiry.
January 16, 2025	David Collins	0.50	Internal correspondence; Call re: tax matters.
January 16, 2025	Rosa Wilford	0.90	On-line banking; Review estate bank accounts/print screens; Post EFT entries; and reconcile November 2024 statements; reconcile November 2024 GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
January 17, 2025	David Collins	0.10	Internal correspondence.
January 17, 2025	Harvey Han	2.00	Review Spectrum and fund worksheets and related correspondence; Correspondence with Spectrum re: same.
January 19, 2025	David Collins	0.10	Internal correspondence re: investor queries.
January 20, 2025	Bruce Bando	0.30	Tax matters and correspondence thereof; Fund reconciliation and Spectrum matters.
January 20, 2025	David Collins	0.60	Correspondence with counsel; Correspondence with tax team; Internal meeting.
January 20, 2025	Harvey Han	0.20	Discussion re: Spectrum reporting.
January 21, 2025	David Collins	0.20	Correspondence with investors.
January 22, 2025	Bruce Bando	4.80	Review and amend report to include draft from counsel.
January 23, 2025	Bruce Bando	2.10	Report and fund reconciliation matters; Prepare for and attend conference call with counsel; Discussion thereafter re: next steps.
January 24, 2025	Bruce Bando	1.50	Continue with the Sixth Report.
January 24, 2025	Harvey Han	4.00	Fund Summary Worksheet and note items for follow-up and further investigation.

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Date	Full Name	Time	Detail
January 25, 2025	Bruce Bando	3.50	Continue with Sixth Report; Various correspondence with counsel; Correspondence with Bowra Group (now MNP) and review of files for status of the various bankruptcies.
January 27, 2025	Bruce Bando	3.10	Correspondence with NBIN; Various correspondence with bankruptcy trustee; Fund reconciliation and banking matters; Continue with the Sixth Report; Various correspondence with counsel re: same.
January 27, 2025	David Collins	0.80	Internal meeting re: final report; Review of workbook.
January 27, 2025	Harvey Han	3.50	Continue with Fund Summary Worksheet review and updating; Prepare summary table for the report; Correspondence with Spectrum.
January 27, 2025	Jonathan Krieger	0.50	Correspondence with team re: receivership banking, reconciliation; Court materials; Review of correspondence from counsel.
January 27, 2025	Rosa Wilford	0.80	Review account ledgers and respond to team with various Banking reports; Save to server; Emails.
January 28, 2025	Bruce Bando	2.20	Discussions on summary of fund reconciliation and review thereof; Review report and assemble appendices; Correspondence from MNP (formerly The Bowra Group) on the status of the bankruptcies; Correspondence with counsel re: the foregoing.
January 28, 2025	David Collins	0.30	Internal meeting; Correspondence with investors.
January 28, 2025	Harvey Han	4.00	Continue with Fund Summary Worksheet review, updating and various discussions thereof.
January 29, 2025	David Collins	0.30	Internal meeting and correspondence; Reviewed draft materials for Sixth Report.
January 29, 2025	Rosa Wilford	0.30	Follow-up correspondence and voicemail with BNS; On our request on providing further information on account with copies of statements; Emails.
January 30, 2025	Bruce Bando	0.30	Correspondence from counsel re: appendices to the Sixth Report and amend same.
January 31, 2025	David Collins	0.10	Internal correspondence.

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Date	Full Name	Time	Detail
January 31, 2025	Harvey Han	0.50	Updated the NBIN and Ascend account balance; Discussed with D. Collins re the summary worksheet

Time Summary

J. Krieger, Sr. Vice President	2.40	hours @	\$790.00	per hour	\$	1,896.00
B. Bando, Vice President	18.00	hours @	\$675.00	per hour	\$	12,150.00
	3.80	hours @	\$625.00	per hour	\$	2,375.00
R. Wilford, Manager	18.00	hours @	\$375.00	per hour	\$	6,750.00
	2.00	hours @	\$350.00	per hour	\$	700.00
D. Collins, Manager	5.00	hours @	\$420.00	per hour	\$	2,100.00
	6.00	hours @	\$305.00	per hour	\$	1,830.00
H. Han, Associate	15.20	hours @	\$245.00	per hour	\$	3,724.00
	12.50	hours @	\$190.00	per hour	\$	2,375.00
V. Naccarato, Analyst	0.70	hours @	\$150.00	per hour	\$	105.00
	83.60				\$	34,005.00
5% Technology and Administration					\$	1,700.25
					\$	35,705.25
HST					\$	4,641.68
Total Invoice					\$	40,346.94

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**Doane
Grant Thornton**

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Toronto, ON M5H 3T4

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Sort Code:	300002
Transit #	2
Account #	141 237 8

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Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



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

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

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 AND PRECIOUS METALS
 FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
 FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
 YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
 Client #225805
 Invoice#LSON-11433**

To professional services as Receiver rendered for the period February 1, 2025, to February 28, 2025.

Date	Name	Time	Detail
February 3, 2025	Bruce Bando	2.30	Fund reconciliation and update distribution workbook; Discussions thereof.
February 3, 2025	David Collins	0.30	Reviewed draft distribution workbook and internal correspondence re: same; Correspondence with investors.
February 3, 2025	Harvey Han	1.00	Revised the distribution workbook; Updated the cash balances.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Name	Time	Detail
February 3, 2025	Rosa Wilford	0.20	Review and follow-up with financial institutions on letters sent with Court-order that remain un-answered.
February 4, 2025	Bruce Bando	1.90	Discussion on distribution workbook and T3 2024 workbook and review of files thereof.
February 4, 2025	Harvey Han	3.20	prepared the 2024 T3 based on the NBIN data for all 13 funds
February 4, 2025	Michael Dellaire	0.40	Review legal counsel invoice; Update fee allocation spreadsheet.
February 5, 2025	Harvey Han	3.00	Prepared the 2024 T3 worksheet; Updated all funds transactions from NBIN; Updated and reconciled the beginning and ending balances.
February 5, 2025	Michael Dellaire	0.10	Internal discussion re: Fee allocation.
February 6, 2025	David Collins	0.80	Calls and correspondence with investors; Internal meeting re: T3s.
February 6, 2025	Harvey Han	4.30	Updated T3 worksheet and fund workbook; Discussed with team re: the same; Corresponded with NBIN re the sales transaction of Pond Technology.
February 7, 2025	Bruce Bando	0.60	Spectrum, T3 and fund workbook matters and discussion thereof.
February 7, 2025	David Collins	0.20	Correspondence with investor.
February 7, 2025	Harvey Han	0.20	Discussion re: the investment sheet and Spectrum and review thereof.
February 7, 2025	Rosa Wilford	0.70	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile various January 2025 statements and sign; Reconcile January 2025 GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report.
February 9, 2025	Harvey Han	7.50	Finalized the 2024 T3 worksheet; Updated and reviewed all legal and GT invoices in 2024; Reviewed breakdown of the invoices to ensure the accuracy of the invoices amount; Updated all accrual transactions including Pond transactions; Revised bank transactions and its interest fee as requested; Reviewed the Spectrum worksheet re: payments in 2024;
February 10, 2025	Bruce Bando	0.50	Review certain mortgages in relation to the Fund reconciliation.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Name	Time	Detail
February 10, 2025	David Collins	0.80	Reviewed T3s and internal meeting and correspondence thereto.
February 10, 2025	Harvey Han	1.30	Reviewed the 2024 T3 worksheet; Discussed the matters re: mortgages and Spectrum; Discussed the sale of shares and its remaining balance; discussed the reconciliation from 2023 T3.
February 10, 2025	Michael Dellaire	1.20	Internal discussion re: Fee allocation sheet; Update fee allocation sheet accordingly.
February 11, 2025	Bruce Bando	1.70	Various correspondence with counsels re: trust accounts and review of records thereof; Fund reconciliation matters.
February 11, 2025	David Collins	0.10	Internal meeting and correspondence re: T3s.
February 11, 2025	Harvey Han	0.50	Discussion re: outstanding mortgages and remaining balances in the trust accounts; Drafted emails to counsels to request the details of the transactions and remaining balances.
February 11, 2025	Rosa Wilford	0.20	Follow-up with financial institution on our request to provide statement/print screens on account re Chrysalis Yoga.
February 12, 2025	Bruce Bando	1.80	Investigate funds contained in counsel's trust account and determine allocation among 3 Crystal Wealth Funds; Various correspondence re: payment of such funds to the CW Funds.
February 12, 2025	David Collins	0.10	Internal correspondence re: reconciliation.
February 12, 2025	Harvey Han	1.40	Reviewed emails re: three mortgages paid out in 2023 and 2024; Updated the summary worksheet; Updated 2024 T3 worksheet based on the amended legal fees; Drafted emails re the status of the mortgage's status; Investigated mortgages balances between Spectrum worksheet and NBIN transaction history's.
February 12, 2025	Rosa Wilford	0.30	Review correspondences from team/client; Provide wire instructions; respond to phone call and verify account information.
February 13, 2025	Bruce Bando	0.30	Correspondence from counsel re: trust account; Internal correspondence thereof; Fund matters.
February 14, 2025	David Collins	0.50	Reviewed banking information to finalize transfers from trust accounts.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Name	Time	Detail
February 14, 2025	Harvey Han	0.40	Discussion re: difference of ending balances between T3 worksheet and NBIN account; Reviewed the NBIN portal.
February 14, 2025	Rosa Wilford	0.30	Review correspondences from team/client; Provide wire instructions; respond to phone call and verify account information.
February 16, 2025	Bruce Bando	0.30	Review NBIN statement and 2024 T3 workbook; Internal correspondence thereof.
February 18, 2025	Bruce Bando	0.30	Various correspondence on T3's and review thereof.
February 18, 2025	David Collins	0.80	Reviewed T3 workbook and internal meeting and correspondence thereto.
February 18, 2025	Harvey Han	4.00	Reviewed the email and Dec 31 NBIN bank statement; Prepared a summary worksheet to update the NBIN balance and T3 balance as Dec 31, 2024; Determined the difference for several funds by performing a detailed reconciliation; Summarized the worksheet; Reviewed the foreign exchange for Fund 250, 270 and 300; Revised and recalculated the foreign exchange gain/loss; Reviewed all other loan transaction history.
February 18, 2025	Michael Dellaire	0.20	Coordinate NBIN fee allocation; Correspond with NBIN re: Same.
February 19, 2025	David Collins	0.30	Correspondence with investor.
February 19, 2025	Harvey Han	2.50	Reviewed and updated the legal and GT costs from Dec 1, 2024 to Dec 31, 2024; Reconciliated the GT and legal costs.
February 20, 2025	David Collins	1.80	Reviewed and updated trust reconciliation workbook; Correspondence with investors
February 20, 2025	Michael Dellaire	0.10	Internal discussion re: Fee allocation sheet.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Name	Time	Detail
February 24, 2025	Rosa Wilford	0.80	Review payment request and authorized approval from Trustee on file; Review account ledger; Prepare disbursement requisition forms with support; Setup accruals; Prepare bank letter for wire payment; Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Emails; Respond to phone call / email from Bank for verification on wire; Post disbursement and payment entries; Print and attach transaction report.
February 25, 2025	David Collins	0.80	Updated trust account reconciliation; Internal correspondence re: GICs.
February 25, 2025	Harvey Han	0.40	Reviewed invoices and summary sheet.
February 25, 2025	Michael Dellaire	1.70	Internal discussion re: Fee allocation sheet; Update fee formulas for 2024; Correspond internally re: same.
February 25, 2025	Rosa Wilford	0.80	Review internal email instructions from team re Banking on directions on collapsing GIC investments; Review account ledger and prepare bank letter and disbursement requisition form with support for review and signing. Correspondences to and from Bank for authorization on GIC investment collapse; On-line banking review print screens and match to funds received; Update GIC schedule.
February 26, 2025	David Collins	0.30	Internal correspondence re: T3 workbooks and professional fee allocations.
February 26, 2025	Harvey Han	2.50	Reconciled and update fund workbook; Reviewed of mortgages and update fund workbook; Reviewed the T4 and summary worksheet.
February 27, 2025	Bruce Bando	0.50	Various correspondence and discussion on T3 workbook and related matters; Review of T3 workbook.
February 27, 2025	David Collins	2.60	Internal call and correspondence; Correspondence with investors; Reviewed T3 workbooks and internal call and correspondence thereto; Correspondence re: professional fee allocations; Correspondence with counsel re: billing.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid



Doane Grant Thornton

Date	Name	Time	Detail
February 27, 2025	Michael Dellaire	0.40	Update fee allocation sheet; Correspond internally re: same; Correspond internally re: Legal counsel invoice.
February 28, 2025	Bruce Bando	0.50	T3 matters and discussion thereof; Fund reconciliation matters.
February 28, 2025	David Collins	0.40	Correspondence with tax team re: T3s; Updated T3 workbooks.
February 28, 2025	Jonathan Krieger	0.50	Review of information re: court materials.
February 28, 2025	Rosa Wilford	0.80	Review emails on payment requests and authorized approvals from Trustee on file; Review account ledger, prepare disbursement requisition forms; Post entries and Issue cheques.

Time Summary

J. Krieger, Sr. Vice President	0.50	hours @	\$790.00	per hour	\$	395.00
B. Bando, Vice President	10.70	hours @	\$675.00	per hour	\$	7,222.50
R. Wilford, Manager	4.10	hours @	\$350.00	per hour	\$	1,435.00
D. Collins, Manager	9.80	hours @	\$420.00	per hour	\$	4,116.00
H. Han, Associate	32.20	hours @	\$245.00	per hour	\$	7,889.00
M. Dellaire, Associate	4.10	hours @	\$245.00	per hour	\$	1,004.50
	61.40				\$	22,062.00
5% Technology and Administration					\$	1,103.10
					\$	23,165.10
HST					\$	3,011.46
Total Invoice					\$	26,176.57

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.


Paying your invoice by cheque:

Remit To: Grant Thornton Limited
 11th Floor
 200 King Street West
 Toronto, ON M5H 3T4

Paying your invoice by EFT (electronic funds transfer):

Account name:	Grant Thornton Limited
Financial Institution:	ROYAL BANK OF CANADA Main Branch – Toronto 200 Bay Street – Toronto ON M5J 2J5
Institution Code:	// CC 003
Swift Code:	BIC ROYCCAT2
Sort Code:	300002
Transit #	2
Account #	141 237 8

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Please include the Grant Thornton Limited invoice number and your client reference number in your e-mail notification.

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 T +1 416 366 0100
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Court File No. CV-17-11779-00CL

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

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 AND PRECIOUS METALS
 FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
 FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
 YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
 Client #225805
 Invoice#LSON-11593**

To professional services as Receiver rendered for the period March 1, 2025, to March 31, 2025.

Date	Staff	Hours	Detail
March 3, 2025	David Collins	0.20	Internal correspondence re: T3s; Correspondence with counsel re: professional fees.
March 4, 2025	David Collins	0.10	Correspondence with investor.
March 5, 2025	Bruce Bando	0.70	Review and amend report; Review distribution worksheet and discussion thereof.

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Date	Staff	Hours	Detail
March 5, 2025	David Collins	0.30	Internal correspondence re: professional fee allocations; Correspondence re: payment of invoices; Correspondence with counsel re: outstanding professional fees.
March 5, 2025	Rosa Wilford	0.30	Review payment request and authorized approval from Trustee on file; Review account ledger; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
March 6, 2025	Bruce Bando	3.20	Continue with the Sixth Report.
March 6, 2025	Rosa Wilford	0.50	Reconciliation of account for February 2025; On-line banking; Run and match to reports and sign; Post EFT Entries and prepare requisition; Reconcile February 2025 GIC Investments.
March 7, 2025	Bruce Bando	0.20	Various correspondence re: T3's.
March 7, 2025	David Collins	0.60	Internal correspondence re: T3 workbook; Correspondence with investors.
March 10, 2025	David Collins	0.70	Correspondence with NBIN re: transfers; Updated reconciliation workbook.
March 10, 2025	Michael Dellaire	0.50	Update professional fee tracker; Internal discussion thereof.
March 12, 2025	Rosa Wilford	0.30	Review payment request, account ledger, and notify Trustee on file for review and approval to pay invoices; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
March 13, 2025	David Collins	1.00	Completed trust account reconciliation; Correspondence with NBIN re: cash transfers.
March 17, 2025	Bruce Bando	0.30	Various correspondence with counsel re: report; Investor communication matters; NBIN matters.
March 17, 2025	David Collins	0.40	Correspondence with investors; Internal correspondence re: T3 workbook.
March 17, 2025	Michael Dellaire	0.20	Update NBIN fee allocation sheet; Correspond with NBIN re: Same.
March 17, 2025	Rosa Wilford	0.30	Prepare receipt requisition form with support; Post deposit entries, print slip and stamp date for signing, provide to team for banking.

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Date	Staff	Hours	Detail
March 18, 2025	Bruce Bando	1.10	Various discussions re: report, fund workbook and T3 worksheet; Various correspondence with NBIN.
March 18, 2025	David Collins	3.90	Reviewed asset recovery details and updated asset summary workbook for final report; Correspondence with NBIN re: fund transfers.
March 18, 2025	Matthew McNish	4.25	CW T3 compliance, setting up CW compliance, rolling forward TPs, review prior year file (13) T3s.
March 19, 2025	David Collins	3.10	Reviewed asset recovery details and updated asset summary workbook for final report.
March 20, 2025	David Collins	1.00	Correspondence with counsel re: Final report; Updated asset summary workbook.
March 24, 2025	Matthew McNish	2.00	finalizing CW and correspondence thereof.
March 24, 2025	Rosa Wilford	0.30	Review email payment request and authorized approval; Review account ledger; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
March 25, 2025	Bruce Bando	0.50	Prepare for and attend conference call with counsel; Review investor update.
March 25, 2025	David Collins	0.30	Drafted update for case website; Updated investor records and correspondence with investors thereto.
March 26, 2025	Bruce Bando	1.30	Review and provide comments on Fund Workbook and discussion thereof; Payment matters; Various correspondence with NBIN and discussion thereof.
March 26, 2025	David Collins	1.30	Internal meeting and correspondence re: timelines and reporting; Correspondence with NBIN re: fund transfers; Prepared banking letter and provided same to NBIN.
March 26, 2025	Rosa Wilford	0.30	Review payment request, account ledger, and notify Trustee on file for review and approval to pay invoices; Confirm approvals; Prepare disbursement requisition form with support; Post invoice entries; Issue cheque.

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Date	Staff	Hours	Detail
March 27, 2025	Bruce Bando	0.30	Various correspondence and discussion with NBIN; Correspondence from Xynergy and various correspondence thereafter with counsel.
March 27, 2025	David Collins	0.60	Correspondence with investor; Call and correspondence with NBIN re: transfers to CWMSL trust account; Internal correspondence re: pending transfers.
March 28, 2025	Bruce Bando	0.20	Various correspondence with counsel and correspondence with Xynergy re: NFL contracts.
March 28, 2025	David Collins	0.10	Internal correspondence re: investors.
March 31, 2025	Bruce Bando	0.20	T3 matters and discussion thereof.
March 31, 2025	David Collins	0.20	Internal correspondence re: T3 workbooks.
March 31, 2025	Matthew McNish	0.75	Continue with Ts's.
March 31, 2025	Michael Dellaire	0.50	Work on updating fee allocation sheet.

Time Summary

B. Bando, Vice President	8.00 hours @	\$675.00 per hour	\$ 5,400.00
D. Collins, Manager	13.80 hours @	\$420.00 per hour	\$ 5,796.00
R. Wilford, Manager	2.00 hours @	\$350.00 per hour	\$ 700.00
M. McNish, Sr. Associate	7.00 hours @	\$275.00 per hour	\$ 1,925.00
M. Dellaire, Associate	1.20 hours @	\$245.00 per hour	\$ 294.00
	<u>32.00</u>		<u>\$ 14,115.00</u>
5% Technology and Administration			\$ 705.75
			<u>\$ 14,820.75</u>
HST			\$ 1,926.70
Total Invoice			<u>\$ 16,747.45</u>

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 11th Floor
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 Toronto, ON M5H 3T4

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

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

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LSON-11628**

To: professional services as Receiver rendered for the period April 1, 2025, to April 30, 2025.

Date	Staff	Hours	Detail
April 2, 2025	David Collins	0.10	Internal correspondence re: case website.
April 3, 2025	Bruce Bando	0.20	Various correspondence with Xynergy; Various correspondence with counsel thereof.
April 3, 2025	David Collins	0.20	Internal call and correspondence re: T3 preparations.
April 4, 2025	Bruce Bando	0.10	Correspondence from counsel re: DenHollanders.

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Date	Staff	Hours	Detail
April 4, 2025	David Collins	0.40	Correspondence with investors; Internal correspondence re: case website.
April 4, 2025	Rosa Wilford	2.90	On-line banking and monitor account for expecting incoming wires/ print screens; Notify team on multiple wires received; Prepare receipt and disbursement requisition forms with support; Post various deposit entries, print slip and stamp date for signing. On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile March 2025 statement; Print and sign reconciliation report; Print Summary of Estate Balance Report; Match to reconciliations and initial report; Provide to authorized officer for review and signing.
April 7, 2025	Bruce Bando	0.40	Review and amend case website communication to investors and discussion thereof; Payment from Farber and instructions thereof.
April 7, 2025	David Collins	0.30	Internal meeting and correspondence re: case website and correspondence with counsel re: same; Internal correspondence re: prof fee reconciliation.
April 7, 2025	Jonathan Krieger	0.50	Meeting with team re; discussion of investor reconciliation; Correspondence thereto. Review of banking reconciliation.
April 7, 2025	Michael Dellaire	0.10	Internal discussion re: Fee allocation sheet.
April 7, 2025	Rosa Wilford	0.30	Review mail from team and account ledger; prepare receipt requisition form with supporting documentation; Post deposit entries, print slip and stamp date for signing; Provide slip to team for banking.
April 8, 2025	Rosa Wilford	0.30	Review mail; Process returned item; Correspondences with team, scan to server.
April 9, 2025	Ada Shahini	0.20	Updated write up on website and responded to teams' email.

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Date	Staff	Hours	Detail
April 9, 2025	Bruce Bando	0.40	Case website and investor message matters; Correspondence with an investor; Various correspondence with counsel re Xynergy and review thereof.
April 9, 2025	David Collins	0.30	Internal correspondence and correspondence with counsel re: reporting timelines and case website.
April 10, 2025	Bruce Bando	0.40	Correspondence from an investor; Various correspondence with counsel re: NFL contracts; Correspondence with Xynergy.
April 10, 2025	David Collins	1.10	Reviewed materials from Xynergy and correspondence with counsel thereto; Correspondence with investors.
April 10, 2025	Jonathan Krieger	0.40	Review and communications re: investor correspondence; Review of R&D allocation.
April 10, 2025	Michael Dellaire	2.50	Review 244 Receivership invoice; Correspond internally thereof; Update fee allocation sheet.
April 11, 2025	Bruce Bando	0.30	Correspondence and review NFL contracts and report matters.
April 11, 2025	David Collins	0.90	Correspondence with investors and internal correspondence thereto; Internal call and correspondence with counsel re: final report.
April 11, 2025	Michael Dellaire	1.00	Review bills and update fee allocation sheet.
April 14, 2025	Bruce Bando	0.50	Various correspondence from counsel re: Xynergy and review thereof; Various correspondence with an investor.
April 14, 2025	David Collins	0.50	Correspondence with NBIN re: account status update; Correspondence with counsel re: A&B Trust Account; Internal correspondence re: investor inquiries; Internal correspondence re: distribution workbook.

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Date	Staff	Hours	Detail
April 14, 2025	Michael Dellaire	1.50	Internal discussion re: Fee allocation sheet; Update fee allocation sheet; Correspond internally thereof.
April 15, 2025	Bruce Bando	3.20	Discussion on distribution workbook and methodology; Correspondence and discussion with counsel re: same and review related documents; T3 slip matters; Correspondence with NBIN; Correspondence with MNP on corporate bankruptcies; Correspondence with A. Farber on J. Maljaars; Sixth Report matters and discussion thereof.
April 15, 2025	David Collins	3.60	Reviewed banking records and updated reconciliation workbook; Updated distribution workbook; Internal meetings and calls thereto.
April 15, 2025	Harvey Han	0.50	Update the ending cash balance for each fund and the ending balance for GL;
April 16, 2025	Bruce Bando	1.00	Prepare for and attend internal meetings on fund and distribution workbooks and next steps; Correspondence from MNP on bankruptcies.
April 16, 2025	David Collins	0.70	Internal meeting re: final report and distribution workbook; Drafted letter of direction and correspondence with NBIN thereto.
April 16, 2025	Jonathan Krieger	0.80	Meeting re: investor allocation; Correspondence re: matters related to file completion, discussion re: remaining matters to complete.
April 16, 2025	Michael Dellaire	0.30	Correspond internally re: NBIN invoice; Update fee allocation sheet; Correspond with NBIN thereof.
April 17, 2025	David Collins	0.80	Reviewed materials from Xynergy, historical financials, and updated asset summary workbook thereto; Internal meeting; Correspondence with counsel re: final report; Correspondence with SS&C re: tax slips.

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Date	Staff	Hours	Detail
April 21, 2025	Bruce Bando	0.30	Various correspondence with NBIN; Discussion thereof.
April 21, 2025	David Collins	0.70	Call with NBIN; Drafted and issued direction letter and internal correspondence thereto; Correspondence with SS&C; Internal correspondence re: asset liquidations.
April 22, 2025	David Collins	0.40	Correspondence with investors.
April 23, 2025	Bruce Bando	0.30	Various correspondence with CRA and review thereof; Various correspondence with counsel re: DenHollader and review of documents.
April 23, 2025	Michael Dellaire	1.50	Review invoice; Update fee allocation sheet; Internal discussion thereof.
April 23, 2025	Rosa Wilford	0.30	Review email payment request and authorized approval and prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
April 24, 2025	Bruce Bando	0.70	Review draft APA and correspondence with counsel thereof.
April 24, 2025	Rosa Wilford	0.40	Respond to phone call and verify wire and account details. Monitor account for expecting incoming wire/ print screen; Prepare receipt and disbursement requisition forms with support; Post entries; Update report and notify team.
April 24, 2025	Rosa Wilford	0.10	Respond to phone call and verify wire and account details. Monitor account for expecting incoming wire/ print screen; Prepare receipt and disbursement requisition forms with support; Post entries; Update report and notify team.
April 25, 2025	Bruce Bando	0.10	Correspondence with counsel.
April 28, 2025	Bruce Bando	1.50	Various correspondence with counsel, review Xynergy agreement and complete list of players subject to the sale; Banking matters; NBIN matters; Various correspondence with Xynergy; Distribution workbook matters.

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Date	Staff	Hours	Detail
April 28, 2025	David Collins	4.60	Updated reconciliation workbook and internal meeting and correspondence thereto; Drafted and issued letter of direction to NBIN re: banking.
April 28, 2025	Michael Dellaire	0.30	Internal discussions re: distribution worksheet.
April 29, 2025	Bruce Bando	0.80	Correspondence with counsel re: report; Discussions re: fund and distribution workbooks; Discussion with NBIN.
April 29, 2025	David Collins	1.80	Call and correspondence with NBIN; Updated reconciliation workbook for additional distributions to NBIN and internal meeting and correspondence thereto; Internal meeting re: final report; Internal meeting and correspondence re: bank transfers.
April 29, 2025	Harvey Han	0.20	Correspondence with team re the balance table for on book and off book investment;
April 29, 2025	Jonathan Krieger	0.30	Review of matters re: banking and distributions; Correspondence with team thereto.
April 29, 2025	Michael Dellaire	0.20	Internal discussion re: distribution worksheet.
April 29, 2025	Rosa Wilford	0.50	Review account ledger and notify team for review and directions on purchasing GIC Investment. Prepare Bank letter; Prepare disbursement requisition form; Correspondences to and from Bank; Post term deposit entries; Run reports; Match to investment; Scan to server; Update GIC schedule.
April 30, 2025	Bruce Bando	0.70	Various correspondence with Xynergy and discussion with counsel; Various correspondence with NBIN; Report matters with counsel.
April 30, 2025	David Collins	0.60	Correspondence with NBIN.
April 30, 2025	Jonathan Krieger	0.70	Correspondence re: banking matters; Correspondence re: file completion matters and court report.

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**Time Summary**

J. Krieger, Sr. Vice President	2.70	hours @	\$695.00	per hour	\$	1,876.50
B. Bando, Vice President	10.90	hours @	\$675.00	per hour	\$	7,357.50
D. Collins, Manager	17.00	hours @	\$420.00	per hour	\$	7,140.00
A. Shahini, Manager	0.20	hours @	\$355.00	per hour	\$	71.00
R. Wilford, Manager	4.80	hours @	\$350.00	per hour	\$	1,680.00
H. Han, Associate	0.70	hours @	\$245.00	per hour	\$	171.50
M. Dellaire, Associate	7.40	hours @	\$245.00	per hour	\$	1,813.00
	<u>43.70</u>				\$	<u>20,109.50</u>
5% Technology and Administration					\$	<u>1,005.48</u>
					\$	<u>21,114.98</u>
HST					\$	<u>2,744.95</u>
Total Invoice					\$	<u>23,859.93</u>

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will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.


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Remit To: Grant Thornton Limited
 11th Floor
 200 King Street West
 Toronto, ON M5H 3T4

Paying your invoice by EFT (electronic funds transfer):

Account name:	Grant Thornton Limited
Financial Institution:	ROYAL BANK OF CANADA Main Branch – Toronto 200 Bay Street – Toronto ON M5J 2J5
Institution Code:	// CC 003
Swift Code:	BIC ROYCCAT2
Sort Code:	300002
Transit #	2
Account #	141 237 8

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Please include the Grant Thornton Limited invoice number and your client reference number in your e-mail notification.

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200 King Street West, Box 11
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M5H 3T4
T +1 416 366 0100
F +1 416 360 4948

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

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

BETWEEN:

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 AND PRECIOUS METALS
FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
Client #225805
Invoice#LS0N-11865**

To: professional services as Receiver rendered for the period May 1, 2025, to May 31, 2025.

Date	Staff	Hours	Detail
May 1, 2025	Bruce Bando	3.50	Correspondence from counsel re: report; Review and amend next draft of the report including appendices and fund workbook; Various correspondence from NBIN and discussion thereof; Correspondence with counsel re: Kanwal.

Accounts are due when rendered. All accounts outstanding over 30 days
will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
May 1, 2025	David Collins	3.60	Internal correspondence and correspondence with NBIN re: wire transfers; Updated report appendices and drafted tables for report; Internal correspondence re: same.
May 1, 2025	Harvey Han	0.20	Reviewed the summary worksheet; determined the mortgage paid in 2024.
May 1, 2025	Jonathan Krieger	0.60	Correspondence and discussions re: banking matters, file completion and NBIN matters.
May 1, 2025	Rosa Wilford	0.50	Review on-line banking, print screens; Correspondences with bank; Post entries.
May 2, 2025	David Collins	0.60	Updated appendices for report; Reviewed asset summary workbook; Internal correspondence re: transfers and allocation of professional fees.
May 2, 2025	Michael Dellaire	0.10	Attend to correspondence.
May 2, 2025	Rosa Wilford	1.10	Correspondences with Bank and team; Reversal of wires and bank charges; posting entries; Reconciliation of account for April 2025; On-line banking; Run and match to reports and sign; Post EFT Entries and prepare requisition; Reconcile April 2025 GIC Investments.
May 5, 2025	Bruce Bando	2.10	Various correspondence with counsel and review draft documents re: Xynergy sale; Various correspondence from NBIN; Disbursement approvals; Correspondence from counsel re: billings; Discussion on investor matters; Report and fund workbook matters.
May 5, 2025	David Collins	1.30	Calls and correspondence with investors; Updated investor information; Correspondence re: professional fee invoices.
May 5, 2025	Michael Dellaire	0.50	Work on updating allocation of professional fees.
May 5, 2025	Rosa Wilford	0.40	Review email payment requests and authorized approvals; Review account ledger; Prepare disbursement requisition forms with support; Post invoice entries; Issue cheque.
May 6, 2025	Bruce Bando	2.30	Fund and distribution workbook review and follow up; SS&C agreements and charges and correspondence thereof; Correspondence Xynergy.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
May 6, 2025	David Collins	2.00	Correspondence with investors; Internal meeting and correspondence re: distributions to NBIN; Correspondence with counsel; Reviewed historical fund financials and internal correspondence thereto; Correspondence with SS&C re: investor tax slips; Updated asset summary workbook; Correspondence with NBIN re: wire transfers; Updated banking reconciliation workbook and internal correspondence thereto.
May 7, 2025	Bruce Bando	2.40	Review and discussion on trust fund reconciliation; Discussion on Sixth Report; Various correspondence and discussion with counsel re: Xynergy; Various correspondence from Xynergy; Review S. West matter and correspondence and discussion with counsel.
May 7, 2025	Jonathan Krieger	2.80	Review of Court report; Correspondence with team re: comments; Discussions thereto; Review of worksheets.
May 7, 2025	Michael Dellaire	0.10	Internal discussion re: Fee allocation.
May 8, 2025	Bruce Bando	1.60	Various correspondence with counsel re: Xynergy; Various correspondence with Xynergy; Banking and fund reconciliation matters; Review and amend Sixth Report.
May 8, 2025	David Collins	0.40	Call and correspondence with investor.
May 9, 2025	Bruce Bando	0.30	Various correspondence with Xynergy; Correspondence with counsel.
May 9, 2025	David Collins	0.10	Internal call re: outstanding matters.
May 12, 2025	Bruce Bando	1.20	Correspondence from counsel re: Ryan mortgage matter; Banking related matters; Various correspondence from counsel, review and amend various Court documents re: 244.
May 12, 2025	David Collins	0.40	Correspondence with counsel re: outstanding matters; Internal meeting and correspondence.
May 13, 2025	Ada Shahini	0.20	Uploaded the Motion Record on the website and website folder on the server.
May 13, 2025	Bruce Bando	4.90	Tend to all matters pertaining to the review, amendments and finalization of the 244 report and appendices to include related banking matters thereto; Various correspondence with counsel re: S. West and investigation thereof; Case website matters; Review and amend Sixth Report and forward to counsel.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
May 13, 2025	David Collins	1.00	Finalized certain reporting documents and internal correspondence and correspondence with counsel thereto.
May 13, 2025	Jonathan Krieger	0.50	Review of correspondence re: matters related to finalizing materials; Communications with counsel and team.
May 13, 2025	Rosa Wilford	2.40	Follow internal instructions from team; Review account ledgers; Collapse GIC and Prepare transfers between accounts; Prepare receipt requisition forms; Post deposit entries, print slips and stamp date for signing; Prepare various disbursement requisition forms, post multiple payment entries; Correspondences with bank; Issue cheques.
May 14, 2025	Ada Shahini	0.20	Uploaded the first report on the website and website folder on the server.
May 14, 2025	Bruce Bando	0.20	Various correspondence with counsel; Investment matters.
May 14, 2025	David Collins	1.00	Internal correspondence re: case website; Correspondence with counsel; Call and correspondence with investor.
May 15, 2025	Bruce Bando	0.90	Correspondence and discussion re: NBIN and death of an investor; Various correspondence with Xynergy re: sale; Various correspondence with counsel re: same and review sale document; Correspondence with SS&C and execute amendment; Fund matters.
May 15, 2025	David Collins	3.10	Correspondence with NBIN re: various matters; Reviewed and updated investor information; Reviewed SS&C contracting agreement, internal meeting and correspondence with SS&C thereto; Reviewed and updated Sixth Report; Internal correspondence re: banking matters.
May 15, 2025	Jonathan Krieger	0.40	Review of final matters re: distribution; Correspondence from counsel; Correspondence from team.
May 15, 2025	Michael Dellaire	0.20	Update NBIN fee allocation; Correspond with NBIN thereof.
May 16, 2025	Bruce Bando	0.50	Various correspondence with counsel and Xynergy and execute documents; Sixth Report appendices matters and discussions thereof.
May 16, 2025	David Collins	4.20	Reviewed and updated Report; Compiled appendices; Correspondence with counsel re: various matters; Internal call re: various matters.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
May 16, 2025	Rosa Wilford	0.60	Respond to phone call and verify wire and account details; Monitor account for expecting incoming wire/ print screen; Prepare receipt and disbursement requisition forms with support; Post entries; Update report.
May 17, 2025	David Collins	0.10	Correspondence with investor.
May 20, 2025	Bruce Bando	0.40	Various correspondence with counsel and with Xynergy to conclude the sale; Discussion with counsel re: S. West.
May 20, 2025	David Collins	1.30	Internal meeting re: NBIN transfers; Call and correspondence with investors.
May 20, 2025	Michael Dellaire	0.20	Internal discussion re: NBIN allocation.
May 21, 2025	Bruce Bando	0.30	NBIN and fund banking matters; S. West discussion and adjustment thereof.
May 21, 2025	David Collins	0.50	Correspondence with investors re: various matters.
May 22, 2025	Bruce Bando	0.50	Discussions re: fund analysis, reconciliation and funding; Banking matters thereto.
May 22, 2025	Bruce Bando	1.30	Various correspondence with counsel; Prepare for and attend Court; Discussions thereafter; Correspondence from counsel; Case website matters.
May 22, 2025	David Collins	2.30	Internal correspondence re: various matters; Updated reconciliation and banking workbook; Correspondence with investors re: various matters;
May 22, 2025	Michael Dellaire	1.00	Work on fee allocation sheet updates; Internal discussion thereof; Complete update to fee allocation sheet for legal bill; Correspond internally thereof.
May 22, 2025	Rosa Wilford	0.30	Review email payment requests and authorized approvals; Review account ledger; Prepare disbursement requisition forms with support; Post invoice entries; Issue cheque.
May 23, 2025	Ada Shahini	0.20	Uploaded the Order and Endorsement of Justice Osborne on the website and website folder on the server; Responded to team email.
May 23, 2025	Bruce Bando	0.20	Various correspondence counsel; Case website matters.
May 23, 2025	David Collins	0.70	Call and correspondence with investors; Correspondence with NBIN; Correspondence re: case website.

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Date	Staff	Hours	Detail
May 23, 2025	Rosa Wilford	0.80	Review payment request and authorized approval from Trustee on file; Review account ledger and prepare disbursement requisition form with support and bank letter; Correspondences to and from Bank for authorization of wire transfer/confirmation; Respond to Bank for verification on wire; Post disbursement and payment entries; Print and attach transaction report.
May 26, 2025	Bruce Bando	0.30	Mortgage Fund matters and 2441472 Ontario.
May 26, 2025	Michael Dellaire	0.90	Updated fee allocation sheet; Internal discussion thereof.
May 26, 2025	Rosa Wilford	0.30	Review email payment request and authorized approval and prepare disbursement requisition form with support; Post invoice entries; Issue cheque.
May 27, 2025	Bruce Bando	0.20	Various correspondence with counsel re: report and count date.
May 27, 2025	Bruce Bando	0.20	Banking related matters and correspondence with counsel.
May 27, 2025	David Collins	3.80	Internal correspondence re: banking; Correspondence with counsel re: transfers; Updated reconciliation workbook.
May 28, 2025	Bruce Bando	3.80	Various correspondence with counsel; Review and amend Sixth Report and appendices and discussions thereof; Appendix matters; Correspondence with BNS re: Chrysalis Yoga; Review and amend Service List; Xynergy payment correspondence; Banking related matters re: 1441472 Ontario.
May 28, 2025	David Collins	0.50	Call and correspondence with counsel re: transfers.
May 28, 2025	Rosa Wilford	1.30	Prepare requested out going CAD wire payment/bank letter; Set-up accrual entries; Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Respond to email/phone call from Bank to authenticate wire; Post disbursement and payment entries; Print and attach transaction report; Respond to phone call from Law office.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Staff	Hours	Detail
May 29, 2025	Bruce Bando	0.40	Various correspondence with counsel re: Court and matters to be addressed; Banking and fund banking matters.
May 29, 2025	David Collins	0.30	Correspondence with NBIN re: fund transfers.
May 29, 2025	Jonathan Krieger	0.80	Review of information re: Receiver's final reporting; Correspondence from counsel.
May 30, 2025	Bruce Bando	2.10	Review and discussion on fund and distribution workbook and discussion thereof; Various correspondence with counsel; Case website matters.
May 30, 2025	David Collins	0.70	Internal call re: banking reconciliation and related matters.
May 30, 2025	Jonathan Krieger	0.50	Review of correspondence re: matters related to file completion; Correspondence with team thereto.

Time Summary

J. Krieger, Sr. Vice President	5.60	hours @	\$695.00	per hour	\$	3,892.00
B. Bando, Vice President	29.60	hours @	\$675.00	per hour	\$	19,980.00
D. Collins, Manager	27.90	hours @	\$420.00	per hour	\$	11,718.00
A. Shahini, Manager	0.60	hours @	\$355.00	per hour	\$	213.00
R. Wilford, Manager	7.70	hours @	\$350.00	per hour	\$	2,695.00
H. Han, Associate	0.20	hours @	\$245.00	per hour	\$	49.00
M. Dellaire, Associate	3.00	hours @	\$245.00	per hour	\$	735.00
	74.60				\$	39,282.00
5% Technology and Administration					\$	1,964.10
					\$	41,246.10
HST					\$	5,361.99
Total Invoice					\$	46,608.09

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



**Doane
Grant Thornton**

Paying your invoice by cheque:

Remit To: Grant Thornton Limited
11th Floor
200 King Street West
Toronto, ON M5H 3T4

Paying your invoice by EFT (electronic funds transfer):

Account name:	Grant Thornton Limited
Financial Institution:	ROYAL BANK OF CANADA Main Branch – Toronto 200 Bay Street – Toronto ON M5J 2J5
Institution Code:	// CC 003
Swift Code:	BIC ROYCCAT2
Sort Code:	300002
Transit #	2
Account #	141 237 8

When sending electronic payments, please ensure you email your remittance advice (or payment notification) to the following email address: accounts.receivable@doane.gt.ca

Please include the Grant Thornton Limited invoice number and your client reference number in your e-mail notification.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Grant Thornton Limited
 11th Floor
 200 King Street West, Box 11
 Toronto, ON
 M5H 3T4
 T +1 416 366 0100
 F +1 416 360 4948

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

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

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 AND PRECIOUS METALS
 FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED
 FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH
 YIELD MORTGAGE FUND, 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**

BILL OF COSTS

**BN 12738 4717 RT0001
 Client #225805
 Invoice#LSO-11897**

To: professional services as Receiver rendered for the period June 1, 2025, to June 20, 2025.

Date	Full Name	Time	Detail
June 2, 2025	Ada Shahini	0.20	Updated the language on the website and website folder on the server.
June 2, 2025	Bruce Bando	0.20	Various correspondence from investors.
June 2, 2025	David Collins	2.80	Correspondence with investors; Internal correspondence re: case website maintenance; Reviewed and updated Sixth Report and supporting documents and internal call thereto.
June 3, 2025	Bruce Bando	0.40	Correspondence re: mortgage discharge and forward to counsel; Investor inquiries and related matters.

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Date	Full Name	Time	Detail
June 3, 2025	David Collins	2.00	Call and correspondence with investors; Updated Sixth Report and supporting documents; Correspondence with counsel re: mortgage matters.
June 4, 2025	David Collins	1.00	Call and correspondence with investors.
June 9, 2025	Bruce Bando	0.20	Investor and report matters.
June 10, 2025	Bruce Bando	0.30	Various correspondence with counsel and review materials provided re: Frontline.
June 10, 2025	Rosa Wilford	0.50	On-line banking; Review estate bank account/print screens; Post EFT entries; and reconcile May 2025 statement and sign; Reconcile May 2025 GIC term deposits; Print Summary of Estate Balance Report; Print and attach copies of investments; Match to reconciliations and initial report.
June 11, 2025	Bruce Bando	1.70	Various correspondence with counsel and tend to Sixth Report review and discussions thereof.
June 12, 2025	Bruce Bando	0.10	Correspondence with counsel re: report.
June 12, 2025	Jonathan Krieger	0.50	Review of correspondence from counsel re: file completion, timeline and report; Correspondence with team.
June 12, 2025	Rosa Wilford	0.30	Review payment request; Review account ledger, prepare disbursement requisition form; Post entries and Issue cheque.
June 16, 2025	Michael Dellaire	0.30	Review NBIN invoice; Update fee allocation worksheet; Correspond with NBIN thereof.
June 17, 2025	David Collins	0.30	Correspondence with creditor.
June 18, 2025	Bruce Bando	0.20	Various correspondence with counsel re: mortgage discharge; Counsel fee matters.
June 18, 2025	David Collins	0.70	Call and correspondence with investor; Review of materials from counsel and correspondence thereto.
June 19, 2025	Bruce Bando	0.60	Print, execute and send completed 244 Receiver's Certificate to counsel; Various correspondence with counsel re: discharge of a mortgage and execute document thereof.
June 19, 2025	David Collins	0.10	Internal correspondence re: counsel fees.
June 19, 2025	Michael Dellaire	0.10	Correspond re: fee allocation.
June 19, 2025	Rosa Wilford	0.60	Prepare requested out going CAD wire payment/bank letter; Set-up accrual entries; Correspondences to and from Bank for authorization of wire transfer/confirmation; Fax; Respond to email/phone call from Bank to authenticate wire; Post disbursement and payment entries; Print and attach transaction report.
June 20, 2025	Bruce Bando	0.30	Investor inquiry; Correspondence with NBIN; Planning re: report and motion.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.



Date	Full Name	Time	Detail
June 20, 2025	David Collins	0.30	Correspondence with investor; Correspondence with NBIN.
June 22, 2025	Michael Dellaire	1.20	Review legal counsel invoice; Update fee allocation spreadsheet; Correspond internally thereof.

Time Summary

J. Krieger, Sr. Vice President	0.50	hours @	\$695.00	per hour	\$	347.50
B. Bando, Vice President	4.00	hours @	\$675.00	per hour	\$	2,700.00
D. Collins, Manager	7.20	hours @	\$420.00	per hour	\$	3,024.00
A. Shahini, Manager	0.20	hours @	\$355.00	per hour	\$	71.00
R. Wilford, Manager	1.40	hours @	\$350.00	per hour	\$	490.00
M. Dellaire, Associate	1.60	hours @	\$245.00	per hour	\$	392.00
	14.90				\$	7,024.50
5% Technology and Administration					\$	351.23
					\$	7,375.73
HST					\$	958.84
Total Invoice					\$	8,334.57

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

**Paying your invoice by cheque:**

Remit To: Grant Thornton Limited
11th Floor
200 King Street West
Toronto, ON M5H 3T4

Paying your invoice by EFT (electronic funds transfer):

Account name:	Grant Thornton Limited
Financial Institution:	ROYAL BANK OF CANADA Main Branch – Toronto 200 Bay Street – Toronto ON M5J 2J5
Institution Code:	// CC 003
Swift Code:	BIC ROYCCAT2
Sort Code:	300002
Transit #	2
Account #	141 237 8

When sending electronic payments, please ensure you email your remittance advice (or payment notification) to the following email address: accounts.receivable@doane.gt.ca

Please include the Grant Thornton Limited invoice number and your client reference number in your e-mail notification.

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Applicant

Respondents

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

AFFIDAVIT OF BRUCE BANDO

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
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*Lawyers for Grant Thornton Limited, in its capacity as
Receiver and Manager of Crystal Wealth Management
System Limited et. al*

APPENDIX 42

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

BETWEEN:

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 AND PRECIOUS METALS FUND, CRYSTAL WEALTH MEDICAL STRATEGY, CRYSTAL WEALTH ENLIGHTENED FACTORING STRATEGY, ACM GROWTH FUND, ACM INCOME FUND, CRYSTAL WEALTH HIGH YIELD MORTGAGE FUND, 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**

**AFFIDAVIT OF DILLON COLLETT
(sworn July 3, 2025)**

I, Dillon Collett, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a lawyer at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Where I do not have direct knowledge, I have identified the source of the information and believe it to be true.

2. Aird & Berlis LLP is acting as counsel for Grant Thornton Limited, in its capacity as the Court-appointed receiver and manager (in such capacities, the “**Receiver**”), without security, of: (i) all of the assets, undertakings, and properties of 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) the

account of the Respondent, Chrysalis Yoga, No. 87296 00518 10 at Bank of Nova Scotia (the **“Chrysalis Account”**).

3. Aird & Berlis LLP has prepared statements of account in connection with its mandate as counsel to the Receiver, detailing its services rendered and disbursements incurred, namely:

- (a) an account dated April 15, 2020 in the amount of \$40,981.62 in respect of the period from March 1, 2020 to March 31, 2020;
- (b) an account dated May 26, 2020 in the amount of \$33,917.41 in respect of the period from April 1, 2020 to April 30, 2020;
- (c) an account dated June 23, 2020 in the amount of \$33,558.91 in respect of the period from May 1, 2020 to May 31, 2020;
- (d) an account dated July 13, 2020 in the amount of \$18,984.90 in respect of the period from June 1, 2020 to June 30, 2020;
- (e) an account dated August 20, 2020 in the amount of \$3,793.27 in respect of the period from July 1, 2020 to July 31, 2020;
- (f) an account dated September 9, 2020 in the amount of \$5,221.72 in respect of the period from August 1, 2020 to August 31, 2020;
- (g) an account dated October 31, 2020 in the amount of \$10,451.34 in respect of the period from September 1, 2020 to October 27, 2020;
- (h) an account dated November 30, 2020 in the amount of \$9,823.08 in respect of the period from November 1, 2020 to November 24, 2020;
- (i) an account dated January 29, 2021 in the amount of \$3,254.56 in respect of the period from December 1, 2020 to December 23, 2020;
- (j) an account dated February 28, 2021 in the amount of \$13,534.37 in respect of the period from January 1, 2021 to January 29, 2021;
- (k) an account dated March 30, 2021 in the amount of \$13,199.50 in respect of the period from February 1, 2021 to February 26, 2021;

- (l) an account dated April 23, 2021 in the amount of \$8,063.50 in respect of the period from March 1, 2021 to March 30, 2021;
- (m) an account dated May 27, 2021 in the amount of \$2,896.69 in respect of the period from April 1, 2021 to April 30, 2021;
- (n) an account dated June 15, 2021 in the amount of \$7,397.71 in respect of the period from May 1, 2021 to May 31, 2021;
- (o) an account dated July 27, 2021 in the amount of \$7,763.65 in respect of the period from June 1, 2021 to June 30, 2021;
- (p) an account dated August 16, 2021 in the amount of \$5,101.48 in respect of the period from July 1, 2021 to July 31, 2021;
- (q) an account dated September 30, 2021 in the amount of \$22,774.75 in respect of the period from August 1, 2021 to August 31, 2021;
- (r) an account dated October 25, 2021 in the amount of \$42,611.00 in respect of the period from September 1, 2021 to October 15, 2021;
- (s) an account dated November 26, 2021 in the amount of \$4,223.12 in respect of the period from October 18, 2021 to October 29, 2021;
- (t) an account dated January 25, 2022 in the amount of \$1,863.56 in respect of the period from November 1, 2021 to December 1, 2021;
- (u) an account dated February 15, 2022 in the amount of \$10,229.89 in respect of the period from January 10, 2022 to January 31, 2022;
- (v) an account dated March 31, 2022 in the amount of \$2,423.29 in respect of the period from February 1, 2022 to February 17, 2022;
- (w) an account dated April 14, 2022 in the amount of \$10,230.91 in respect of the period from March 1, 2022 to March 31, 2022;
- (x) an account dated May 16, 2022 in the amount of \$8,475.03 in respect of the period from April 1, 2022 to April 29, 2022;

- (y) an account dated June 13, 2022 in the amount of \$31,884.84 in respect of the period from May 1, 2022 to May 31, 2022;
- (z) an account dated July 29, 2022 in the amount of \$7,740.50 in respect of the period from June 1, 2022 to June 30, 2022;
- (aa) an account dated August 26, 2022 in the amount of \$7,030.30 in respect of the period from July 1, 2022 to July 31, 2022;
- (bb) an account dated September 23, 2022 in the amount of \$3,697.93 in respect of the period from August 1, 2022 to August 31, 2022;
- (cc) an account dated October 31, 2022 in the amount of \$285.33 in respect of the period from September 1, 2022 to September 30, 2022;
- (dd) an account dated November 15, 2022 in the amount of \$2,661.66 in respect of the period from October 1, 2022 to October 31, 2022;
- (ee) an account dated November 30, 2022 in the amount of \$8,008.88 in respect of the period from November 1, 2022 to November 30, 2022;
- (ff) an account dated December 31, 2022 in the amount of \$303.41 in respect of the period from November 28, 2022 to November 30, 2022;
- (gg) an account dated January 13, 2023 in the amount of \$4,400.99 in respect of the period from December 1, 2022 to December 31, 2022;
- (hh) an account dated February 28, 2023 in the amount of \$610.20 in respect of the period from January 1, 2023 to January 31, 2023;
- (ii) an account dated April 28, 2023 in the amount of \$3,358.93 in respect of the period from March 1, 2023 to March 31, 2023;
- (jj) an account dated May 31, 2023 in the amount of \$2,017.55 in respect of the period from April 1, 2023 to April 30, 2023;
- (kk) an account dated June 30, 2023 in the amount of \$4,557.09 in respect of the period from May 1, 2023 to May 31, 2023;

- (ll) an account dated July 31, 2023 in the amount of \$4,413.55 in respect of the period from June 1, 2023 to June 30, 2023;
- (mm) an account dated August 31, 2023 in the amount of \$944.12 in respect of the period from June 28, 2023 to July 31, 2023;
- (nn) an account dated September 29, 2023 in the amount of \$9,325.33 in respect of the period from August 1, 2023 to August 31, 2023;
- (oo) an account dated October 25, 2023 in the amount of \$5,984.60 in respect of the period from September 1, 2023 to September 30, 2023;
- (pp) an account dated November 30, 2023 in the amount of \$5,950.98 in respect of the period from October 1, 2023 to October 31, 2023;
- (qq) an account dated December 18, 2023 in the amount of \$8,243.92 in respect of the period from November 1, 2023 to November 30, 2023;
- (rr) an account dated January 17, 2024 in the amount of \$3,083.50 in respect of the period from December 1, 2023 to December 31, 2023;
- (ss) an account dated February 29, 2024 in the amount of \$7,259.88 in respect of the period from January 1, 2024 to January 31, 2024;
- (tt) an account dated March 31, 2024 in the amount of \$7,045.99 in respect of the period from February 1, 2024 to February 29, 2024;
- (uu) an account dated April 16, 2024 in the amount of \$7,081.92 in respect of the period from March 1, 2024 to March 31, 2024;
- (vv) an account dated May 16, 2024 in the amount of \$15,739.69 in respect of the period from April 1, 2024 to April 30, 2024;
- (ww) an account dated June 30, 2024 in the amount of \$10,688.96 in respect of the period from May 1, 2024 to May 31, 2024;
- (xx) an account dated July 9, 2024 in the amount of \$5,021.68 in respect of the period from June 1, 2024 to June 30, 2024;

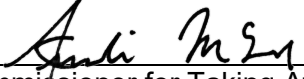
- (yy) an account dated August 27, 2024 in the amount of \$10,988.18 in respect of the period from July 1, 2024 to July 31, 2024;
- (zz) an account dated September 18, 2024 in the amount of \$2,753.49 in respect of the period from August 1, 2024 to August 31, 2024;
- (aaa) an account dated October 31, 2024 in the amount of \$6,900.67 in respect of the period from September 1, 2024 to September 30, 2024;
- (bbb) an account dated November 29, 2024 in the amount of \$29,515.54 in respect of the period from October 1, 2024 to October 31, 2024;
- (ccc) an account dated December 31, 2024 in the amount of \$7,507.70 in respect of the period from November 1, 2024 to November 30, 2024;
- (ddd) an account dated January 31, 2025 in the amount of \$4,358.41 in respect of the period from December 1, 2024 to December 31, 2024;
- (eee) an account dated February 14, 2025 in the amount of \$45,657.09 in respect of the period from January 1, 2025 to January 31, 2025;
- (fff) an account dated March 14, 2025 in the amount of \$2,189.69 in respect of the period from February 1, 2025 to February 28, 2025;
- (ggg) an account dated April 11, 2025 in the amount of \$18,310.85 in respect of the period from March 1, 2025 to March 31, 2025;
- (hhh) an account dated May 20, 2025 in the amount of \$50,361.05 in respect of the period from April 1, 2025 to April 30, 2025;
- (iii) an account dated May 31, 2025 in the amount of \$39,283.14 in respect of the period from May 1, 2025 to May 31, 2025; and
- (jjj) an account dated June 24, 2025 in the amount of \$17,269.63 in respect of the period from June 1, 2025 to June 20, 2025,

(together, the “**Statements of Account**”). Copies of the Statements of Account are attached as **Exhibit “A”**. The average hourly rate of Aird & Berlis LLP is \$531.00.

4. A chart detailing the lawyers, law clerks, librarian, and articling and summer students who have worked on this matter is attached as **Exhibit "B"**.

5. This affidavit is made in support of a motion to, among other things, approve the Statements of Accounts of Aird & Berlis LLP and the fees and disbursements detailed therein, and for no improper purpose whatsoever.

SWORN by Dillon Collett, at the City of Toronto in the Province of Ontario before me on July 3, 2025, in the City of Toronto in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


 Commissioner for Taking Affidavits
 (or as may be)

Amelia McLeod
 LSO #81874V



DILLON COLLETT

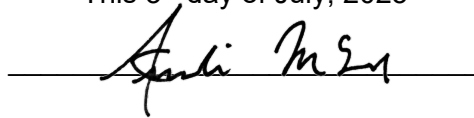
Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF DILLON COLLETT

Sworn before me

This 3rd day of July, 2025



Commissioner for taking Affidavits, etc

Account 667911 - April 15, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Account No.: 667911

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 25227/137794

April 15, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended March 31, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	02/03/20	\$535.00	0.10	\$53.50	Review email from C. Webster concerning Alberta judgment registration and next steps regarding Zomongo and R. Maljaars; Email to C. Webster
MJVZ	02/03/20	\$535.00	0.20	\$107.00	Email from T. Clifford attaching Maljaars Order; Email to S. John regarding enforcement steps; Email from B. Bando regarding enforcement steps
SLJ	03/03/20	\$370.00	5.00	\$1,850.00	Prepare for court attendance re costs (US Real Estate LP); Draft judgment re same; Attend at court re same; Various emails re same
MJVZ	03/03/20	\$535.00	0.30	\$160.50	Email from S. John regarding costs judgment obtained today; Review rules concerning summonses under Interprovincial Summons Act and email instructing S. John regarding enforcement and proceeding with summoning A. Storelli for examination
SLJ	04/03/20	\$370.00	0.50	\$185.00	Emails re enforcement of judgments (US Real Estate LP)

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	04/03/20	\$535.00	0.10	\$53.50	Email from T. Clifford concerning search and next steps regarding Maljaars
SLJ	05/03/20	\$370.00	0.30	\$111.00	Telephone call with B. Bando re judgment (US Real Estate LP)
MES	05/03/20	\$525.00	0.30	\$157.50	Review fee indemnity agreement and email B. Bando re same
MJVZ	05/03/20	\$535.00	0.10	\$53.50	Emails with S. Graff regarding US Real Estate LP
MJVZ	05/03/20	\$535.00	0.10	\$53.50	Call from C. Mills regarding Single Source
SLJ	06/03/20	\$370.00	2.50	\$925.00	Various emails re enforcement of judgment; Research re summons; Draft summons re Storelli examination
MES	06/03/20	\$525.00	0.40	\$210.00	Voicemail and telephone call with B. Bando re: SMC issues; Exchange emails with P. Cho re: same (Commercial Loans)
MJVZ	06/03/20	\$535.00	0.20	\$107.00	Emails from T. Clifford and with S. John regarding US Real Estate LP and enforcement next steps
MJVZ	06/03/20	\$535.00	0.10	\$53.50	Emails with C. Mills
MJVZ	08/03/20	\$535.00	0.20	\$107.00	Review email from L. Rogers and preliminary review of releases provided; Email to B. Bando concerning same
SLG	09/03/20	\$850.00	0.10	\$85.00	Email from L. Rogers
JTN	09/03/20	\$435.00	0.10	\$43.50	Review of email from and discussion with M. van Zandvoort re priority-related matters
MES	09/03/20	\$525.00	0.40	\$210.00	Exchange emails with B. Bando re: proposed conference call, and discuss with S. Graff (Commercial Loans)
MJVZ	09/03/20	\$535.00	0.20	\$107.00	Emails and conference call with C. Mills; Emails and conference call with J. Nemers

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	09/03/20	\$535.00	0.20	\$107.00	Conference call with B. Bando concerning report and approval motion; Conference call with S. Graff concerning same and emails from S. Graff and L. Rogers
SLJ	10/03/20	\$370.00	0.80	\$296.00	Revise summons to witness re Storelli examination; Various emails re same
MES	10/03/20	\$525.00	0.70	\$367.50	Conference call with SMC, Weir Foulds re: approach to interim receivership; Follow up call with B. Bando re: same (Commercial Loans)
MJVZ	10/03/20	\$535.00	0.20	\$107.00	Emails with S. John concerning examination and review of draft summons
MJVZ	11/03/20	\$535.00	0.10	\$53.50	Conference call with B. Bando regarding report preparation and settlement
MJVZ	11/03/20	\$535.00	0.10	\$53.50	Emails from S. John and B. Bando regarding Storelli examination
PLW	11/03/20	\$200.00	0.60	\$120.00	Obtained certified copies of two Judgments
SLJ	12/03/20	\$370.00	1.00	\$370.00	Emails re examination of A. Storelli; Revise summons re same
MJVZ	12/03/20	\$535.00	0.10	\$53.50	Email from B. Bando attaching draft Fifth Report and emails with B. Bando and S. Graff concerning same
SLG	13/03/20	\$850.00	0.20	\$170.00	Emails re return date of motion re approval of settlement
SLG	13/03/20	\$850.00	1.50	\$1,275.00	Review and revise report in draft (1st run)
SLJ	13/03/20	\$370.00	1.50	\$555.00	Various emails re mediation documents, court availability and fifth report
MJVZ	13/03/20	\$535.00	0.90	\$481.50	Emails with S. John, S. Graff and B. Bando concerning motion, draft report, and Storelli examination and

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					commence review of report and revisions to notice of motion
MJVZ	13/03/20	\$535.00	0.10	\$53.50	Email from J. Knight concerning documents for report and emails with S. John
PLW	13/03/20	\$200.00	0.60	\$120.00	Issued Summons to Witness
MJVZ	14/03/20	\$535.00	1.70	\$909.50	Continue review and revisions to draft report; Email with S. John concerning updates to appendix chart and QC of appendices; Emails with S. Graff concerning report review and conference call
MJVZ	15/03/20	\$535.00	8.50	\$4,547.50	Review and revisions to draft report and draft rider to report in conjunction with review of various documentation cited and past reports; revise notice of motion; Email to S. Graff and S. John delivering revise report, blackline reflecting changes, [REDACTED]
MJVZ	15/03/20	\$535.00	0.30	\$160.50	Conference call with S. Graff regarding US Real Estate LP and draft Fifth Report and Storelli Examination
SLJ	16/03/20	\$370.00	6.50	\$2,405.00	Various emails re scheduling hearings and examination; Review and revise fifth report; Review and revise investor chart
MES	16/03/20	\$525.00	0.20	\$105.00	Receive email from P. Cho providing draft order and email to B. Bando re: same (Commercial Loans)
MJVZ	16/03/20	\$535.00	2.70	\$1,444.50	Emails with B. Bando, S. Graff, S. John, and J. Krieger regarding approval motion and examination; Review and revise update chart appendix and emails with S. John regarding revisions to be made to same; Review revised report and blackline and email with S. John

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					concerning same and make further revisions to same in anticipation of receiving GTL comments; Email to B. Bando concerning distribution and reconciliation
SLG	17/03/20	\$850.00	1.50	\$1,275.00	Telephone call with M. van Zandvoort re report and revisions to report and overall take on it
SLJ	17/03/20	\$370.00	1.00	\$370.00	Instruct D. Lu re research; Review research
DL	17/03/20	\$295.00	2.50	\$737.50	Research re conventional or standard terms of a release; send email to S. John re same
MJVZ	17/03/20	\$535.00	1.80	\$963.00	Review and revise proposed releases and indemnities and emails with S. John concerning same and additional issues to consider in anticipation of response to revisions; Emails with S. Graff, S. John and Receiver and including motion date request
SLG	18/03/20	\$850.00	0.60	\$510.00	Telephone call B. Bando and J. Krieger re report
SLJ	18/03/20	\$370.00	2.00	\$740.00	Call with internal and client teams re fifth report; emails re same
MJVZ	18/03/20	\$535.00	0.40	\$214.00	Preparation of agenda for CW call with Receiver and A&B today
MJVZ	18/03/20	\$535.00	0.50	\$267.50	Conference call with S. Graff, S. John, B. Bando, and J. Krieger concerning Fifth Report
MJVZ	18/03/20	\$535.00	3.50	\$1,872.50	Review research prepared by D. Lu concerning Fifth Report Approval motion; Emails with S. John concerning same; Preparation of allocation information for Fifth Report and email same to B. Bando; Emails with S. John and S. Graff concerning preparation of fee affidavit; Review emails sent by B. Bando concerning opinion and fee agreement; Receive and review and revise draft investor notices and email same to B. Bando with blackline

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	19/03/20	\$850.00	0.20	\$170.00	Telephone call with M. van Zandvoort re status
SLJ	19/03/20	\$370.00	1.50	\$555.00	Prepare and commission fee affidavit; Draft urgency request to court re motion (BDO settlement)
MJVZ	19/03/20	\$535.00	2.50	\$1,337.50	Revise Media House Release; Email to B. Bando attaching releases and Staff inquiries for memorandum in support of AMP Payment; Emails with B. Bando re same; Emails with J. Knight concerning motion and approval request; Emails with AGB LLP concerning same and emails with S. John regarding request to Court and revise same; Conference call with S. Graff regarding motion
MJVZ	19/03/20	\$535.00	0.50	\$267.50	Review email and offer letter regarding Dome; Consider offer and conference calls with S. Graff and B. Bando concerning same
MJVZ	20/03/20	\$535.00	0.10	\$53.50	Emails with N. Read-Ellis regarding proposed releases
MES	23/03/20	\$525.00	0.20	\$105.00	Exchange emails with B. Bando re: amendment to Pond arrangements (Commercial Loans)
MJVZ	23/03/20	\$535.00	0.40	\$214.00	Revise releases; Email same and blacklines to Blakes; Email to Receiver re same
MJVZ	23/03/20	\$535.00	0.40	\$214.00	Review email from C. Webster and email to S. John instructing regarding next steps concerning Zomongo and R. Maljaars judgment and enforcement
SLJ	24/03/20	\$370.00	1.00	\$370.00	Review email from C. Webster re Alberta enforcement efforts; Various emails re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	24/03/20	\$535.00	0.20	\$107.00	Emails with S. John, B. Bando and MLT regarding Zomongo and Maljaars enforcement
MJVZ	24/03/20	\$535.00	0.10	\$53.50	Email from B. Bando providing update on report
MES	25/03/20	\$525.00	0.70	\$367.50	Draft amendment to Pond loan agreement (Commercial Loans); Exchange emails with B. Bando re: same
MES	26/03/20	\$525.00	0.20	\$105.00	Exchange emails with B Bando re: proposed revisions to Pond amendment (Commercial Loans)
MJVZ	26/03/20	\$535.00	4.70	\$2,514.50	Email from L. Rogers concerning releases; Consider issues and respond and email to Receiver concerning same; Review financial worksheets and distribution models sent by B. Bando today; Conference call with B. Bando and J. Knight to review and discuss same; Revise Fifth Report and emails to Staff and with S. Graff and S. John regarding Fifth Report motion and required next steps; Email to B. Bando; Email from OSC Staff and to the Receive; Email from B. Bando
SLJ	27/03/20	\$370.00	5.00	\$1,850.00	Revise motion materials; Review file re action against J. Maljaars; Review bankruptcy notice re J. Maljaars; Various emails re same; Call with B. Bando to witness swearing of fee affidavit
MES	27/03/20	\$525.00	0.50	\$262.50	Revise amendment to Pond agreement and email to B. Bando re same (Commercial Loans)
MJVZ	27/03/20	\$535.00	0.50	\$267.50	Emails with S. John regarding Fifth Report motion; Email from receiver concerning Fifth Report and revisions to be made to same and fee affidavit; Revise draft Order
MJVZ	27/03/20	\$535.00	0.20	\$107.00	Receive and review proposal and review J. Maljaars file in connection with same; Emails with S. John and

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					Receiver regarding J. Maljaars proposal
DW	27/03/20	\$365.00	0.20	\$73.00	Email from Saskatchewan agent attaching 2020 Annual Return for Crystal Wealth Management System Limited and invoice; Review attachments; Email to J. Wainwright forwarding same
MES	29/03/20	\$525.00	0.10	\$52.50	Review email from B. Bando re: Pond amendment (Commercial Loans)
SLJ	30/03/20	\$370.00	2.00	\$740.00	Revise fifth report and motion materials; Email to trustee re bankruptcy of D. Pahl
MES	30/03/20	\$525.00	0.80	\$420.00	Telephone call and exchange of emails with B. Bando re: Pond extension; Review email exchanges with Pond representatives and propose form of amendment (Commercial Loans)
MES	30/03/20	\$525.00	0.20	\$105.00	Discussion with B. Bando and email to P. Cho re: receivership application
MJVZ	30/03/20	\$535.00	0.10	\$53.50	Emails with Receiver and S. John regarding follow-up with D. Pahl trustee; Review S. John email to trustee
MJVZ	30/03/20	\$535.00	0.10	\$53.50	Emails with J. Wainwright regarding registration renewal
JAW	30/03/20	\$775.00	0.20	\$155.00	Review email re Saskatchewan filing; Internal emails re same; Review and respond to M. van Zandvoort email
MES	31/03/20	\$525.00	0.20	\$105.00	Review emails and receive final executed Pond amendment (Commercial Loans)
TOTAL:			76.30	\$36,016.00	

Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	32.50	\$535.00	\$17,387.50
Shakaira L. John (SLJ)	30.60	\$370.00	\$11,322.00
Miranda E. Spence (MES)	4.90	\$525.00	\$2,572.50
Steven L. Graff (SLG)	4.10	\$850.00	\$3,485.00
Jeremy T. Nemers (JTN)	0.10	\$435.00	\$43.50
Patrick L. Williams (PLW)	1.20	\$200.00	\$240.00
Damian Lu (DL)	2.50	\$295.00	\$737.50
Doreen Windle (DW)	0.20	\$365.00	\$73.00
Jennifer A. Wainwright (JAW)	0.20	\$775.00	\$155.00

OUR FEE	\$36,016.00
HST at 13%	\$4,682.08

DISBURSEMENTS
COST INCURRED ON YOUR BEHALF AS AN AGENT

Court Fees	\$31.00
Filing Fee	\$62.00
Wire Charges	\$17.50
Total Agency Costs	\$110.50

Subject to HST

Taxi	\$8.19
Photocopies - Local	\$54.50
Imaging/Scanning	\$62.50
Deliveries/Parss	\$27.94
Total Disbursements	\$153.13
HST at 13%	\$19.91

AMOUNT NOW DUE

\$40,981.62

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

Account 671630 - May 26, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Account No.: 671630

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 25227/137794

May 26, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended April 30, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	03/02/20	\$525.00	0.70	\$367.50	Exchange emails with B. Bando re: SMC requests; Participate in call with GT, A&B re: various issues (Commercial Loans)
MES	05/02/20	\$525.00	0.30	\$157.50	Exchange emails with P. Cho re: SMC/OOM issues, and email to B. Bando re same (Commercial Loans)
SLJ	02/04/20	\$370.00	0.50	\$185.00	Finalize and commission affidavit of fees
MES	02/04/20	\$525.00	0.20	\$105.00	Receive email from P. Cho, and email to B. Bando re: OOM proceeding (Commercial Loans)
MJVZ	02/04/20	\$535.00	0.10	\$53.50	Emails with B. Bando and to S. John and S. Graff regarding Approval Motion
MJVZ	02/04/20	\$535.00	0.20	\$107.00	Email from trustee in bankruptcy of D. Pahl and consider approach to s. 163 examination
MJVZ	03/04/20	\$535.00	0.20	\$107.00	Email from B. Bando attaching interim R&D and review of same
MJVZ	03/04/20	\$535.00	0.10	\$53.50	Emails with court reporter and S. John regarding A. Storelli mediation

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	05/04/20	\$535.00	5.60	\$2,996.00	Review Confidential Appendix 3 and Schedule A thereto as sent by Receiver; Review and revise Fifth Report, Confidential Appendix A and Schedule; Draft Order and draft Notice of Motion; Email same to S. Graff and S. John for final comments and directing of remaining items to be completed in support of approval and distribution motion
MJVZ	05/04/20	\$535.00	0.10	\$53.50	Conference call with S. Graff regarding Fifth Approval Motion
SLJ	06/04/20	\$370.00	3.00	\$1,110.00	Review and revise motion materials; Various emails re same
MJVZ	06/04/20	\$535.00	0.10	\$53.50	Emails from J. Wainwright, corporate and B. Bando concerning registration renewal
MJVZ	06/04/20	\$535.00	0.30	\$160.50	Emails with B. Bando re revisions to Fifth Approval Schedule A to Confidential Appendix 3 and emails with S. John re status chart and review of same, examination and emails with J. Knight and S. John re D. Pahl examination
JAW	06/04/20	\$775.00	0.20	\$155.00	Email to B. Bando re Crystal Wealth renewal in Saskatchewan
SLJ	07/04/20	\$370.00	2.00	\$740.00	Revise motion materials; Review and prepare appendices to report; emails re same
MJVZ	07/04/20	\$535.00	0.40	\$214.00	Email from S. John re Fifth Report; Review of OSC Orders and Fourth Report and email S. John attaching documentation requested
SLJ	08/04/20	\$370.00	2.00	\$740.00	Review file and fifth report re appendices; emails re same
MJVZ	08/04/20	\$535.00	0.20	\$107.00	Emails with B. Bando and S. John regarding Fifth Approval motion materials and next steps
MJVZ	08/04/20	\$535.00	0.10	\$53.50	Emails from D. Windle and B. Bando

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	08/04/20	\$535.00	0.10	\$53.50	Emails with S. John re motion scheduling
MJVZ	08/04/20	\$535.00	0.10	\$53.50	Email from N. Read-Ellis and email to S. Graff
DW	08/04/20	\$365.00	0.40	\$146.00	Review 2020 Saskatchewan Annual Return for Crystal Wealth Management System Limited; Complete and finalize same; Email to B. Bando attaching copy of said Annual Return for execution and return; Email from B. Bando attaching signed copy of Annual Return; Email to Saskatchewan agent attaching same, as requested
SLG	09/04/20	\$850.00	1.10	\$935.00	Review opinion of AGB on settlement; review report (5th) of GTL
MJVZ	09/04/20	\$535.00	0.10	\$53.50	Emails with AGB LLP
MJVZ	09/04/20	\$535.00	0.10	\$53.50	Emails with C. Mills regarding Single Source CRA issue
MJVZ	09/04/20	\$535.00	0.50	\$267.50	Email from T. Clifford; Email to S. John regarding next steps and review draft application materials; Emails from B. Bando, S. Graff and S. John concerning same and Fifth Approval Motion
SLG	10/04/20	\$850.00	1.70	\$1,445.00	Review Report; telephone call with M. van Zandvoort to review report
MJVZ	10/04/20	\$535.00	0.10	\$53.50	Emails with S. Graff and S. John regarding Fifth Report motion
MJVZ	11/04/20	\$535.00	1.00	\$535.00	Conference call with S. Graff regarding Fifth Report and comments concerning same and finalizing of same
MJVZ	11/04/20	\$535.00	1.40	\$749.00	Review Fifth Report matters further to conference call with S. Graff in effort to finalize same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	12/04/20	\$535.00	0.40	\$214.00	Emails with S. Graff and S. John regarding Finalizing Fifth Report; Review S. Graff revisions to same and email to S. Graff regarding Confidential Appendix 3
SLG	13/04/20	\$850.00	0.40	\$340.00	Review Confid appendix
SLJ	13/04/20	\$370.00	2.00	\$740.00	Prepare blacklines of motion materials; Call with B. Bando re Storelli asset investigator; Various emails re same
SRM	13/04/20	\$385.00	0.30	\$115.50	Factoring: Email to M. Van Zandvoort re 1566496 Alberta Ltd.; Prepare and submit PPSA renewal; Email to B. BAndo at GT re same
MJVZ	13/04/20	\$535.00	0.20	\$107.00	Emails with S. Graff regarding Confidential Appendix 3 and email from S. John appending revised report, notice of motion, appendix and order
MJVZ	13/04/20	\$535.00	0.40	\$214.00	Emails with B. Bando regarding CRA Enhanced Requirement to Pay and review file in connection with call to CRA
MJVZ	13/04/20	\$535.00	0.10	\$53.50	Review MLT, S. John and B. Bando emails regarding Storelli
MJVZ	13/04/20	\$535.00	0.40	\$214.00	Review Pahl bankruptcy documentation and email to J. Knight recommending approach for First Meeting of Creditors; Email from J. Knight re same
MJVZ	13/04/20	\$535.00	0.10	\$53.50	Emails with S. Morris concerning registration renewal regarding 156 Alberta
SLG	14/04/20	\$850.00	0.20	\$170.00	Review revised releases from L. Rogers
MJVZ	14/04/20	\$535.00	2.50	\$1,337.50	Review email from L. Rogers and proposed revisions to releases and APA, Assignment Agreement and jurisprudence and model Release provided; Emails with S. Graff regarding Fifth Report approval

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					motion; Email to L. Rogers concerning same and further email from L. Rogers attaching revised Releases emails with B. Bando regarding C. Smith and conduct asset searches in connection with same
SLG	15/04/20	\$850.00	0.30	\$255.00	Emails re status of 5th report and releases
SLJ	15/04/20	\$370.00	2.00	\$740.00	Various emails re asset investigator re US Real Estate LP debtors; Prepare statutory declaration re C. Smith
JEM	15/04/20	\$240.00	0.10	\$24.00	Order, review and report on PPSA search
SRM	15/04/20	\$385.00	0.10	\$38.50	Factoring/Hedge: Review and report on AB PPSA renewal against 1566496 Alberta Ltd
MES	15/04/20	\$525.00	0.20	\$105.00	Exchange emails with B. Bando re: Pond security (Commercial Loans)
MJVZ	15/04/20	\$535.00	2.60	\$1,391.00	Email to B. Bando regarding C. Smith stat dec; Conference call with B. Bando; Email to S. Graff regarding Fifth Report Approval motion; Emails from S. Morris and S. John regarding PPSA searches and renewals and email with MLT concerning next steps regarding enforcement; Emails with S. John regarding stat dec and revise same and review of 2017 and 2018 stat decs in connection with same; Email stat dec to C. Smith; Revise releases and emails with AGB LLP concerning same
SLJ	16/04/20	\$370.00	0.40	\$148.00	Various emails re asset investigator re US real estate LP Debtors
MJVZ	16/04/20	\$535.00	0.20	\$107.00	Email from S. Beiber and with B. Bando regarding settlement releases and revise same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	17/04/20	\$535.00	0.20	\$107.00	Review and consider email and attachments from C. Webster concerning garnishee summonses and examination
MJVZ	20/04/20	\$535.00	1.40	\$749.00	Emails with Blakes and Receiver concerning Releases; Revise both Releases and email same with blacklines to Blakes and attend to remaining items for completion with Fifth Approval Motion; Email from L. Rogers concerning release
MJVZ	21/04/20	\$535.00	2.00	\$1,070.00	Email from B. Bando attaching revised Report, Confidential Appendix 3, and Worksheet; Conference call with B. Bando concerning same; Review Receiver revisions and email to S. John directing regarding additional revisions to be made and next steps to be undertaken in sending materials to GTL and AGB LLP; Update action list for motion
SLJ	22/04/20	\$370.00	3.00	\$1,110.00	Review motion materials; Review correspondence J. Malijaars proposal; Various emails re same
MJVZ	22/04/20	\$535.00	0.20	\$107.00	Emails with C. Smith and S. John re Stat Dec
MJVZ	22/04/20	\$535.00	0.10	\$53.50	Review Maljaars notice of material change received today and emails with S. Graff and S. John concerning same
MJVZ	22/04/20	\$535.00	0.20	\$107.00	Email from B. Bando regarding Jeremy Ostrowski application to lift stay and email to M. Schneider concerning same
MJVZ	22/04/20	\$535.00	0.20	\$107.00	Email from S. John delivering revise report and confidential appendix and review of same
MJVZ	22/04/20	\$535.00	0.60	\$321.00	Email from B. Bando attaching revised Fifth Report and Confidential Appendix; Review report concerning Settlement Agreement and propose revision to para. 75 to address

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					same; Further emails with B. Bando and J. Krieger concerning same and sending materials to AGB
DW	22/04/20	\$365.00	0.20	\$73.00	Email from Saskatchewan agent attaching proof of filing of 2020 Annual Return for Crystal Wealth Management System Limited; Update corporate file relating thereto
SLJ	23/04/20	\$370.00	1.00	\$370.00	Various emails re video conference with C. Smith; Review correspondence re revision to motion materials
MJVZ	23/04/20	\$535.00	1.70	\$909.50	Revise Fifth Report motion materials and email same to AGB LLP with review instructions; Receive AGB comments and revise report and emails with B. Bando and AGB regarding same
MJVZ	23/04/20	\$535.00	0.10	\$53.50	Emails with C. Smith and S. John regarding Stat Dec
MJVZ	23/04/20	\$535.00	1.80	\$963.00	Email from M. Schneider regarding Ostrowski bankruptcies and application to lift stay; Receive and review of application record and Fourth Report info re Zomongo financing arrangement in preparation of call with M. Schneider; Review judgment creditor information from C. Webster and what information is known about potential assets; Emails with S. Graff and M. Schneider concerning same
MJVZ	23/04/20	\$535.00	1.20	\$642.00	Conference call with M. Schneider and S. Graff; Subsequent conference call with S. Graff; Update email to B. Bando; Conference call with B. Bando and emails with B. Bando; Emails with M. Schneider further to call and delivery of Ontario and Alberta judgments
MJVZ	23/04/20	\$535.00	0.10	\$53.50	Emails with J. Knight regarding first meeting of creditors

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	24/04/20	\$850.00	0.70	\$595.00	Telephone call with M. Schneider and M. van Zandvoort re Zomongo and J. Opolsky
SLJ	24/04/20	\$370.00	2.50	\$925.00	Review statutory declaration of C. Smith; Review file re C. Smith tax returns; Video conference with C. Smith re commissioning of statutory declaration; Various emails re same
MJVZ	24/04/20	\$535.00	0.50	\$267.50	Review stat dec and tax information provided by C. Smith; Emails with S. John concerning same; Review prior answers to undertakings and email to S. John concerning same
MJVZ	24/04/20	\$535.00	1.70	\$909.50	Review of Fifth Report Approval motion materials, OSC Order, and OSC Settlement, and email to Blakes concerning approval motion and appending non-confidential written materials in support of same; Email from Receiver and L. Rogers
SLG	26/04/20	\$850.00	0.30	\$255.00	Telephone call with M. van Zandvoort re examination of Maljaars
MJVZ	26/04/20	\$535.00	0.20	\$107.00	Review email and tax filing provided by C. Smith
MJVZ	27/04/20	\$535.00	0.20	\$107.00	Review emails and information provided re Storelli asset and debt information and [REDACTED]; [REDACTED]; Email from B. Bando
MJVZ	27/04/20	\$535.00	0.10	\$53.50	Review email and attachment from D. Windle re CWMSL 2020 Saskatchewan Annual Return
MJVZ	27/04/20	\$535.00	0.20	\$107.00	Review and consider trustee and Receiver emails regarding D. Pahl bankruptcy
DW	27/04/20	\$365.00	0.10	\$36.50	Email to B. Bando attaching proof of filing of 2020 Annual Return for Crystal Wealth Management System Limited

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLJ	28/04/20	\$370.00	0.50	\$185.00	Review correspondence re Alberta enforcement steps
MJVZ	28/04/20	\$535.00	0.20	\$107.00	Emails and conference call with S. Graff concerning D. Pahl examination; Email to Receiver concerning same
SLJ	29/04/20	\$370.00	1.00	\$370.00	Emails re J. Ostrowski examination
SRM	29/04/20	\$385.00	0.20	\$77.00	Review file re UCC registration related to media fund and email to M. van Zandvoort re same
MJVZ	29/04/20	\$535.00	0.70	\$374.50	[REDACTED] [REDACTED] [REDACTED] review Dome Mountain and D. Pahl bankruptcy disclosure from trustees and email to J. Knight concerning same and follow-up with D. Pahl trustee; Further emails with J. Knight concerning same
MJVZ	29/04/20	\$535.00	0.10	\$53.50	Emails with S. John regarding J. Ostrowski
MJVZ	29/04/20	\$535.00	0.20	\$107.00	Revisions to Fifth Report materials
MJVZ	29/04/20	\$535.00	0.10	\$53.50	Emails with S. Morris regarding registration renewal
MJVZ	30/04/20	\$535.00	0.10	\$53.50	Telephone call from and emails with B. Bando regarding motion
MJVZ	30/04/20	\$535.00	0.10	\$53.50	Email to L. Rogers re motion
TOTAL:			59.50	\$29,825.00	

Name	Hours	Rate	Value
Miranda E. Spence (MES)	1.40	\$525.00	\$735.00
Shakaira L. John (SLJ)	19.90	\$370.00	\$7,363.00
Mark J. van Zandvoort (MJVZ)	31.90	\$535.00	\$17,066.50
Jennifer A. Wainwright (JAW)	0.20	\$775.00	\$155.00
Doreen Windle (DW)	0.70	\$365.00	\$255.50
Steven L. Graff (SLG)	4.70	\$850.00	\$3,995.00
Shannon R. Morris (SRM)	0.60	\$385.00	\$231.00
Jenaya E. McLean (JEM)	0.10	\$240.00	\$24.00

OUR FEE	\$29,825.00
HST at 5%	\$3,877.25

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Registration Under P.P.S.A.	\$2.00
Search Under P.P.S.A.	\$9.50
Wire Charges	\$17.50

Total Agency Costs	\$29.00
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Subject to HST

Photocopies - Local	\$1.25
Imaging/Scanning	\$1.00
Taxi	\$7.96
Service Provider Fee	\$27.00
Out of Province Charges	\$137.25

Total Disbursements	\$174.46
HST at 5%	\$11.70

AMOUNT NOW DUE

\$33,917.41

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 672801 - June 23, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Account No.: 672801

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 25227/137794

June 23, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended May 31, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	01/05/20	\$850.00	0.20	\$170.00	Email with D. Pahl re bankruptcy and examination
MJVZ	01/05/20	\$535.00	0.40	\$214.00	Review trustee and receiver emails and appended bank statements for D. Pahl; Email to Receiver and to S. Graff concerning same
MJVZ	01/05/20	\$535.00	0.10	\$53.50	Email update from L. Rogers and update email to Receiver
SLG	04/05/20	\$850.00	0.30	\$255.00	Review amendments to Report and order; meals with L. Rogers and M. van Zandvoort
MES	04/05/20	\$525.00	0.20	\$105.00	Exchange emails with B. Bando re: Pond amendment (Commercial Loans)
MJVZ	04/05/20	\$535.00	0.70	\$374.50	Review L. Rogers emails and blackline and comments re report revisions and email to S. Graff re approach and implementation of same
SLJ	05/05/20	\$370.00	0.50	\$185.00	Review correspondence and revisions to report and motion materials

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	05/05/20	\$525.00	1.10	\$577.50	Telephone call with B. Bando, and draft further amendment to Pond loan agreement (Commercial Loans)
MJVZ	05/05/20	\$535.00	3.50	\$1,872.50	Revisions to Fifth Report based on comments provided by L. Rogers and with reference to Statement of Defence in Receiver's Action; Prepare proposed responses to Staff inquiries in conjunction with review of Reports; Review revisions to draft Order proposed; Conference call with S. Graff and email to Receiver re proposed revisions, next steps, and attaching blackline; Further emails with Receiver re same
SRM	06/05/20	\$385.00	1.40	\$539.00	Mortgage Fund: review email re IP security agreement and recording Notice of same; Conduct searches with CIPO & USPTO; Review file and report on same; Order, review and report on updated PPSA search
MES	06/05/20	\$525.00	1.20	\$630.00	Calls with B. Bando re Pond amendment; Revise Pond amendment per B. Bando comments; Exchange emails with S. Morris re registration of IP security interest and searches
MJVZ	06/05/20	\$535.00	2.50	\$1,337.50	Revise Order; Emails to Blakes and to OSC Staff concerning approval motion and attach blackline and Order, as applicable, and email to Receiver concerning same; Email from OSC Staff and email from Receiver and further email to OSC Staff; Email to S. John regarding preparation of materials and request to court for hearing date; Emails with B. Bando and P. Kouadio concerning motion
SLG	07/05/20	\$850.00	0.20	\$170.00	Telephone call with M. van Zandvoort on releases and Blakes comments
SLG	07/05/20	\$850.00	0.20	\$170.00	Review email re D. Pahl

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SRM	07/05/20	\$385.00	0.30	\$115.50	Factoring Fund: Review file re factoring fund registrations expiring and email to M. Van Zandvoort re same
SRM	07/05/20	\$385.00	0.10	\$38.50	Mortgage fund: Review certified PPSA search and report on same
MES	07/05/20	\$525.00	1.80	\$945.00	Telephone calls and exchanges of emails with B. Bando re: Pond loan extension; Review all correspondence re: negotiations; Telephone call and exchange of emails with Pond principals re: loan extension (Commercial Loans)
MJVZ	07/05/20	\$535.00	0.70	\$374.50	Email from Staff regarding draft order and requests; Emails with Receiver and further emails with Staff concerning same; Email to Blakes concerning motion materials for Fifth Approval motion
MJVZ	07/05/20	\$535.00	0.10	\$53.50	Email from S. Morris re Factoring Fund registration renewals
MJVZ	07/05/20	\$535.00	0.10	\$53.50	Review S. Morris email re Media Fund registration renewals
MJVZ	07/05/20	\$535.00	0.30	\$160.50	Emails with Receiver and S. Graff re D. Pahl bankruptcy [REDACTED] [REDACTED] [REDACTED]
MJVZ	07/05/20	\$535.00	0.10	\$53.50	Review Receiver, M. Spence, and T. Munsey emails re Pond
MJVZ	08/05/20	\$535.00	0.40	\$214.00	Review email and revisions to proposed release as sent by L. Roger; Email to Receiver and conference call and emails with B. Bando
MJVZ	12/05/20	\$535.00	0.10	\$53.50	Emails with N. Read-Ellis regarding motion status and release
SLJ	13/05/20	\$370.00	2.00	\$740.00	Various emails re compiling fifth report appendices; Review correspondence re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	13/05/20	\$535.00	1.60	\$856.00	Emails with L. Rogers; Conference call with L. Rogers; Review investor notice and reporting email to Receiver; Email to S. John regarding finalizing motion materials and request for date and revise notice of motion; Email from S. John concerning same; Email from Receiver and email to L. Rogers concerning remaining report comments
SLJ	14/05/20	\$370.00	2.00	\$740.00	Emails re motion materials
MJVZ	14/05/20	\$535.00	0.40	\$214.00	Emails with L. Rogers and S. John regarding finalizing report materials and review practice direction in connection with same
MES	15/05/20	\$525.00	0.60	\$315.00	Exchange emails with J. Blinick re: revisions to discovery plan, and review emails re: potential settlement with J. Grace
MJVZ	15/05/20	\$535.00	0.70	\$374.50	Emails from L. Rogers and A. Laing re revisions to report and release; Review proposed revisions and reporting email to Receiver re same; Emails with S. John regarding finalizing materials and requesting motion date
SLJ	19/05/20	\$370.00	4.00	\$1,480.00	Revise and finalize report and motion materials; Draft and revise communication to Court re hearing date; Various emails re report, motion materials and scheduling motion hearing
MES	19/05/20	\$525.00	0.20	\$105.00	Emails with P. Cho re OOM matter (Commercial Loans)
MES	19/05/20	\$525.00	0.30	\$157.50	Call to S. Kukulowicz re Pond negotiation (Commercial Loans)
MJVZ	19/05/20	\$535.00	1.20	\$642.00	Prepare final releases and emails to L. Rogers and S. John regarding same; Emails with S. John regarding finalizing Fifth Approval motion materials and requesting date and review of communication to the

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					Court concerning same; Emails with OSC staff and Blakes and with S. John concerning motion date and email from B. Bando concerning same
MJVZ	19/05/20	\$535.00	0.10	\$53.50	Email from J. Knight regarding J. Maljaars proof of claim filing
SLJ	20/05/20	\$370.00	2.00	\$740.00	Various emails re motion record, fifth report, and scheduling of motion hearing
MES	20/05/20	\$525.00	0.30	\$157.50	Telephone call with P. Cho re: status of OOM matter (Commercial Loans)
MJVZ	20/05/20	\$535.00	0.20	\$107.00	Emails re Fifth Approval Motion with S. John and B. Bando
SLJ	21/05/20	\$370.00	2.00	\$740.00	Review and finalize motion materials; Various emails re same
MES	21/05/20	\$525.00	0.10	\$52.50	Receive voicemail from S. Kukulowicz
MJVZ	21/05/20	\$535.00	0.70	\$374.50	Emails with Court, S. John, Receiver, AGB LLP concerning motion and revisions to be made to finalize and file same
SLG	22/05/20	\$850.00	0.20	\$170.00	Emails re hearing on distribution approval
SLJ	22/05/20	\$370.00	2.00	\$740.00	Finalize motion materials; emails re service and filing of same
MES	22/05/20	\$525.00	0.10	\$52.50	Exchange voicemails with S. Kukulowicz (Commercial Loans)
MJVZ	22/05/20	\$535.00	0.80	\$428.00	Emails with Court, S. John, Blakes, OSC Staff, AGB LLP and email Justice Koehnen concerning Order; Review Investor Notice and email to Receiver concerning same
MJVZ	22/05/20	\$535.00	0.10	\$53.50	Emails with J. Knight and S. John regarding J. Maljaars bankruptcy

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLJ	25/05/20	\$370.00	2.00	\$740.00	Various emails re motion hearing and compendium; Review motion record re key documents for compendium
MES	25/05/20	\$525.00	0.50	\$262.50	Call with S. Kukulowicz and email to B. Bando re: same; Telephone call with B. Bando re: same (Commercial Loans)
MES	25/05/20	\$525.00	0.20	\$105.00	Email to B. Bando re: OOM update (Commercial Loans)
MJVZ	25/05/20	\$535.00	0.10	\$53.50	Emails with S. John re compendium for motion
MJVZ	26/05/20	\$535.00	0.10	\$53.50	Emails with J. Knight and S. John regarding Pond and S. West
SLJ	27/05/20	\$370.00	4.50	\$1,665.00	Review motion record and prepare document list for compendium; Various emails re compendium; Review correspondence and documents re Pond loan and S. west; Research re same
MES	27/05/20	\$525.00	0.20	\$105.00	Exchange emails with S. John re: upcoming motion
MJVZ	27/05/20	\$535.00	0.80	\$428.00	Preparation for motion and emails with S. John regarding compendium for motion and email from M. Spence regarding same
SLG	28/05/20	\$850.00	0.50	\$425.00	Review emails re attendees at hearing
SLJ	28/05/20	\$370.00	1.50	\$555.00	Prepare counsel slip re motion hearing; Revise same; Various emails re same
MES	28/05/20	\$525.00	0.20	\$105.00	Call with S. Kukulowicz and email to B. Bando re: Pond extension (Commercial Loans)
MJVZ	28/05/20	\$535.00	1.40	\$749.00	Emails with S. John regarding motion and motion preparation and finalizing materials for Court; Email from stakeholder regarding motion opposition; Review file materials and email to S. John instructing

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					regarding written submission and compendium; Conference call with B. Bando concerning same; Email from Court
SLJ	29/05/20	\$370.00	7.50	\$2,775.00	Draft written submissions in response to adjournment request; Prepare compendium re same; Various emails re compendium
MES	29/05/20	\$525.00	0.30	\$157.50	Telephone call with S. Kukulowicz and exchange emails with B. Bando re: same (Commercial Loans)
MJVZ	29/05/20	\$535.00	0.40	\$214.00	Conference call with L. Rogers regarding adjournment request; Emails with S. John regarding motion and submission opposing adjournment
SLJ	30/05/20	\$370.00	3.00	\$1,110.00	Revise written submissions and compendium; Various emails re same
MJVZ	30/05/20	\$535.00	3.20	\$1,712.00	Review and revisions to written submission, compendium and incorporation of supporting evidence from past Receiver reports; Emails with S. Graff, S. John, and B. Bando concerning same
SLJ	31/05/20	\$370.00	1.00	\$370.00	Various emails re written submissions and adjournment request
MJVZ	31/05/20	\$535.00	0.10	\$53.50	Review emails to service list and court regarding opposition to motion
TOTAL:			65.60	\$29,647.00	

Name	Hours	Rate	Value
Steven L. Graff (SLG)	1.60	\$850.00	\$1,360.00
Mark J. van Zandvoort (MJVZ)	20.90	\$535.00	\$11,181.50
Miranda E. Spence (MES)	7.30	\$525.00	\$3,832.50
Shakaira L. John (SLJ)	34.00	\$370.00	\$12,580.00
Shannon R. Morris (SRM)	1.80	\$385.00	\$693.00

OUR FEE	\$29,647.00
HST at 13%	\$3,854.11

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$16.00	
Wire Charges	\$17.50	
 Total Agency Costs		\$33.50

Subject to HST

Photocopies - Local	\$4.75	
Imaging/Scanning	\$7.75	
Service Provider Fee	\$9.00	
 Total Disbursements		\$21.50
HST at 13%		\$2.80

AMOUNT NOW DUE

\$33,558.91

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 675948 - July 13, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 675948

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

July 13, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended June 30, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLJ	01/06/20	\$370.00	4.00	\$1,480.00	Various emails re motion materials; Internal preparation meeting re Zoom motion hearing; Call with client re same
MES	01/06/20	\$525.00	0.30	\$157.50	Telephone call with B. Bando re: Pond requests and voicemail to S. Kukulowicz re: same (Commercial Loans)
MJVZ	01/06/20	\$535.00	6.80	\$3,638.00	Review motion materials and past reports in preparation for Fifth Report/written submissions motion tomorrow and meeting today to discuss same; Emails with S. John regarding update to Appendix 20; Conference call with and email to B. Bando; Preparation meeting with S. John and S. Graff; Various emails and conference calls with L. Rogers and B. Bando; Revise presentation for motion and arrange documentation for share screen during presentation; Email from Justice Koehnen

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	02/06/20	\$850.00	1.30	\$1,105.00	Attend hearing before Justice Koehnen re approval of BDO settlement, distribution to unit holders and address adjournment request
SLJ	02/06/20	\$370.00	2.50	\$925.00	Attend motion hearing via Zoom teleconference; Various emails re same
MES	02/06/20	\$525.00	0.10	\$52.50	Telephone call with S. Kukulowicz re: Pond extension (Commercial Loans)
MJVZ	02/06/20	\$535.00	0.10	\$53.50	Emails with B. Prentice regarding IFDS
MJVZ	02/06/20	\$535.00	4.80	\$2,568.00	Review adjournment submission from J. Lopehandia and preparation for motion; Emails with S. Graff and S. John regarding motion; Email from N. Read-Ellis regarding motion; Conference calls and emails with L. Rogers and B. Bando; Attend motion Approving Settlement and Fifth Report and follow-up emails with S. John, Court, B. Bando, OSC Staff, and from L. Rogers and conference call with B. Bando
MJVZ	03/06/20	\$535.00	0.40	\$214.00	Email to L. Rogers regarding AMP Payment; Emails with OSC Staff and B. Bando concerning same
MES	05/06/20	\$525.00	0.10	\$52.50	Receive voicemail from S. Kukulowicz re Pond extension (Commercial Loans)
MJVZ	05/06/20	\$535.00	0.40	\$214.00	Email from Justice Koehnen; Review endorsement; Email same to service list and J. Lopehandia; Email to S. John concerning same; Email to Justice Koehnen; Various emails in response
SLJ	08/06/20	\$370.00	1.00	\$370.00	Review status report re J. Maljaars; Various emails re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	08/06/20	\$525.00	0.30	\$157.50	Exchange emails with B. Bando and voicemail to S. Kukulowicz re: Pond extension (Commercial Loans)
MJVZ	08/06/20	\$535.00	0.10	\$53.50	Emails with B. Bando, M. Spence and S. John concerning Pond and motion
SLJ	09/06/20	\$370.00	1.00	\$370.00	Research re next steps re J. Maljaars proposal
MES	09/06/20	\$525.00	0.10	\$52.50	Receive voicemail from S. Kukulowicz re: Pond extension (Commercial Loans)
MJVZ	09/06/20	\$535.00	0.10	\$53.50	Email with S. Graff re bankruptcy notice regarding Maljaars
MJVZ	09/06/20	\$535.00	0.40	\$214.00	Email from N. Read-Ellis concerning distribution and consideration of same
SLJ	11/06/20	\$370.00	1.00	\$370.00	Email to client team re J. Maljaars proposal
MJVZ	12/06/20	\$535.00	0.20	\$107.00	Email to S. Graff regarding appeal period and distribution
MJVZ	16/06/20	\$535.00	0.20	\$107.00	Email to B. Bando regarding status of AMP Payment and distribution; Email from B. Bando in response
SLJ	17/06/20	\$370.00	1.50	\$555.00	Research re Pond loan
MES	18/06/20	\$525.00	0.40	\$210.00	Call with S. Kukulowicz re: Pond extension and exchange emails with B. Bando re: same
MJVZ	18/06/20	\$535.00	2.10	\$1,123.50	Review and consider issues regarding settlement, release, registrations, and renewals and review of documentation and various emails with Receiver, Blakes, AGB LLP and S. Morris in connection with same
SRM	19/06/20	\$385.00	0.40	\$154.00	Prepare, submit and review PPSA renewals and report on same; Update file re same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	19/06/20	\$535.00	0.20	\$107.00	Emails with S. Morris regarding registration renewals
MJVZ	19/06/20	\$535.00	0.10	\$53.50	Emails with B. Bando re releases; Email from N. Read-Ellis
MJVZ	22/06/20	\$535.00	0.50	\$267.50	Email from L. Rogers regarding settlement implementation; Email to and from B. Bando concerning same; Review Agreement and releases provided to Blakes and email to L. Rogers; Email to B. Bando concerning same
MES	23/06/20	\$525.00	0.20	\$105.00	Telephone call with S. Kukulowicz and email to B. Bando re: Pond extension
MJVZ	24/06/20	\$535.00	0.50	\$267.50	Emails with P. Kouadio and attend to allocations
SLG	25/06/20	\$850.00	0.40	\$340.00	Emails re closing matters re settlement and receipt of funds for distribution
MJVZ	25/06/20	\$535.00	1.10	\$588.50	Receive email from L. Rogers regarding Releases and settlement funds; Send email to client regarding update; Email from S. Graff; Receive email from B. Bando confirming receipt of settlement funds via wire transfer; Email from S. Graff; Email releases to Blakes and email from Blakes; Email to Faskens attaching Release; Further emails with Receiver, S. Graff, and AGB LLP
SLG	26/06/20	\$850.00	0.20	\$170.00	Review emails on dismissal of action and timing
MJVZ	26/06/20	\$535.00	0.60	\$321.00	Email from S. Bieber seeking update; Responding email to S. Bieber; Email to B. Bando seeking instructions; Email from B. Bando advising that release of distribution to take place during the week of July 6th; Email to S. Bieber advising of same; Email from S. Bieber regarding Order

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	29/06/20	\$535.00	0.20	\$107.00	Emails from N. Read-Ellis and A. Laing regarding Dismissal Order and review of drafts provided
MJVZ	30/06/20	\$535.00	0.10	\$53.50	Email from N. Read-Ellis regarding settlement and Order dismissing Action against BDO
TOTAL:			33.70	\$16,738.00	

Name	Year of Call	Rate	Value
Shakaira L. John (SLJ)	01/07/17	\$370.00	\$4,070.00
Miranda E. Spence (MES)	01/08/11	\$525.00	\$787.50
Mark J. van Zandvoort (MJVZ)	01/08/10	\$535.00	\$10,111.50
Steven L. Graff (SLG)	01/01/91	\$850.00	\$1,615.00
Shannon R. Morris (SRM)		\$385.00	\$154.00

OUR FEE	\$16,738.00
HST at 13%	\$2,175.94

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Registration Under P.P.S.A.	\$6.00
Wire Charges	\$17.50

Total Agency Costs	\$23.50
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Subject to HST

Service Provider Fee \$42.00

HST at 13% \$5.46

AMOUNT NOW DUE

\$18,984.90

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

40725698.1

Account 678546 - August 20, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 678546

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

August 20, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended July 31, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	19/06/20	\$850.00	0.20	\$170.00	Email re payment of Admin emails and receipt of BDO
MES	02/07/20	\$525.00	0.20	\$105.00	Exchange emails with B. Bando re payment from Pond
MJVZ	02/07/20	\$535.00	0.10	\$53.50	Receive email from B. Bando to N. Read-Ellis regarding settlement
MJVZ	13/07/20	\$535.00	0.50	\$267.50	Email from A. Laing concerning Dismissal Order; Emails with B. Bando regarding Fund allocation and undertake same
MJVZ	14/07/20	\$535.00	0.10	\$53.50	Emails from N. Read-Ellis and A. Laing regarding Order
SRM	15/07/20	\$385.00	0.60	\$231.00	Factoring Fund: Review email and bill of sale; Prepare, submit, review and report on partial discharge to remove MV collateral

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	15/07/20	\$535.00	0.70	\$374.50	Email from J. Knight regarding Single Source; Review prior history of matter and registration, bill of sale, lease and emails with J. Knight and with S. Morris concerning same and removal of registration; Review status of C. Mills matter concerning same
MJVZ	16/07/20	\$535.00	0.10	\$53.50	Email from B. Bando regarding Fifth Report and updates to status chart
VLC	23/07/20	\$390.00	0.30	\$117.00	Receive and review email message from I. MacLachlan at Parlee McLaws LLP; Review file; Email message to J. Wainwright and M. van Zandvoort seeking further instructions; Receive further instructions from M. van Zandvoort
MJVZ	23/07/20	\$535.00	0.20	\$107.00	Emails with I. MacLachlan, V. Clayton and J Wainwright regarding Alberta registration regarding CWMSL
JAW	23/07/20	\$775.00	0.30	\$232.50	Review and respond to emails re Alberta extra-provincial filing for Crystal Wealth
MJVZ	24/07/20	\$535.00	0.10	\$53.50	Emails with J. Wainwright and B. Bando concerning registration
JAW	24/07/20	\$775.00	0.50	\$387.50	Review file; Review email correspondence; Email to B. Bando re extra provincial registration; Follow-up emails re preparation of documents
SLJ	29/07/20	\$370.00	1.00	\$370.00	Review correspondence in file re US Real Estate LP; Draft update emails to M. van Zandvoort and B. Bando re same
MJVZ	29/07/20	\$535.00	0.10	\$53.50	Emails with S. Graff regarding US Real Estate LP

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	29/07/20	\$535.00	0.50	\$267.50	Emails with S. John regarding update regarding US Real Estate LP and review file concerning same; Email from B. Bando concerning same and conference call to discuss ongoing litigation proceedings
MJVZ	29/07/20	\$535.00	0.10	\$53.50	Emails from N. Read-Elis and B. Bando regarding Third Interim Distribution
MES	30/07/20	\$525.00	0.20	\$105.00	Exchange emails with P. Cho re: OOM
MJVZ	30/07/20	\$535.00	0.10	\$53.50	Emails with S. Graff, B. Bando, S. John, J. Krieger regarding conference call to discuss recovery initiatives
MJVZ	30/07/20	\$535.00	0.10	\$53.50	Email from N. Read-Ellis attaching dismissal order; Email from D. McLeod concerning same
MES	31/07/20	\$525.00	0.30	\$157.50	Telephone call with P. Cho re: OOM strategy (Commercial Loans)

TOTAL:

6.30 \$3,320.00

Name	Hours	Rate	Value
Steven L. Graff (SLG)	0.20	\$850.00	\$170.00
Miranda E. Spence (MES)	0.70	\$525.00	\$367.50
Mark J. van Zandvoort (MJVZ)	2.70	\$535.00	\$1,444.50
Shannon R. Morris (SRM)	0.60	\$385.00	\$231.00
Veronica L. Clayton (VLC)	0.30	\$390.00	\$117.00
Jennifer A. Wainwright (JAW)	0.80	\$775.00	\$620.00
Shakaira L. John (SLJ)	1.00	\$370.00	\$370.00

OUR FEE
HST at 13%

\$3,320.00
\$431.60

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$1.00	
Wire Charges	\$17.50	
Total Agency Costs		\$18.50

Subject to HST

Service Provider Fee	\$20.50
HST at 13%	\$2.67

AMOUNT NOW DUE	\$3,793.27
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THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

Account 681663 - September 9, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 681663

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

September 9, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended August 31, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLJ	28/06/20	\$370.00	1.00	\$370.00	Research re Pond loan
MES	01/08/20	\$525.00	0.20	\$105.00	Exchange emails with S. Graff re: call with P. Cho (Commercial Loans)
SLG	06/08/20	\$850.00	1.10	\$935.00	Update call with B. Bando, J. Krieger, M. van Zandvoort and S. John re next steps; review chart
SLG	07/08/20	\$850.00	0.20	\$170.00	Telephone call with M. Spence re report to B. Bando
SLJ	07/08/20	\$370.00	1.00	\$370.00	Telephone call with internal and client team re status of recovery efforts on all matters
MES	07/08/20	\$525.00	0.20	\$105.00	Email to B. Bando re: update re: OOM
MJVZ	07/08/20	\$535.00	0.60	\$321.00	Review status chart and select matters outstanding in preparation for conference call
MJVZ	07/08/20	\$535.00	0.90	\$481.50	Conference call with S. Graff, S. John, J. Krieger and B. Bando regarding remaining matters and next steps

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	07/08/20	\$535.00	0.10	\$53.50	Emails from N. Read-Ellis and J. Knight regarding distribution
MJVZ	10/08/20	\$535.00	0.40	\$214.00	Review Zomongo matter and emails with M. Schneider and B. Bando
MJVZ	10/08/20	\$535.00	0.10	\$53.50	Emails with S. Graff concerning ongoing administration of CW Group
MES	11/08/20	\$525.00	0.20	\$105.00	Email to P. Cho re: report on SMC facility (Commercial Loans)
SLG	12/08/20	\$850.00	0.30	\$255.00	Telephone call with M. van Zandvoort re transfer or enforcement of security over real estate
MJVZ	12/08/20	\$535.00	1.30	\$695.50	Emails with B. Bando regarding foreclosure order re Mortgage Fund; [REDACTED] [REDACTED] [REDACTED] Emails with B. Bando and S. Graff concerning same
MJVZ	13/08/20	\$535.00	0.40	\$214.00	Conference call with S. Graff regarding foreclosure order and emails with B. Bando concerning same
MES	24/08/20	\$525.00	0.20	\$105.00	Emails to P. Cho and B. Bando re: status of OOM energy report
MES	28/08/20	\$525.00	0.10	\$52.50	Receive email from P. Cho re: energy report
TOTAL:			8.30	\$4,605.50	

Name	Hours	Rate	Value
Shakaira L. John (SLJ)	2.00	\$370.00	\$740.00
Miranda E. Spence (MES)	0.90	\$525.00	\$472.50
Steven L. Graff (SLG)	1.60	\$850.00	\$1,360.00
Mark J. van Zandvoort (MJVZ)	3.80	\$535.00	\$2,033.00

OUR FEE	\$4,605.50
HST at 13%	\$598.72

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges	\$17.50
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AMOUNT NOW DUE

\$5,221.72

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

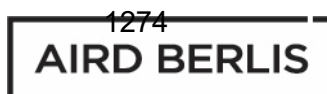
GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

41513947.1

Account 686460 - October 31, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 686460

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

October 31, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended October 27, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	01/09/20	\$535.00	0.10	\$53.50	Email from T. Clifford regarding enforcement of judgment
MES	07/09/20	\$525.00	0.20	\$105.00	Exchange emails with P. Cho re: energy audit report (Commercial Loans)
SLJ	08/09/20	\$370.00	0.50	\$185.00	Review file re McCready
MJVZ	08/09/20	\$535.00	0.70	\$374.50	 Receive update from assistant and S. John; Draft letter in response to FNF Canada; Emails from S. John and B. Bando concerning same
SLJ	09/09/20	\$370.00	0.50	\$185.00	Emails re McCready
LN	09/09/20	\$225.00	0.20	\$45.00	Email from M. van Zandvoort and S. John re: MTO search; Draft email response to all; Email to assistant

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	09/09/20	\$535.00	0.60	\$321.00	Send email to C. Miroslavich regarding search; Email from C. Miroslavich; Email from assistant; Email from S. John attaching Statement of Affairs from Trustee containing M. McCready's date of birth; Instruct assistant to send letter to FNF Canada and instruct S. John to forward same to B. Bando providing update; Email from B. Bando; Email from FNF Canada
MJVZ	14/09/20	\$535.00	0.70	\$374.50	Review 2018 and 2019 correspondence and communications concerning Cinnos; [REDACTED]
RTH	15/09/20	\$725.00	0.20	\$145.00	Email from counsel; Instructions to clerk re discharge
MJVZ	15/09/20	\$535.00	1.60	\$856.00	Review status of outstanding litigation matters [REDACTED]
MJVZ	22/09/20	\$535.00	0.30	\$160.50	File review and emails with B. Bando regarding SS&C renewal
MJVZ	22/09/20	\$535.00	0.30	\$160.50	Review Radium matter and emails with M. Schneider
SLG	25/09/20	\$850.00	0.20	\$170.00	Emails re status
MJVZ	25/09/20	\$535.00	0.70	\$374.50	Emails from D. Hendrix and Receiver; Review mortgage issue and emails with R. Hooke; Emails and conference call with B. Bando; Emails with C. Webster from MLT concerning same
MJVZ	29/09/20	\$535.00	0.40	\$214.00	Emails with K. Mehi concerning property transfer regarding Mortgage Fund and review file concerning same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	30/09/20	\$850.00	0.30	\$255.00	Review emails re corporate info
DSR	30/09/20	\$625.00	0.10	\$62.50	Telephone call with M. van Zandvoort re: telephone call with Alberta Police
MJVZ	30/09/20	\$535.00	0.20	\$107.00	Emails with Receiver and K. Mehi concerning property transfer regarding Mortgage Fund and review file concerning same
MJVZ	30/09/20	\$535.00	0.70	\$374.50	Conference call from Lethbridge PD; Review file and email to Receiver; Conference call and email with D. Reiter; Emails with B. Bando and J. Krieger
MJVZ	01/10/20	\$535.00	1.00	\$535.00	File review and conference call with Constable regarding Froese/Frontline; Reporting email to Receiver
MJVZ	02/10/20	\$535.00	0.10	\$53.50	Email from counsel to Radium serving application
MJVZ	03/10/20	\$535.00	0.40	\$214.00	Review Radium application record and email to B. Bando reporting concerning same
MES	05/10/20	\$525.00	0.20	\$105.00	Exchange emails with P. Cho (Commercial Loans)
MJVZ	05/10/20	\$535.00	1.00	\$535.00	Receive and review affidavits of J. Ostrowski and J. Hughes-Ostrowski and email to B. Bando concerning same
MJVZ	05/10/20	\$535.00	0.20	\$107.00	Review email and attachments from B. Bando regarding property transfer and shareholding interests (Mortgage Fund) and email to B. Bando
MES	06/10/20	\$525.00	0.50	\$262.50	Telephone call with P. Cho re: SMC purchase of HVAC, and review report (Commercial Loans)
MJVZ	06/10/20	\$535.00	0.20	\$107.00	Emails with K. Mehi concerning transfer of property and next steps (regarding Mortgage Fund)

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	06/10/20	\$535.00	0.10	\$53.50	Emails with B. Bando regarding Radium materials
MJVZ	06/10/20	\$535.00	0.80	\$428.00	Emails with J. Knight concerning S. West and consideration of same; Review participation agreement and further emails with J. Knight; [REDACTED] [REDACTED] Emails with C. Webster concerning executor search
MJVZ	13/10/20	\$535.00	0.10	\$53.50	Email to B. Bando regarding SS&C renewal
MJVZ	13/10/20	\$535.00	0.20	\$107.00	Emails with M. Schneider concerning Radium/Ostrowski hearing and adjournment to October 26, 2020; Emails with B. Bando concerning same
MJVZ	14/10/20	\$535.00	0.10	\$53.50	Email from B. Bando regarding SS&C
SLG	15/10/20	\$850.00	0.20	\$170.00	St. Mary's - Telephone call with M. Spence and recent emails
MES	15/10/20	\$525.00	0.30	\$157.50	Address OOM proposed receivership
MJVZ	15/10/20	\$535.00	0.20	\$107.00	Emails from MLT and with B. Bando regarding Mortgage Fund
MJVZ	16/10/20	\$535.00	0.10	\$53.50	Review email regarding trustee opposing discharge regarding Ostrowski
MJVZ	16/10/20	\$535.00	0.20	\$107.00	Telephone call from J. Knight; Review file regarding US Real estate LP and email to J. Knight concerning same
MJVZ	16/10/20	\$535.00	0.20	\$107.00	Email to MLT regarding next steps regarding Mortgage Fund and property transfer
MJVZ	16/10/20	\$535.00	0.50	\$267.50	Email from H. Wong attaching initial draft of CCE claim; Review and email to H. Wong [REDACTED] [REDACTED]

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					Review revised draft and blackline and further emails to H. Wong [REDACTED]
DYL	19/10/20	\$325.00	0.40	\$130.00	Receive instructions from S. Graff
MES	19/10/20	\$525.00	0.20	\$105.00	Discussion with S. Graff re OOM receivership application
MJVZ	19/10/20	\$535.00	0.10	\$53.50	Email from K. Mehe regarding Mortgage Fund
MJVZ	20/10/20	\$535.00	0.10	\$53.50	Emails with J. Knight regarding US Real Estate LP
DYL	21/10/20	\$325.00	0.40	\$130.00	Call with M. Spence
MJVZ	21/10/20	\$535.00	0.20	\$107.00	Emails with B. Young regarding Solid Holdings and review trustee correspondence re same
MES	22/10/20	\$525.00	0.30	\$157.50	Discussion with D. Lu re: preparing receivership materials
MJVZ	26/10/20	\$535.00	0.60	\$321.00	Email from B. Bando attaching Spectrum and JSS correspondence and Alberta Court of Appeal decision; Review same and email to B. Bando re Mortgage Fund
MJVZ	27/10/20	\$535.00	0.10	\$53.50	Emails and conference call with B. Bando regarding Alberta Court of Appeal decision regarding Mortgage Fund
TOTAL:			17.50	\$9,218.00	

Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	12.80	\$535.00	\$6,848.00
Miranda E. Spence (MES)	1.70	\$525.00	\$892.50
Shakaira L. John (SLJ)	1.00	\$370.00	\$370.00
Linh Nguyen (LN)	0.20	\$225.00	\$45.00
Randy T. Hooke (RTH)	0.20	\$725.00	\$145.00
Steven L. Graff (SLG)	0.70	\$850.00	\$595.00
David S. Reiter (DSR)	0.10	\$625.00	\$62.50
Damian Y. Lu (DYL)	0.80	\$325.00	\$260.00

OUR FEE	\$9,218.00
HST at 13%	\$1,198.34

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges	\$35.00
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AMOUNT NOW DUE

\$10,451.34

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.
42208455.1

Account 690368 - November 30, 2020

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 690368

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

November 30, 2020

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended November 24, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	29/10/20	\$325.00	1.80	\$585.00	Review/Analyze receivership materials
SLG	02/11/20	\$850.00	0.40	\$340.00	Address Order for transfer with M. van Zandvoort
DYL	02/11/20	\$325.00	2.10	\$682.50	Prepare materials; send email to S. Graff re same
MJVZ	02/11/20	\$535.00	0.10	\$53.50	Conference call with S. Graff regarding mortgage fund
MJVZ	02/11/20	\$535.00	0.20	\$107.00	Emails with MLT regarding mortgage fund
MJVZ	02/11/20	\$535.00	0.10	\$53.50	Emails with Gowling and B. Bando regarding Radium application
DYL	03/11/20	\$325.00	0.50	\$162.50	Send motion materials to P. Cho and B. Bando; email with S. Graff
MJVZ	03/11/20	\$535.00	0.10	\$53.50	Emails with K. Mehi regarding Mortgage Fund
SLG	04/11/20	\$850.00	0.30	\$255.00	Emails re motion materials; emails with B. Bando

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	04/11/20	\$325.00	0.70	\$227.50	Call with B. Bando; review materials sent by client; coordinate call with opposing counsel
SLG	06/11/20	\$850.00	1.00	\$850.00	Telephone call with P. Cho; review status; telephone call with D. Lu
DYL	06/11/20	\$325.00	0.90	\$292.50	Attend call with counsel to SMC
SLG	09/11/20	\$850.00	0.60	\$510.00	Telephone call with D. Lu and B. Bando re issues, approach and next steps
DYL	09/11/20	\$325.00	0.70	\$227.50	Call with client; call with S. Graff; email to client; coordinate call with opposing counsel
MJVZ	09/11/20	\$535.00	0.10	\$53.50	Email from B. Bando regarding Unsecured Claim
SLG	10/11/20	\$850.00	0.60	\$510.00	Telephone call with B. Bando, J. Krieger and M. van Zandvoort re [REDACTED]
MJVZ	10/11/20	\$535.00	0.20	\$107.00	Emails with S. Graff and with B. Bando concerning unsecured claims and Teams meeting
MJVZ	10/11/20	\$535.00	1.30	\$695.50	Teams meeting with J. Krieger, S. Graff and B. Bando; Review file regarding holdback and email to Receiver concerning same
SLG	11/11/20	\$850.00	0.50	\$425.00	OOM - Telephone call with P. Choe and Aida and D. Lu and B. Bando re approach
DYL	11/11/20	\$325.00	0.90	\$292.50	Call with SMC counsel
MJVZ	13/11/20	\$535.00	0.10	\$53.50	Email from B. Bando regarding Solid Holdings
MJVZ	13/11/20	\$535.00	0.10	\$53.50	Email from B. Bando regarding Zomongo
MJVZ	16/11/20	\$535.00	0.20	\$107.00	Emails to B. Bando and to Barry Crump regarding Zomongo pleadings

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	16/11/20	\$535.00	0.30	\$160.50	Review proof of claims filed regarding Solid and email to B. Bando regarding conference call
MJVZ	17/11/20	\$535.00	0.20	\$107.00	Review Proof of Losses and conference call with B. Bando
DYL	18/11/20	\$325.00	2.40	\$780.00	Draft/Revise APA
DYL	19/11/20	\$325.00	0.40	\$130.00	Revise APA; circulate draft APA to opposing counsel
MJVZ	19/11/20	\$535.00	0.20	\$107.00	Email from B. Crump and to B. Bando; Emails with S. Graff regarding Zomongo/TCA
MJVZ	20/11/20	\$535.00	0.10	\$53.50	Emails with B. Crump
MJVZ	23/11/20	\$535.00	0.10	\$53.50	Emails with B. Crump regarding conference call
MJVZ	24/11/20	\$535.00	1.10	\$588.50	Review materials and motion record regarding Zomongo and TCA and CW factoring arrangements in preparation of conference call with B. Crump and attend on conference call with B. Crump; Reporting email to B. Bando concerning same; Follow-up emails from B. Crump regarding same and further emails to B. Bando and preliminary review of Receiver's website
TOTAL:			18.30	\$8,677.50	

Name	Hours	Rate	Value
Damian Y. Lu (DYL)	10.40	\$325.00	\$3,380.00
Steven L. Graff (SLG)	3.40	\$850.00	\$2,890.00
Mark J. van Zandvoort (MJVZ)	4.50	\$535.00	\$2,407.50

OUR FEE	\$8,677.50
HST at 13%	\$1,128.08

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges

\$17.50

AMOUNT NOW DUE

\$9,823.08

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.
42638230.1

Account 696411 - January 29, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 696411

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

January 29, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended December 23, 2020

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	01/12/20	\$535.00	0.20	\$107.00	Emails with B. Bando and review SS&C amendment
MJVZ	02/12/20	\$535.00	0.10	\$53.50	Review email from SS&C
MJVZ	09/12/20	\$535.00	0.20	\$107.00	Emails with B. Bando regarding fund allocation
SLG	10/12/20	\$850.00	1.20	\$1,020.00	OOM Conference call with A. Howard, A. Keon, P. Cho, B. Bando and D. Lu re materials and status; review affidavit of B. Asselstine and other materials
DYL	10/12/20	\$325.00	1.20	\$390.00	Review draft materials; call with counsel to SMC; request court hearing
MJVZ	10/12/20	\$535.00	0.20	\$107.00	Emails with B. Bando regarding fund allocation
SRM	14/12/20	\$385.00	0.40	\$154.00	Mortgage Fund: Review file re Pond Technologies Inc. expiring PPSA registration and report on same; Email from M. Van Zanvort; Prepare and submit PPSA renewal; Review online verification statement and update registration chart

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	14/12/20	\$535.00	0.10	\$53.50	Emails with S. Morris re renewal of registration regarding Pond
SRM	15/12/20	\$385.00	0.10	\$38.50	Order post-renewal PPSA search
MJVZ	15/12/20	\$535.00	0.10	\$53.50	Emails with corporate and B. Bando re CWMSL annual return
SRM	16/12/20	\$385.00	0.20	\$77.00	Review 3C ministry verification statement and certified post renewal search and report on same
MJVZ	16/12/20	\$535.00	0.10	\$53.50	Email from V. Clayton regarding CWMSL filing
MJVZ	16/12/20	\$535.00	0.10	\$53.50	Emails with S. Morris regarding Pond renewal
DYL	21/12/20	\$325.00	0.30	\$97.50	Email to B. Bando re appraisal; call with S. Graff
DYL	23/12/20	\$325.00	0.60	\$195.00	Communications with client and opposing counsel re timelines

TOTAL:

5.10 \$2,560.50

Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	1.10	\$535.00	\$588.50
Steven L. Graff (SLG)	1.20	\$850.00	\$1,020.00
Damian Y. Lu (DYL)	2.10	\$325.00	\$682.50
Shannon R. Morris (SRM)	0.70	\$385.00	\$269.50

OUR FEE

\$2,560.50

HST at 13%

\$332.87

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Registration Under P.P.S.A.	\$8.00
Search Under P.P.S.A.	\$8.00
Annual Return	\$50.00
Wire Charges	\$17.50

Total Agency Costs

\$83.50

Subject to HST

Deliveries/Parss	\$33.24
Service Provider Fee	\$12.50
Agency Fee	\$200.00

Total Disbursements	\$245.74
HST at 13%	\$31.95

AMOUNT NOW DUE

\$3,254.56

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.
43302255.1

Account 698457 - February 28, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 698457

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

February 28, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended January 29, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	03/01/21	\$325.00	2.00	\$650.00	Review and revise Crystal Wealth materials
SLG	04/01/21	\$875.00	0.20	\$175.00	Emails and discussion with D. Lu re ownership
DYL	04/01/21	\$325.00	2.40	\$780.00	Order Crystal Wealth PPSA searches; call with S. Graff; call with M. Spence; review PPSA searches; review Crystal Wealth materials; send email to B. Bando
JEM	04/01/21	\$265.00	0.20	\$53.00	Order, review and report on PPSA searches
MES	04/01/21	\$550.00	0.20	\$110.00	Telephone call with D. Lu re: OOM receivership application (Commercial Loans)
DYL	05/01/21	\$325.00	1.50	\$487.50	Call with S. Graff; email to WF; review transcript; review materials
SLG	06/01/21	\$875.00	1.00	\$875.00	Address Asset Purchase Agreement and approach, timing and materials
DYL	06/01/21	\$325.00	4.30	\$1,397.50	Review Crystal Wealth materials and revise per call with WF

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	08/01/21	\$875.00	1.30	\$1,137.50	Review Application materials and emails with Amendments to D. Lu
DYL	08/01/21	\$325.00	2.40	\$780.00	Circulate current versions of materials; call with S. Graff; revise materials; send revised materials to S. Graff and B. Bando; [REDACTED]
SLG	11/01/21	\$875.00	0.60	\$525.00	Review materials and telephone call with D. Lu
DYL	11/01/21	\$325.00	0.80	\$260.00	Call with S. Graff re Crystal Wealth materials; revise and circulate materials to SMC
SLG	18/01/21	\$875.00	2.00	\$1,750.00	OOM Energy - Review materials including Notice of Motion, Report, Notice of Application; telephone call with D. Lu; conference call with B. Bando; consider timing
DYL	18/01/21	\$325.00	2.40	\$780.00	Review comments from P. Cho; call with S. Graff; review lockdown rules; revise materials; order search; communications with client
JEM	18/01/21	\$265.00	0.10	\$26.50	Order, review and report on PPSA search
SLG	19/01/21	\$875.00	0.70	\$612.50	Conference call with Weir Foulds re timing and process of Receiver / IR application/motion
DYL	19/01/21	\$325.00	0.90	\$292.50	Call with P. Cho; call with S. Graff; reschedule hearing with Court; update to client; redact report
JEM	19/01/21	\$265.00	0.10	\$26.50	Review and report on certified PPSA search
SLG	25/01/21	\$875.00	0.20	\$175.00	Telephone call with D. Lu re review of redacted report
DYL	25/01/21	\$325.00	0.10	\$32.50	Communications with client
SLG	26/01/21	\$875.00	0.60	\$525.00	OOM - Telephone call with B. Bando re redactions and review and redact report

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	26/01/21	\$325.00	0.40	\$130.00	Call with S. Graff; call with S. Graff and B. Bando; redact Blackstone report
SLG	27/01/21	\$875.00	0.20	\$175.00	OOM - Emails with P. Cho
SLG	29/01/21	\$875.00	0.20	\$175.00	OOM - Emails re valuation and opinion

TOTAL:		24.80	\$11,931.00
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Name	Hours	Rate	Value
Damian Y. Lu (DYL)	17.20	\$325.00	\$5,590.00
Steven L. Graff (SLG)	7.00	\$875.00	\$6,125.00
Jenaya E. McLean (JEM)	0.40	\$265.00	\$106.00
Miranda E. Spence (MES)	0.20	\$550.00	\$110.00

OUR FEE	\$11,931.00
HST at 13%	\$1,551.03

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$32.00
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Subject to HST

Service Provider Fee	\$18.00
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HST at 13%	\$2.34
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AMOUNT NOW DUE	\$13,534.37
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THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference. 43627934.2

Account 702302 - March 30, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 702302

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

March 30, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended February 26, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	03/02/21	\$875.00	0.10	\$87.50	OOM - Email with P. Cho
DYL	03/02/21	\$325.00	0.70	\$227.50	Communications with client and opposing counsel
MJVZ	04/02/21	\$575.00	0.40	\$230.00	Attend to allocations and emails with D. Lu and B. Bando regarding same
SLG	05/02/21	\$875.00	0.20	\$175.00	OOM - Telephone call with P. Cho
DYL	05/02/21	\$325.00	0.90	\$292.50	Call with S. Graff; email to P. Cho; communications with client; email to S. Graff
SLG	08/02/21	\$875.00	0.60	\$525.00	Virtual meeting with B. Bando and D. Lu re IR and motion
DYL	08/02/21	\$325.00	0.60	\$195.00	Review materials; call with B. Bando and S. Graff re Crystal Wealth
DYL	09/02/21	\$325.00	0.50	\$162.50	Call with B. Bando; email to P. Cho

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	11/02/21	\$875.00	0.20	\$175.00	OOM - Telephone call with D. Lu; review emails with P. Cho and B. Bando
DYL	11/02/21	\$325.00	0.60	\$195.00	Call with B. Bando; email to P. Cho; call with B. Bando; email to P. Cho
MJVZ	11/02/21	\$575.00	0.40	\$230.00	Emails from B. Bando and M. Markussen concerning allocation and commence review
SLG	12/02/21	\$875.00	0.40	\$350.00	OOM - Emails and telephone call with D. Lu
DYL	12/02/21	\$325.00	4.80	\$1,560.00	Communications with client; call with B. Bando and P. Cho; update to S. Graff; revise and finalize application and motion record
MJVZ	12/02/21	\$575.00	0.50	\$287.50	Complete review and allocation and email to B. Bando regarding same
SLG	16/02/21	\$875.00	0.90	\$787.50	OOM - Discussion with B. Bando and P. Cho and D. Lu on appointment of IR and issues
DYL	16/02/21	\$325.00	5.10	\$1,657.50	Finalize consents and report; send email to B. Bando re same; email to P. Cho; send finalized record to S. Graff; call with SMC and Blackstone; call with B. Bando; call with S. Graff; email to P. Cho; call with P. Cho and A. Jeffrey; prepare draft factum
SLG	17/02/21	\$875.00	1.00	\$875.00	OOM - Lengthy telephone call with P. Cho and telephone call with D. Lu and B. Bando re motion for IR
DYL	17/02/21	\$325.00	2.40	\$780.00	Call with B. Bando and S. Graff; email to P. Cho; call with P. Cho; follow-up with S. Graff re record; review correspondence from P. Cho; call with B. Bando; call with S. Graff; draft email to Court; call with B. Bando and S. Graff

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	18/02/21	\$875.00	0.30	\$262.50	OOM - Review estimate from T. Schneider of Black Stone
DYL	19/02/21	\$325.00	0.10	\$32.50	Respond to client
MES	21/02/21	\$550.00	0.30	\$165.00	Review Pond amendment and email to B. Bando re: same
SLG	22/02/21	\$875.00	0.80	\$700.00	OOM - Conference call with D. Lu, J. Krieger and B. Bando re approach and timing
DYL	22/02/21	\$325.00	0.60	\$195.00	Call with S. Graff; email to B. Bando; call with B. Bando, S. Graff and J. Krieger
DYL	23/02/21	\$325.00	0.20	\$65.00	Discussions with S. Graff; email to P. Cho - MORTGAGE FUND
SLG	25/02/21	\$875.00	0.60	\$525.00	OOM - Conference call with P. Cho and D. Lu and Ada Jeffrey re timing issues
DYL	25/02/21	\$325.00	0.50	\$162.50	Call with counsel to SMC; revise APA - MORTGAGE FUND
MJVZ	25/02/21	\$575.00	0.20	\$115.00	Attend to allocations and emails with D. Lu and M. Markussen regarding same
MJVZ	25/02/21	\$575.00	0.20	\$115.00	Email from M. Schneider regarding Radium/Ostrowski proceedings and order and email to M. Schneider concerning same
DYL	26/02/21	\$325.00	1.60	\$520.00	Revise APA - MORTGAGE FUND
TOTAL:			25.70	\$11,650.00	

Name	Hours	Rate	Value
Steven L. Graff (SLG)	5.10	\$875.00	\$4,462.50
Damian Y. Lu (DYL)	18.60	\$325.00	\$6,045.00
Mark J. van Zandvoort (MJVZ)	1.70	\$575.00	\$977.50
Miranda E. Spence (MES)	0.30	\$550.00	\$165.00

OUR FEE	\$11,650.00
HST at 13%	\$1,514.50

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges	\$35.00
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AMOUNT NOW DUE

\$13,199.50

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

Account 704956 - April 23, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 704956

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

April 23, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended March 30, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
RTH	02/03/21	\$750.00	0.30	\$225.00	Telephone call from counsel re receivership order; Email from counsel; Email to counsel
MES	04/03/21	\$550.00	0.30	\$165.00	Exchange emails with B. Bando re: response to Pond and consider proposed terms
DYL	08/03/21	\$325.00	0.70	\$227.50	Review letter from P. Cho; call with S. Graff re next steps
MES	08/03/21	\$550.00	0.20	\$110.00	Exchange emails with B. Bando re response to Pond negotiation
DYL	09/03/21	\$325.00	3.40	\$1,105.00	Draft letter to P. Cho; revise APA; send email to S. Graff re same
SLG	10/03/21	\$875.00	0.20	\$175.00	OOM - Emails re OOM, IR motion re St. Mary's
SLG	10/03/21	\$875.00	0.40	\$350.00	Telephone call with D. Lu and M. Spence on collection and enforcement
DYL	10/03/21	\$325.00	2.40	\$780.00	Call with S. Graff and M. Spence; implement changes to letter from S. Graff; email to B. Bando; call with B.

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					Bando; revise letter and APA - MORTGAGE FUND
MES	10/03/21	\$550.00	0.50	\$275.00	Discussion with S. Graff and D. Lu re: pending IR motion against OOM entities and review correspondence between D. Lu and B. Bando re: same
SLG	11/03/21	\$875.00	0.30	\$262.50	OOM - Complete letter to P. Cho
DYL	11/03/21	\$325.00	0.30	\$97.50	Call with S. Graff; finalize letter and APA; email to B. Bando
MES	12/03/21	\$550.00	0.10	\$55.00	Review email from B. Bando re potential amendment of Pond agreements
MES	15/03/21	\$550.00	0.20	\$110.00	Discussion with B. Bando re Pond amendment
MES	15/03/21	\$550.00	0.20	\$110.00	Discussion with B. Bando re OOM enforcement
SLG	16/03/21	\$875.00	0.20	\$175.00	OOM - Telephone call with D. Lu and M. Spence
MES	16/03/21	\$550.00	0.60	\$330.00	Draft amendment to Pond loan agreement and email to B. Bando (Commercial Loans)
MES	17/03/21	\$550.00	0.70	\$385.00	Telephone call with B. Bando, and revise amendment to Pond loan agreement; Email to B. Bando re: same (Commercial Loans)
MES	18/03/21	\$550.00	0.40	\$220.00	Revise draft amendment for Pond and exchange emails with B. Bando re same (Commercial Loans)
DYL	22/03/21	\$325.00	0.10	\$32.50	Follow-up with P. Cho
MJVZ	22/03/21	\$575.00	0.20	\$115.00	Emails with B. Bando and Bowra regarding Restoration Energy; Emails with S. Morris
DYL	23/03/21	\$325.00	0.20	\$65.00	Schedule call with P. Cho

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SRM	23/03/21	\$395.00	0.60	\$237.00	Factoring: Review email and file re Hedge/Factoring fund being secured/unsecured
MJVZ	23/03/21	\$575.00	0.20	\$115.00	Email from S. Morris regarding registrations regarding Restoration
SLG	24/03/21	\$875.00	0.50	\$437.50	OOM - Telephone call with P. Cho and D. Lu re next steps
DYL	24/03/21	\$325.00	0.70	\$227.50	Call with P. Cho; email update to B. Bando
MES	24/03/21	\$550.00	0.10	\$55.00	Receive executed Pond amendment (Commercial Loans)
DYL	25/03/21	\$325.00	0.90	\$292.50	Call with B. Bando; call with McGregor; email to P. Cho; email to client
MJVZ	26/03/21	\$575.00	0.40	\$230.00	Review Restoration Energy matter and call with S. Graff regarding same; Email to B. Bando concerning same
MJVZ	30/03/21	\$575.00	0.20	\$115.00	Prepare allocation
TOTAL:			15.50	\$7,079.50	

Name	Hours	Rate	Value
Randy T. Hooke (RTH)	0.30	\$750.00	\$225.00
Miranda E. Spence (MES)	3.30	\$550.00	\$1,815.00
Damian Y. Lu (DYL)	8.70	\$325.00	\$2,827.50
Steven L. Graff (SLG)	1.60	\$875.00	\$1,400.00
Mark J. van Zandvoort (MJVZ)	1.00	\$575.00	\$575.00
Shannon R. Morris (SRM)	0.60	\$395.00	\$237.00

OUR FEE	\$7,079.50
HST at 13%	\$920.34

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges

\$17.50

Subject to HST

Teraview Search

\$40.85

HST at 13%

\$5.31

AMOUNT NOW DUE

\$8,063.50

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 708584 - May 27, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 708584

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

May 27, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended April 30, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	01/04/21	\$325.00	0.30	\$97.50	Email from P. Cho; email to B. Bando; response to P. Cho
MES	01/04/21	\$550.00	0.30	\$165.00	Discussion with B. Bando and D. Lu re status of OOM proceeding, and review correspondence re same
SLG	05/04/21	\$875.00	0.10	\$87.50	Email with P. Cho
DYL	05/04/21	\$325.00	0.50	\$162.50	Correspondence with P. Cho; update to client; correspondence re underlying documents for Blackstone report
MES	05/04/21	\$550.00	0.20	\$110.00	Review correspondence re SMC inspections (Commercial Loans)
DYL	07/04/21	\$325.00	0.50	\$162.50	Call with P. Cho; call with B. Bando; call with McGregor
DYL	16/04/21	\$325.00	0.40	\$130.00	Correspondence with B. Powell and B. Bando; research re solicitor-client privilege

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	17/04/21	\$575.00	0.20	\$115.00	Review and complete allocations
DYL	20/04/21	\$325.00	0.20	\$65.00	[A107] Communicate/Other Outside Counsel email to P. Cho
MJVZ	27/04/21	\$575.00	0.10	\$57.50	Conference call with B. Bando regarding status update on US Real Estate LP
MJVZ	28/04/21	\$575.00	0.10	\$57.50	Email from J. Wainwright regarding CWMSL Saskatchewan filing
MJVZ	28/04/21	\$575.00	0.10	\$57.50	Emails from B. Bando, J. Wainwright and D. Windle
JAW	28/04/21	\$795.00	0.20	\$159.00	Review D. Windle email; Email to B. Bando re same
DW	28/04/21	\$375.00	0.20	\$75.00	Email from J. Wainwright with instruction to co-ordinate renewal of Crystal Wealth Management System Limited in Saskatchewan; Email to J. Wainwright; Email to Saskatchewan agent with request to proceed with filing 2021 Annual Return
DYL	29/04/21	\$325.00	0.40	\$130.00	Review McGregor report
JAW	29/04/21	\$795.00	0.10	\$79.50	Review and respond to D. Windle re Saskatoon annual notice
DW	29/04/21	\$375.00	0.30	\$112.50	Email to and from J. Wainwright; Attend to arrange for payment of Invoice #6193420; Email from Saskatchewan agent attaching proof of filing of 2021 Annual Return for Crystal Wealth Management System Limited; Email to J. Wainwright attaching said document
SLG	30/04/21	\$875.00	0.30	\$262.50	OOM/St. Marys - Review status report with D. Lu
DYL	30/04/21	\$325.00	0.20	\$65.00	Call with S. Graff re McGregor report; email to B. Bando
TOTAL:			4.70	\$2,151.00	

Name	Hours	Rate	Value
Damian Y. Lu (DYL)	2.50	\$325.00	\$812.50
Miranda E. Spence (MES)	0.50	\$550.00	\$275.00
Steven L. Graff (SLG)	0.40	\$875.00	\$350.00
Mark J. van Zandvoort (MJVZ)	0.50	\$575.00	\$287.50
Jennifer A. Wainwright (JAW)	0.30	\$795.00	\$238.50
Doreen Windle (DW)	0.50	\$375.00	\$187.50

OUR FEE	\$2,151.00
HST at 13%	\$279.63

DISBURSEMENTS
COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges	\$17.50
PST Re: F#137794 - EFT payment of SK Invoice #6193420 re Crystal Wealth Management System Limited Voucher No. 26174 for Invoice No. 6193420 issued by: (2704)MLT Aikins LLP	\$46.28

Subject to HST	Total Agency Costs	\$63.78
	Agency Fee	\$356.00
	HST at 13%	\$46.28

AMOUNT NOW DUE	\$2,896.69
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THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

Account 711848 - June, 15 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 711848

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

June 15, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended May 31, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SRM	01/05/21	\$395.00	0.20	\$79.00	Review file re expiring registration and email to M. VanZandoort re same
MJVZ	01/05/21	\$575.00	0.10	\$57.50	Emails with S. Morris regarding Factoring Fund renewal regarding 156 Alberta
SLG	03/05/21	\$875.00	0.30	\$262.50	OOM - Conference call with D. Lu and B. Bando re report and valuation
DYL	03/05/21	\$325.00	0.30	\$97.50	Call with S. Graff re Blackstone report; call with B. Bando re Blackstone report
SLG	04/05/21	\$875.00	0.20	\$175.00	OOM - Conference call with D. Lu and reps of McGregor re opinion
DYL	04/05/21	\$325.00	0.50	\$162.50	Email to P. Cho; call with McGregor
MJVZ	04/05/21	\$575.00	0.20	\$115.00	Email from B. Bando re proposed Single Source discharge
MJVZ	05/05/21	\$575.00	0.20	\$115.00	Review and consider Single Source documents and indebtedness per

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					latest reports and email to B. Bando re same
MJVZ	10/05/21	\$575.00	1.30	\$747.50	Review email and attachment from B. Bando regarding Share Sale; Conference call with B. Bando; Email to J. Merk regarding agreement for share sale; Review file and email copies of share certificates to B. Bando regarding Gavin Mines (Factoring/Hedge Fund); Further emails with B. Bando and review trustee correspondence regarding share certificates
SLG	11/05/21	\$875.00	0.40	\$350.00	Telephone call with J. Merk and M. van Zandvoort re share sale
JKM	11/05/21	\$675.00	0.30	\$202.50	Email to M. van Zandvoort re SPA matters; Telephone call with S. Graff re SPA matters
MJVZ	11/05/21	\$575.00	0.30	\$172.50	Emails with J. Merk and S. Graff and B. Bando regarding preparation of SPA (Factoring/Hedge regarding Dome Mountain)
MJVZ	12/05/21	\$575.00	0.20	\$115.00	Email from Trustee and preliminary review of attachments; Emails with J. Merk regarding draft purchase agreement
SLG	13/05/21	\$875.00	0.40	\$350.00	Discussion with D. Lu re McGregor Report
DYL	13/05/21	\$325.00	0.40	\$130.00	Call with S. Graff re revised report from McGregor
SLG	17/05/21	\$875.00	0.50	\$437.50	OOM - Conference call with P. Cho and D. Lu on offer and valuation review report
DYL	17/05/21	\$325.00	0.90	\$292.50	Email to B. Bando; call with B. Bando; email and call with S. Graff; email to P. Cho; call with S. Graff, M. Spence, P. Cho and M. Ly
MES	17/05/21	\$550.00	0.50	\$275.00	Conference call with P. Cho, S. Graff, D. Lu re motion to sell assets

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					to SMC, and exchange emails re same
MJVZ	17/05/21	\$575.00	0.10	\$57.50	Emails from B. Bando and J. Merk and trustee regarding Dome
SRM	18/05/21	\$395.00	0.20	\$79.00	Factoring Hedge: Prepare, submit and review PPSA renewal against 1566496 Alberta Ltd.
JKM	19/05/21	\$675.00	0.80	\$540.00	Revise SPA; Email to B. Bando re same
MJVZ	19/05/21	\$575.00	0.10	\$57.50	Email from B. Bando, J. Merk
MJVZ	19/05/21	\$575.00	0.20	\$115.00	Attend to allocation
JKM	20/05/21	\$675.00	0.40	\$270.00	Telephone call with B. Bando re SPA matters; Email to S. Graff re same; Email to B. Bando re same
MES	20/05/21	\$550.00	0.10	\$55.00	Review email from P. Cho re SMC purchase of OOM assets
MJVZ	20/05/21	\$575.00	0.30	\$172.50	Emails with J. Merk regarding recitals for agreement and revisions; Review emails from J. Merk and B. Bando regarding same
DYL	25/05/21	\$325.00	1.10	\$357.50	Email to S. Graff re email from P. Cho; call with S. Graff; draft letter to P. Cho - MORTGAGE FUND
JKM	25/05/21	\$675.00	0.70	\$472.50	Revise SPA; Revise POA; Email to E. Mayerhofer re same; Telephone call with B. Bando re same
DYL	26/05/21	\$325.00	0.20	\$65.00	Email to B. Bando; call with B. Bando - MORTGAGE FUND
DYL	31/05/21	\$325.00	0.40	\$130.00	Call with S. Graff; revise letter; email to S. Graff - MORTGAGE FUND
TOTAL:			11.80	\$6,508.00	

Name	Hours	Rate	Value
Shannon R. Morris (SRM)	0.40	\$395.00	\$158.00
Mark J. van Zandvoort (MJVZ)	3.00	\$575.00	\$1,725.00
Steven L. Graff (SLG)	1.80	\$875.00	\$1,575.00
Damian Y. Lu (DYL)	3.80	\$325.00	\$1,235.00
Jeffrey K. Merk (JKM)	2.20	\$675.00	\$1,485.00
Miranda E. Spence (MES)	0.60	\$550.00	\$330.00

OUR FEE	\$6,508.00
HST at 13%	\$846.04

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$3.00
Wire Charges	\$17.50

Total Agency Costs	\$20.50
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Subject to HST

Service Provider Fee	\$20.50
HST at 13%	\$2.67

AMOUNT NOW DUE

\$7,397.71

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 715568 - July 27, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 715568

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

July 27, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended June 30, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	01/06/21	\$550.00	0.10	\$55.00	Review email from P. Cho re SMC offer to purchase (Commercial Loans)
MES	02/06/21	\$550.00	0.30	\$165.00	Exchange emails and telephone call with P. Cho re SMC approach to resolution of OOM issues
SLG	04/06/21	\$875.00	0.30	\$262.50	Telephone call with M. Spence and D. Lu re letter and strategy
DYL	04/06/21	\$325.00	0.50	\$162.50	Call with S. Graff and M. Spence; issue letter to P. Cho
MES	04/06/21	\$550.00	0.30	\$165.00	Discussion with S. Graff and D. Lu re response to SMC email and review issued letter (Commercial Loans)
MES	06/06/21	\$550.00	0.10	\$55.00	Review email from P. Cho re negotiations with SMC (Commercial Loans)
DYL	09/06/21	\$325.00	0.60	\$195.00	Call with M. Spence; Email to M. Spence re Crystal Wealth

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	09/06/21	\$550.00	0.30	\$165.00	Telephone call and exchange of emails with D. Lu re response to P. Cho
MJVZ	10/06/21	\$575.00	0.50	\$287.50	Receive letter from T. Kwasney regarding Paragon; Emails with I. MacLachlan re same; Review file and email to T. Kwasney; Further emails with T. Kwasney re conference call
MJVZ	11/06/21	\$575.00	0.10	\$57.50	Email to T. Kwasney regarding conference call
SLG	14/06/21	\$875.00	0.20	\$175.00	Email with P. Cho and D. Lu
DYL	14/06/21	\$325.00	0.80	\$260.00	Email to B. Bando re SMC purchase offer / letters; email to B. Bando; call and emails with M. Spence; email to P. Cho
MES	14/06/21	\$550.00	0.50	\$275.00	Exchange emails and discussions with D. Lu re response to SMC proposal re purchase price, and next steps
MJVZ	14/06/21	\$575.00	0.20	\$115.00	Attend to fund allocation
MJVZ	14/06/21	\$575.00	2.00	\$1,150.00	Review various documentation concerning Paragon, Zomongo, in advance of call with Paragon counsel regarding discharge of collateral mortgage
MJVZ	14/06/21	\$575.00	0.50	\$287.50	Conference call with counsel to Paragon - Factoring/Hedge; Follow-up email to counsel - Factoring/Hedge
MJVZ	16/06/21	\$575.00	0.40	\$230.00	Review email [REDACTED] from B. Bando and conference call with B. Bando; Email to S. Graff
MJVZ	18/06/21	\$575.00	0.10	\$57.50	Emails with T. Kwasney
DYL	21/06/21	\$325.00	2.10	\$682.50	Review revised APA; emails to B. Bando

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	21/06/21	\$575.00	0.40	\$230.00	Review file and emails with and attend on call with counsel to Paragon
DYL	23/06/21	\$325.00	1.20	\$390.00	Review and revise APA with SMC
MJVZ	23/06/21	\$575.00	0.10	\$57.50	Emails with B. Bando regarding US Real Estate LP
MJVZ	23/06/21	\$575.00	0.10	\$57.50	Email from C. Mills regarding Single Source
MJVZ	24/06/21	\$575.00	0.10	\$57.50	Meeting with B. Bando regarding US Real Estate LP
MJVZ	24/06/21	\$575.00	0.20	\$115.00	Meeting with S. Graff regarding potential sale of certain investments
DYL	25/06/21	\$325.00	0.10	\$32.50	Communications with opposing counsel
MES	25/06/21	\$550.00	0.20	\$110.00	Exchange emails with D. Lu re revisions to agreement with SMC (Commercial Loans)
MJVZ	28/06/21	\$575.00	0.10	\$57.50	Email to C. Mills
MJVZ	28/06/21	\$575.00	0.10	\$57.50	Email from B. Bando and with J. Merk
MJVZ	28/06/21	\$575.00	0.10	\$57.50	Review email from C. Mills
JKM	29/06/21	\$675.00	0.20	\$135.00	Review letter of transmittal; Email to B. Bando re same
MJVZ	29/06/21	\$575.00	0.10	\$57.50	Email from J. Merk
DYL	30/06/21	\$325.00	0.70	\$227.50	Review email from P. Cho; email to Court re court availability; calls with M. Spence; email to B. Bando
JKM	30/06/21	\$675.00	0.20	\$135.00	Review draft letter of transmittal

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	30/06/21	\$550.00	0.50	\$275.00	Review revisions to SMC APA and telephone calls with D. Lu re same (Commercial Loans)

TOTAL:		14.30	\$6,855.00
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Name	Hours	Rate	Value
Miranda E. Spence (MES)	2.30	\$550.00	\$1,265.00
Steven L. Graff (SLG)	0.50	\$875.00	\$437.50
Damian Y. Lu (DYL)	6.00	\$325.00	\$1,950.00
Mark J. van Zandvoort (MJVZ)	5.10	\$575.00	\$2,932.50
Jeffrey K. Merk (JKM)	0.40	\$675.00	\$270.00

OUR FEE	\$6,855.00
HST at 13%	\$891.15

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges	\$17.50
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AMOUNT NOW DUE

\$7,763.65

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

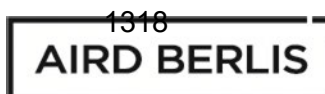
IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 2.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the account number as reference.

Account 717964 - August 16, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 717964

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

August 16, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended July 30, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	05/07/21	\$325.00	0.50	\$162.50	Communications with Court re IR application; communication with B. Bando; email revised APA to WeirFoulds
JKM	05/07/21	\$675.00	0.40	\$270.00	Revise letter of transmittal; Email to B. Bando re same
MES	05/07/21	\$550.00	0.20	\$110.00	Review emails re revisions to APA with SMC
MJVZ	05/07/21	\$575.00	0.10	\$57.50	Emails with J. Merk and from S. Graff and B. Bando regarding filing
DYL	06/07/21	\$325.00	0.60	\$195.00	Emails to S. Graff and M. Spence; email to court; emails to opposing counsel; prepare court form
MES	06/07/21	\$550.00	0.20	\$110.00	Exchange emails re court date for OOM interim receivership application

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	07/07/21	\$325.00	2.20	\$715.00	Call with P. Cho; revise APA: send APA to Bruce; send APA to WeirFoulds; prepare for hearing
MES	07/07/21	\$550.00	0.50	\$275.00	Telephone call with P. Cho, D. Lu re proposed revisions to APA, review further revised APA and emails between D. Lu and B. Bando re same
SLG	14/07/21	\$875.00	0.10	\$87.50	Email with P. Cho
DYL	14/07/21	\$325.00	0.30	\$97.50	Review email from P. Cho; research re receiver's liability; email to M. Spence and S. Graff
MES	14/07/21	\$550.00	0.20	\$110.00	Consider correspondence from P. Cho re amendments to APA (Commercial Loans)
MES	15/07/21	\$550.00	0.20	\$110.00	Discussion with D. Lu re revisions to APA proposed by SMC (Commercial Loans)
SRM	19/07/21	\$395.00	0.40	\$158.00	Review expiring registrations and report on same; Prepare and submit 3 PPSA renewals; Order post-renewal searches
MJVZ	19/07/21	\$575.00	0.20	\$115.00	Emails with S. Morris regarding renewals; Email from B. Bando regarding same
SRM	20/07/21	\$395.00	0.40	\$158.00	Review AB PPSA renewals and post-renewal searches and report on same
MJVZ	20/07/21	\$575.00	0.20	\$115.00	Attend to fund allocation
MJVZ	20/07/21	\$575.00	0.10	\$57.50	Emails with S. Morris
MJVZ	20/07/21	\$575.00	0.10	\$57.50	Email from B. Bando re Factoring/Hedge/Medical

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	21/07/21	\$875.00	0.30	\$262.50	Emails re prospective sale of interest in NFL/Xnergy litigation and RE fund
MJVZ	21/07/21	\$575.00	0.80	\$460.00	Review US Real Estate LP and Medical Fund (NFL) matters; Email to S. Graff and from S. Graff regarding same; Emails with B. Bando regarding same
MJVZ	22/07/21	\$575.00	0.10	\$57.50	Email from B. Bando regarding Factoring/Hedge/Medical
MES	23/07/21	\$550.00	0.10	\$55.00	Review email from P. Cho providing amended APA (Mortgage Fund)
SRM	25/07/21	\$395.00	0.20	\$79.00	Review file regarding expiry registration; Update registration chart
DYL	30/07/21	\$325.00	1.10	\$357.50	Review email from P. Cho; call with M. Spence; email to B. Bando; email to opposing counsel
MES	30/07/21	\$550.00	0.40	\$220.00	Telephone call with D. Lu re proposed revisions to SMC APA and review emails re same (Mortgage Fund)

TOTAL:

9.90 \$4,452.50

Name	Hours	Rate	Value
Damian Y. Lu (DYL)	4.70	\$325.00	\$1,527.50
Jeffrey K. Merk (JKM)	0.40	\$675.00	\$270.00
Miranda E. Spence (MES)	1.80	\$550.00	\$990.00
Mark J. van Zandvoort (MJVZ)	1.60	\$575.00	\$920.00
Steven L. Graff (SLG)	0.40	\$875.00	\$350.00
Shannon R. Morris (SRM)	1.00	\$395.00	\$395.00

OUR FEE	\$4,452.50
HST at 13%	\$578.83

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$2.00
Registration Under P.P.S.A.	\$6.00

Total Agency Costs	\$8.00
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Subject to HST

Service Provider Fee	\$55.00
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HST at 13%	\$7.15
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AMOUNT NOW DUE

\$5,101.48

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 722295 - September 30, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 722295

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

September 30, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended August 31, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	03/08/21	\$325.00	0.20	\$65.00	Email to B. Bando; emails to P. Cho; email to M. Spence
MJVZ	03/08/21	\$575.00	0.80	\$460.00	Review correspondence and file history from C. Mills regarding Single Source; Emails with C. Mills
DYL	04/08/21	\$325.00	1.40	\$455.00	[A103] Draft/Revise - Update application and motion materials
MJVZ	04/08/21	\$575.00	0.60	\$345.00	Call with C. Mills; Emails with B. Bando; Call with B. Bando; Email to C. Mills and call to B. Bando
DYL	05/08/21	\$325.00	0.60	\$195.00	Email to P. Cho re Blackstone engagement letter; review SMC affidavit
MES	05/08/21	\$550.00	0.40	\$220.00	Review emails exchanged with D. Lu, B. Bando, P. Cho re preparations for motion to appoint interim receiver and engage Blackstone (Mortgage Fund)

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	06/08/21	\$325.00	3.80	\$1,235.00	Order updated searches; revise and finalize motion and application materials; review SMC affidavit; send emails to M. Spence re same
SRM	06/08/21	\$395.00	0.40	\$158.00	Mortgage Fund: Order, review and report on updated profile and PPSA search against 2441472 Ontario Inc.; Update search summary
MES	06/08/21	\$550.00	0.30	\$165.00	Discussions with D. Lu re materials for appointment of interim receiver (Mortgage Fund)
DYL	09/08/21	\$325.00	1.10	\$357.50	Review SMC affidavit; email to M. Spence; email to opposing counsel; communications with opposing counsel; email to B. Bando
SRM	09/08/21	\$395.00	0.10	\$39.50	Mortgage: Review certified PPSA search and report on same
MES	09/08/21	\$550.00	0.40	\$220.00	Review emails re finalizing affidavit sworn by SMC for interim receivership application, and discuss with D. Lu
SLG	10/08/21	\$875.00	0.20	\$175.00	OOM - Discussion with D, Lu re status of motion
DYL	10/08/21	\$325.00	2.90	\$942.50	Emails to B. Bando; communications with opposing counsel; emails with and call with M. Spence; prepare for hearing; draft endorsement
MES	10/08/21	\$550.00	0.80	\$440.00	Review and revise materials for appointment of interim receiver; Discussion and exchange of emails with D. Lu re same
MJVZ	10/08/21	\$575.00	0.20	\$115.00	Review letter from proposal trustee regarding Jeff Maljaars; Email to and from B. Bando - regarding Factoring/Hedge Fund
PLW	10/08/21	\$225.00	0.40	\$90.00	Emailed application material to Commercial List (Lu)

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	11/08/21	\$875.00	0.70	\$612.50	Discussion with M. Spence re pre for and arguments on motion
DYL	11/08/21	\$325.00	1.60	\$520.00	Revise materials per comments from M. Spence; finalize materials; email to P. Williams for filing; upload documents to sync.com; correspondence with counsel to SMC; correspondence with client; call with M. Spence
MES	11/08/21	\$550.00	2.50	\$1,375.00	Prepare for motion to appoint interim receiver; Review of all materials and discussions with S. Graff, D. Lu
MJVZ	11/08/21	\$575.00	0.10	\$57.50	Email from B. Bando re consumer proposal for J. Maljaars
CEC	12/08/21	\$315.00	0.40	\$126.00	Receipt and review of correspondence from Keyser Mason Ball LLP requesting information statement re mortgage on 48 McCormick Street, Welland; Emails to R. Sanders and M. van Zandvoort re request and review of correspondence on file; Draft of correspondence to Keyser Mason Ball LLP and email to R. Sanders for review thereof; Revision to correspondence per R. Sanders comments
DYL	12/08/21	\$325.00	1.00	\$325.00	Attend hearing; circulate order and endorsement to Cavanagh J.; follow-up call with M. Spence, P. Cho and B. Bando; emails to B. Bando
RJS	12/08/21	\$395.00	0.70	\$276.50	Reviewed request for information regarding Mortgage against 48 McCormick Street; Correspondence with M. Van Zandvoort and B. Bando regarding same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	12/08/21	\$550.00	2.90	\$1,595.00	Prepare for and attend hearing for appointment of interim receiver; Follow up calls with SMC counsel and B. Bando; Review issued order and endorsement of Justice Cavanagh and circulate to counsel; Review emails re outcome of Blackstone attendance
MJVZ	12/08/21	\$575.00	0.20	\$115.00	Review letter from counsel; Emails with R. Sanders, C. Casasola, B. Bando, and Spectrum
SLG	13/08/21	\$875.00	0.50	\$437.50	OOM - Review meals on order made and Blackstone prelim report
DYL	13/08/21	\$325.00	0.80	\$260.00	Communications with M. Spence; P. Cho; B. Bando
MES	13/08/21	\$550.00	1.10	\$605.00	Conference call with P. Cho, D. Lu, B. Bando re Blackstone attendance at OOM premises and providing notice to OOM; Draft notice to OOM and counsel; Review notice of termination of interim arrangement
DYL	16/08/21	\$325.00	0.10	\$32.50	Email to B. Bando
MES	16/08/21	\$550.00	0.50	\$275.00	Review response from B. McKenzie to notice of IR appointment; Exchange emails with D. Lu, B. Bando, W. Jaskiewicz, P. Cho re response to B. McKenzie
MES	17/08/21	\$550.00	0.20	\$110.00	Exchange emails with SMC counsel re status of interim receivership
MES	18/08/21	\$550.00	0.70	\$385.00	Telephone call and email to counsel for SMC re response to OOM counsel; Exchange emails and telephone call with B. Bando re same (Mortgage Fund)

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	19/08/21	\$550.00	0.40	\$220.00	Exchange emails with W. Jaskiewicz and B. Bando re status of SMC facility and communications with counsel for OOM
MES	20/08/21	\$550.00	0.40	\$220.00	Exchange emails with B. Bando re status of SMC facility and email to B. McKenzie
DYL	26/08/21	\$325.00	0.90	\$292.50	Communications with P. Williams re issuing application; revise notice of application
MES	26/08/21	\$550.00	0.30	\$165.00	Exchange emails re issuance of Notice of Application; Email to B. Bando re status update
PLW	26/08/21	\$225.00	0.40	\$90.00	Submitted Notice of Application for issuance
PLW	26/08/21	\$225.00	0.40	\$90.00	Submitted Order of August 12, 2021 for entry
DYL	27/08/21	\$325.00	0.20	\$65.00	Emails to and from P. Williams
DYL	27/08/21	\$325.00	3.60	\$1,170.00	[A103] Draft/Revise - Draft first report of the interim receiver and proposed receiver; email to M. Spence
MES	27/08/21	\$550.00	0.20	\$110.00	Exchange emails with D. Lu re materials for AVO motion
MES	29/08/21	\$550.00	0.80	\$440.00	Revise first report of the interim receiver for AVO motion
SLG	30/08/21	\$875.00	0.20	\$175.00	OOM - Discussion re receivership (full or partial)
DYL	30/08/21	\$325.00	6.60	\$2,145.00	Revise first report of receiver; email to B. Bando; review changes by B. Bando; review responding record of 244; correspondence with client and M. Spence; call with B. Bando; review correspondence with opposing counsel; draft remaining motion materials; circulate revised first report to B. Bando; compile motion records

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	30/08/21	\$550.00	0.80	\$440.00	Review responding motion record of 244, discussion with D. Lu re same and revise First Report of the Interim Receiver
DYL	31/08/21	\$325.00	2.50	\$812.50	Call with S. Graff and M. Spence to discuss employee priority claims issue; communication with court; communications with P. Williams; serve materials; email to judge; email to client
MES	31/08/21	\$550.00	1.20	\$660.00	Review materials served by B. McKenzie; Conference call with P. Cho, D. Lu re response from SMC; Email to B. McKenzie re court filing
MJVZ	31/08/21	\$575.00	0.10	\$57.50	Email from B. Bando, proposed purchaser and with D. Lu re meeting
PLW	31/08/21	\$225.00	0.50	\$112.50	Submitted Motion Record and order and emailed court regarding uploading to Caselines
JY	31/08/21	\$350.00	0.10	\$35.00	Attend to affidavit commissioning of D. Lu related to Mortgage Fund

TOTAL:

48.20 \$20,085.00

Name	Hours	Rate	Value
Damian Y. Lu (DYL)	27.30	\$325.00	\$8,872.50
Mark J. van Zandvoort (MJVZ)	2.00	\$575.00	\$1,150.00
Miranda E. Spence (MES)	13.90	\$550.00	\$7,645.00
Shannon R. Morris (SRM)	0.50	\$395.00	\$197.50
Steven L. Graff (SLG)	1.60	\$875.00	\$1,400.00
Patrick L. Williams (PLW)	1.70	\$225.00	\$382.50
Carlos E. Casasola (CEC)	0.40	\$315.00	\$126.00
Russell J. Sanders (RJS)	0.70	\$395.00	\$276.50
Jonathan Yantzi (JY)	0.10	\$350.00	\$35.00

OUR FEE

\$20,085.00

HST at 13%

\$2,611.05

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Wire Charges	\$17.50
Search Under P.P.S.A.	\$16.00

Total Agency Costs	\$33.50
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Subject to HST

Service Provider Fee	\$9.00
Corporate Search	\$31.00

Total Disbursements	\$40.00
HST at 13%	\$5.20

AMOUNT NOW DUE

\$22,774.75

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 726065 - October 25, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 726065

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

October 25, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended October 15, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	01/09/21	\$325.00	0.30	\$97.50	Call with client re APA for participation agreement
MES	01/09/21	\$550.00	1.20	\$660.00	Review supplementary affidavit of B. Asselstine, discuss with D. Lu and exchange emails with P. Cho re same; Exchange emails with D. Lu re further response to 244 position on motion
MJVZ	01/09/21	\$575.00	0.50	\$287.50	Prepare for and attend meeting with B. Bando and D. Lu; Emails with D. Lu
DYL	02/09/21	\$325.00	2.40	\$780.00	Draft responding record; email to client re responding record; serve responding record; email to counsel to SMC - MORTGAGE FUND
MES	02/09/21	\$550.00	0.50	\$275.00	Review and comment on supplementary responding record for AVO and full receivership motion

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	02/09/21	\$575.00	0.50	\$287.50	Email from K. Plunkett and purchaser counsel; Emails with D. Lu; Review matter
DYL	03/09/21	\$325.00	5.60	\$1,820.00	Draft factum re September 7, 2021 hearing; email to M. Spence
DYL	03/09/21	\$325.00	0.40	\$130.00	Revise factum; serve factum; upload materials to Sync.com
MES	03/09/21	\$550.00	0.30	\$165.00	Correspondence with B. McKenzie re brief of authorities and filing of materials for Sept 7 court date
MES	04/09/21	\$550.00	0.70	\$385.00	Revise factum of Grant Thornton for use at September 7 hearings
DYL	05/09/21	\$325.00	0.80	\$260.00	Review files to ascertain reason for registration of instrument no. WE1342637
MES	06/09/21	\$550.00	1.80	\$990.00	Exchange emails and telephone call with P. Cho re AVO motion; Prepare for court hearing
SLG	07/09/21	\$875.00	0.30	\$262.50	OOM - Discussion with D. Lu on motion and next steps; review decision of Cavanaugh, J.
DYL	07/09/21	\$325.00	2.10	\$682.50	Email to B. Bando; attend hearing; call with B. Bando; review endorsement
MES	07/09/21	\$550.00	3.70	\$2,035.00	Attend at court hearing before Justice Cavanagh and prepare for same; Debrief with B. Bando, D. Lu and exchange emails re outstanding debt; Exchange emails with P. Cho re further materials; Review endorsement of Justice Cavanagh arising from Sept 7 hearing

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	07/09/21	\$575.00	0.20	\$115.00	Emails with D. Lu regarding Barton Street
DYL	08/09/21	\$325.00	0.90	\$292.50	Email to K. Plunkett, M. v. Zandvoort re discharge of court order from 199 Barton; email to opposing counsel; review payment schedule prepared by B. Bando
DYL	08/09/21	\$325.00	2.50	\$812.50	Draft US Real Estate/Medical Fund APA
GP	08/09/21	\$250.00	1.00	\$250.00	Subsearch
MES	08/09/21	\$550.00	1.50	\$825.00	Draft letter to B. McKenzie re outstanding debt; Review loan agreement and conversations with B. Bando and D. Lu re outstanding debt; Issue letter to B. McKenzie and exchange emails with P. Cho re timing of meeting
MJVZ	08/09/21	\$575.00	0.20	\$115.00	Email to D. Lu regarding draft APA; Email from D. Lu concerning; Further emails with D. Lu concerning same
MJVZ	08/09/21	\$575.00	0.50	\$287.50	Emails with C. Casasola, C. McNeil, T. Crowley, D. Lu, and K. Plunkett regarding Barton Street
SLG	09/09/21	\$875.00	0.20	\$175.00	Review emails with B. McKenzie
DYL	09/09/21	\$325.00	1.50	\$487.50	Draft US Real Estate/Medical Fund APA
MES	09/09/21	\$550.00	0.30	\$165.00	Exchange emails with B. McKenzie, P. Cho re proposed meeting
MJVZ	09/09/21	\$575.00	0.10	\$57.50	Email from D. Lu regarding draft APA

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	10/09/21	\$550.00	2.60	\$1,430.00	Exchange emails with B. McKenzie re proposed meeting; Exchanges of emails and telephone calls with P. Cho and B. Bando re response to 244; Draft response letter to B. McKenzie and issue same
MES	11/09/21	\$550.00	0.60	\$330.00	Telephone call with B. Bando re confidential appendices and disclaimer of ESA; Review ESA and email to B. Bando
MES	12/09/21	\$550.00	1.10	\$605.00	Review confidential appendices, terms of interim arrangement with 244; Exchange emails with B. Bando re same; Discussion with S. Graff and D. Lu re same
SLG	13/09/21	\$875.00	1.50	\$1,312.50	OOM - Attend meeting with P. Cho, M. Ly, B. Bando, M. Spence and B. McKenzie and follow up meeting [REDACTED]
MES	13/09/21	\$550.00	3.10	\$1,705.00	Various exchanges of emails and telephone calls with B. Bando, P. Cho [REDACTED] Email to B. McKenzie [REDACTED] Attend virtual meeting settlement meeting with B. McKenzie, B. Bando, P. Cho; Debrief calls with B. Bando, S. Graff, P. Cho
PFB	14/09/21	\$295.00	1.90	\$560.50	Research examples of caselaw [REDACTED] Download and save relevant cases; Summarize relevant cases and share in email for M. Spence
SLG	14/09/21	\$875.00	0.40	\$350.00	Review emails from B. McKenzie and status

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	14/09/21	\$550.00	1.60	\$880.00	Review letter from B. McKenzie and discuss with B. Bando; Draft response to B. McKenzie and exchange emails with B. Bando re same; Exchange emails with P. Cho re draft SMC affidavit and proposed response to B. McKenzie (Commercial Loans)
SLG	15/09/21	\$875.00	1.00	\$875.00	Telephone call with P. Cho and M. Spence re approach to settlement and transaction
DYL	15/09/21	\$325.00	0.40	\$130.00	Communications with M. Spence; prepare for hearing - MORTGAGE FUND
MES	15/09/21	\$550.00	5.50	\$3,025.00	Review responding motion record of 244; Numerous telephone calls and exchanges of emails with P. Cho, B. Bando, S. Graff re negotiation of settlement of receivership and AVO orders; Revise and issue response letter to B. McKenzie; Draft second supplement to First Report, discuss with B. Bando and revise per B. Bando comments; Issue second supplement to First Report (Mortgage Fund)
DYL	16/09/21	\$325.00	0.70	\$227.50	Review correspondence; attend hearing - MORTGAGE FUND
MES	16/09/21	\$550.00	1.50	\$825.00	Continue negotiations and prepare for court hearing; Attend hearing before Justice Cavanagh; Review endorsement and follow-up emails
MES	17/09/21	\$550.00	0.70	\$385.00	Review and comment on settlement materials prepared by P. Cho; Exchange emails with P. Cho, B. Bando, D. Lu re same
SRM	19/09/21	\$395.00	0.20	\$79.00	Media: Review file regarding expiring PPSA registration and email re: same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	19/09/21	\$575.00	0.10	\$57.50	Email from S. Morris regarding registration
DYL	20/09/21	\$325.00	0.80	\$260.00	Clean up court orders
MES	20/09/21	\$550.00	0.50	\$275.00	Exchange emails with P. Cho, D. Lu re completing settlement docs; Call with B. Bando re same (Commercial Loans)
DYL	21/09/21	\$325.00	0.20	\$65.00	Revise AVO; email to P. Cho
MES	21/09/21	\$550.00	0.70	\$385.00	Draft proposed correspondence to Justice Cavanagh and circulate to P. Cho, B. McKenzie; Exchange emails with D. Lu re revisions to AVO
MJVZ	21/09/21	\$575.00	0.10	\$57.50	Emails with D. Lu and with S. Graff regarding APA
DYL	22/09/21	\$325.00	0.60	\$195.00	Review comments from M. van Zandvoort; revise APA
MES	22/09/21	\$550.00	0.50	\$275.00	Send email to Justice Cavanagh enclosing draft orders; Review response from Justice Cavanagh; Exchange emails with P. Cho and D. Lu re same (Commercial Loans)
MJVZ	22/09/21	\$575.00	1.50	\$862.50	Review relevant file documentation and review and revise APA and emails with D. Lu and to S. Graff regarding same; Emails with B. Bando
DYL	23/09/21	\$325.00	0.90	\$292.50	Revise endorsement; email to M. Spence
MES	23/09/21	\$550.00	1.20	\$660.00	Revise draft endorsement; Exchange emails with all counsel re proposed endorsement; Discussion with P. Cho re form of endorsement;

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
					Revise endorsement and correspondence to court and circulate to all counsel
SLG	24/09/21	\$875.00	0.30	\$262.50	OOM - Review status and discussion with M. Spence
DYL	24/09/21	\$325.00	0.30	\$97.50	Consider assignment issue; email to M. van Zandvoort and S. Graff
MES	24/09/21	\$550.00	0.60	\$330.00	Exchange emails with all counsel re correspondence to Justice Cavanagh; Email to Justice Cavanagh re form of endorsement; Review endorsement of Justice Cavanagh; Telephone call with B. Bando re appointment of receiver
MJVZ	24/09/21	\$575.00	0.10	\$57.50	Emails with S. Graff and D. Lu regarding APA
MES	27/09/21	\$550.00	0.40	\$220.00	Exchange emails with P. Cho, B. Bando re finalizing settlement and purchase agreement
MJVZ	27/09/21	\$575.00	0.20	\$115.00	Voicemail from C. Mills; Emails with C. Mills regarding status of Single Source
MES	28/09/21	\$550.00	0.20	\$110.00	Review emails from B. Bando and B. McKenzie re fulfilling statutory duties (Commercial Loans)
MJVZ	28/09/21	\$575.00	0.50	\$287.50	Prepare for and attend on conference call with C. Mills; Emails with C. Mills and with B. Bando
SLG	29/09/21	\$875.00	0.30	\$262.50	Discussion with M. Spence and M. van Zandvoort re sale doc for FL and US Real Estate litigation

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DYL	29/09/21	\$325.00	0.20	\$65.00	Call with client and P. Cho
MES	29/09/21	\$550.00	0.50	\$275.00	Conference call with B. Bando, P. Cho re preparation for closing (Commercial Loans)
MJVZ	29/09/21	\$575.00	0.10	\$57.50	Emails with B. Bando, S. Graff, and D. Lu regarding APA
MJVZ	30/09/21	\$575.00	0.20	\$115.00	Conference call with S. Graff regarding APA and revisions
MJVZ	30/09/21	\$575.00	0.10	\$57.50	Email from B. Bando regarding Single Source/CAT
JKM	01/10/21	\$675.00	0.90	\$607.50	Email to M. van Zandvoort re: judgement as a purchased asset; RV APA re: same; EM to M. van Zandvoort re: same
MES	01/10/21	\$550.00	0.30	\$165.00	Arrange to enter orders issued by Justice Cavanagh, and exchange emails with B. Bando and B. McKenzie re same
MJVZ	01/10/21	\$575.00	0.80	\$460.00	Emails with J. Merk; Revise APA; Email from J. Merk attaching revised APA and blackline; Email to B. Bando; Emails with S. Graff
MES	04/10/21	\$550.00	0.20	\$110.00	Exchange emails with P. Cho re revisions to SMC APA
MJVZ	04/10/21	\$575.00	0.10	\$57.50	Email with B. Bando regarding APA
DYL	05/10/21	\$325.00	0.60	\$195.00	Email from M. Spence; review amending agreement; email to B. Bando
JKM	05/10/21	\$675.00	0.40	\$270.00	Review APA re: closing date and outside date; Email to M. van Zandvoort re: same

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MES	05/10/21	\$550.00	0.50	\$275.00	Review proposed revisions to APA and discuss with D. Lu; Exchange emails with P. Cho re revisions to APA
MJVZ	05/10/21	\$575.00	1.10	\$632.50	Meeting with B. Bando; Emails with J. Merk; Revise APA; Emails with asset investigator; Email to B. Bando
MES	06/10/21	\$550.00	0.20	\$110.00	Exchange emails with P. Cho re form of amendment to APS
MJVZ	06/10/21	\$575.00	0.10	\$57.50	Emails with B. Bando regarding Camac
MJVZ	06/10/21	\$575.00	0.20	\$115.00	Email to C. Mills; Emails with C. Mills and to B. Bando; Email from B. Bando
DYL	07/10/21	\$325.00	0.20	\$65.00	Email to M. Spence
MES	07/10/21	\$550.00	0.70	\$385.00	Telephone call with P. Cho re materials to close purchase of 244 assets; Exchange emails with B. Bando re amendment to APA; Exchange emails with P. Cho re closing of purchase of 244 assets
MJVZ	07/10/21	\$575.00	0.60	\$345.00	Emails with asset investigator; Receive and review report; Email to C. Johnston regarding back-up materials to report
DYL	08/10/21	\$325.00	0.50	\$162.50	Assist with closing
MES	08/10/21	\$550.00	1.50	\$825.00	Review and revise closing documents; Telephone calls and exchanges of emails with Weir Foulds team, D. Lu, B. Bando re finalizing documents to close purchase of 244 assets; Arrange for final documents and signatures

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	08/10/21	\$575.00	0.50	\$287.50	Review of report and email from R. Rodriguez
DYL	12/10/21	\$325.00	0.50	\$162.50	Finalize receiver's certificate; email to M. Spence; email to B. Bando; call with B. Bando
MES	12/10/21	\$550.00	0.40	\$220.00	Exchange emails with P. Cho, B. Bando, D. Lu re closing of transaction with SMC
MJVZ	12/10/21	\$575.00	0.20	\$115.00	Emails with asset investigator and with B. Bando
MES	13/10/21	\$550.00	0.40	\$220.00	Arrange for service and filing of Receiver's certificate, and exchange emails re same
PLW	13/10/21	\$225.00	0.40	\$90.00	Submitted Receivers' Certificate for filing
MJVZ	15/10/21	\$575.00	0.20	\$115.00	Receipt of documentation from investigator

TOTAL:

75.40 \$37,164.50

Name	Hours	Rate	Value
Damian Y. Lu (DYL)	22.40	\$325.00	\$7,280.00
Miranda E. Spence (MES)	35.50	\$550.00	\$19,525.00
Mark J. van Zandvoort (MJVZ)	8.70	\$575.00	\$5,002.50
Steven L. Graff (SLG)	4.00	\$875.00	\$3,500.00
Greg Pietropaolo (GP)	1.00	\$250.00	\$250.00
Portia F. Biswas (PFB)	1.90	\$295.00	\$560.50
Shannon R. Morris (SRM)	0.20	\$395.00	\$79.00
Jeffrey K. Merk (JKM)	1.30	\$675.00	\$877.50
Patrick L. Williams (PLW)	0.40	\$225.00	\$90.00

OUR FEE

HST at 13%

\$37,164.50

\$4,831.39

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Notice of Motion/Application	\$549.00
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Subject to HST

Teraview Search	\$6.00
Photocopies/Scanning	\$52.50

Total Disbursements	\$58.50
HST at 13%	\$7.61

AMOUNT NOW DUE

\$42,611.00

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

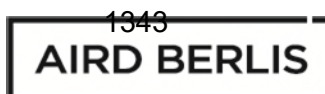
IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 729747 - November 26, 2021

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 729747

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

November 26, 2021

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended October 29, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	18/10/21	\$575.00	0.10	\$57.50	Review matters regarding Media Fund registration
MJVZ	19/10/21	\$575.00	0.30	\$172.50	Attend to Allocations
MJVZ	21/10/21	\$575.00	0.20	\$115.00	Emails with C. Mills and B. Bando regarding Single Source
MJVZ	22/10/21	\$575.00	0.10	\$57.50	Emails with B. Bando and C. Mills regarding Single Source
MJVZ	25/10/21	\$575.00	0.50	\$287.50	Receive and review correspondence from V. Mehta; Emails with B. Bando; Emails with conveyancers; Receive and review title and instrument; Emails to V. Mehta and to B. Bando
GP	26/10/21	\$250.00	1.00	\$250.00	Subsearch

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	26/10/21	\$575.00	0.40	\$230.00	Emails with B. Bando regarding Single Source and CRA discussion and position; Email to N. Bass concerning same
NEB	27/10/21	\$1,025.00	0.40	\$410.00	Review priority between Receiver and CRA; Email to M. Van Zandvoort regarding same
MJVZ	27/10/21	\$575.00	0.40	\$230.00	Review and consider email from B. Bass regarding Single Source and review of authorities
MJVZ	28/10/21	\$575.00	0.10	\$57.50	Follow-up email to N. Bass
MJVZ	29/10/21	\$575.00	0.20	\$115.00	Review email from C. Wong; Email C. Wong in response
TOTAL:			3.70	\$1,982.50	

Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	2.30	\$575.00	\$1,322.50
Greg Pietropaolo (GP)	1.00	\$250.00	\$250.00
Neil E. Bass (NEB)	0.40	\$1,025.00	\$410.00

OUR FEE \$1,982.50
HST at 13% \$257.73

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Agents Fees - Non Taxable \$1,918.20

Subject to HST

Teraview Search \$57.25

HST at 13% \$7.44

AMOUNT NOW DUE

\$4,223.12

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

A handwritten signature in black ink, appearing to read 'Steven L. Graff', with a large, stylized initial 'S'.

Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

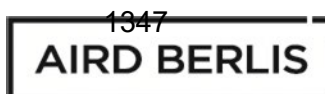
IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 736200 - January 25, 2022

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 736200

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

January 25, 2022

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended December 1, 2021

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	01/11/21	\$575.00	0.10	\$57.50	Emails with C. Wong
MJVZ	02/11/21	\$575.00	0.30	\$172.50	Review email and attachments from S. Magder and respond
NEB	04/11/21	\$1,025.00	0.10	\$102.50	Email to M. Van Zandvoort regarding CRA priority for HST
MJVZ	04/11/21	\$575.00	0.20	\$115.00	Emails with N. Bass, B. Bando, C. Mills
SRM	24/11/21	\$395.00	0.10	\$39.50	Mortgage Fund: Review file regarding expiring PPSA registration against Pond Technologies Inc. and email regarding same
MES	24/11/21	\$550.00	0.20	\$110.00	Instruct S. Morris re renewing Pond PPSA registration
MJVZ	24/11/21	\$575.00	0.10	\$57.50	Emails with S. Morris and M. Spence - Pond Technologies
SRM	25/11/21	\$395.00	0.10	\$39.50	Mortgage Fund: Prepare and submit PPSA renewal against Pond Technologies Inc

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SRM	26/11/21	\$395.00	0.10	\$39.50	Mortgage Fund: Order certified post-registration PPSA search against Pond Technologies Inc
GP	26/11/21	\$250.00	1.00	\$250.00	Subsearch
MJVZ	26/11/21	\$575.00	0.20	\$115.00	Emails with C. Casasola, B. Bando, and Spectrum regarding Information Statement
CEC	29/11/21	\$315.00	0.50	\$157.50	Receipt and review of email and letter from K. Nguyen-Luu of KMB law, solicitors for borrower of 48 McCormick Street mortgage; Email to M. van Zandvoort re request; Receipt and review of replies from B. Bando and S. Fong; Receipt of email and information statement from S. Fong; Draft of letter to KMB law and email to M. van Zandvoort for review thereof; Email to K. Nguyen-Luu with correspondence and information statement
MJVZ	29/11/21	\$575.00	0.20	\$115.00	Emails with Spectrum, C. Casasola and opposing counsel
MJVZ	29/11/21	\$575.00	0.20	\$115.00	Emails with C. Casasola, B. Bando, and Spectrum regarding Information Statement
SRM	30/11/21	\$395.00	0.20	\$79.00	Mortgage Fund: Review 3C Renewal Verification Statement and certified post-renewal search and report on same
MJVZ	01/12/21	\$575.00	0.10	\$57.50	Emails from S. Morris and M. Spence
TOTAL:			3.70	\$1,622.50	

Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	1.40	\$575.00	\$805.00
Neil E. Bass (NEB)	0.10	\$1,025.00	\$102.50
Shannon R. Morris (SRM)	0.50	\$395.00	\$197.50
Miranda E. Spence (MES)	0.20	\$550.00	\$110.00
Greg Pietropaolo (GP)	1.00	\$250.00	\$250.00
Carlos E. Casasola (CEC)	0.50	\$315.00	\$157.50

OUR FEE	\$1,622.50
HST at 13%	\$210.93

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Registration Under P.P.S.A.	\$8.00
Search Under P.P.S.A.	\$8.00

Total Agency Costs	\$16.00
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Subject to HST

Service Provider Fee	\$12.50
HST at 13%	\$1.63

AMOUNT NOW DUE

\$1,863.56

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

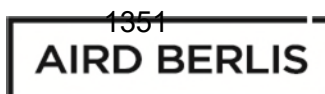
IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference. 47256393.1

Account 739458 - February 15, 2022

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 739458

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

February 15, 2022

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended January 31, 2022

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JKM	10/01/22	\$685.00	1.40	\$959.00	Telephone call with B. Bando and M. van Zandvoort re APA comments; Email to F. Gucciardo re withholding tax obligations; Telephone call with S. Nainifard re same; Email to M. van Zandvoort re same
MJVZ	10/01/22	\$625.00	1.00	\$625.00	Email from B. Bando attaching revised APA; Review same and emails with J. Merk and B. Bando; Review asset investigator materials in preparation of call
AG	11/01/22	\$795.00	2.30	\$1,828.50	Email from J. Merk; Reviewing asset purchase transaction parameters and list of key assets; Research regarding HST issues; Email from M. van Zandvoort to provide additional relevant facts; Additional HST research regarding same; Providing preliminary HST advice
JKM	11/01/22	\$685.00	0.90	\$616.50	Revise APA

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SN	11/01/22	\$550.00	0.30	\$165.00	Reviewing email from J. Merk; call with J. Merk to discuss purchase agreement
MJVZ	11/01/22	\$625.00	1.30	\$812.50	Emails with S. Graff; Prepare for and attend meeting with B. Bando and J. Merk; Various follow-up emails with J. Merk and Tax Team regarding transaction details
AG	12/01/22	\$795.00	0.30	\$238.50	Reviewing information provided by M. van Zandvoort regarding nature of assets and suggested language in the Asset Purchase Agreement, and email to provide additional proposed language to include in the Asset Purchase Agreement
SLG	12/01/22	\$895.00	0.60	\$537.00	Telephone call with M. van Zandvoort and consider Atlanta/Georgia counsel
SN	12/01/22	\$550.00	0.10	\$55.00	Reviewing email correspondence from F. Gucciardo and A. Gentile
MJVZ	12/01/22	\$625.00	1.80	\$1,125.00	Email from and to A. Gentile; Meeting with S. Graff; Review US Real Estate LP matter and email to King & Spalding and with King & Spalding; Prepare for and attend meeting with King & Spalding; Reporting email to B. Bando
JKM	18/01/22	\$685.00	0.60	\$411.00	Revise APA re GST/HST matters; Email to B. Bando re same
MJVZ	19/01/22	\$625.00	0.20	\$125.00	Emails with B. Bando and J. Merk
MJVZ	20/01/22	\$625.00	0.20	\$125.00	Emails with B. Bando and with T. Wilson
SLG	21/01/22	\$895.00	0.30	\$268.50	Emails with T. Wilson re: pursuit of Peoples and Harkel in Georgia and Florida
JKM	21/01/22	\$685.00	0.30	\$205.50	Revise email to E. Shahinian re APA comment explanations

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	21/01/22	\$625.00	0.20	\$125.00	Review materials from T. Wilson; Emails with B. Bando concerning same and potential deal response
SLG	24/01/22	\$895.00	0.30	\$268.50	US Real Estate - Emails with T. Wilson and M. van Zandvoort
MJVZ	24/01/22	\$625.00	0.20	\$125.00	Emails with T. Wilson regarding US Real Estate LP
MJVZ	24/01/22	\$625.00	0.10	\$62.50	Email from B. Bando regarding response to proposed purchaser
MJVZ	26/01/22	\$625.00	0.20	\$125.00	Review APS and email from purchaser and email B. Bando in response
MJVZ	31/01/22	\$625.00	0.40	\$250.00	Email from B. Bando regarding Zomongo, Dome, Maljaars, and Storelli; File review regarding same; Email to W. Edney and to B. Bando

TOTAL:	13.00	\$9,053.00
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Name	Hours	Rate	Value
Jeffrey K. Merk (JKM)	3.20	\$685.00	\$2,192.00
Mark J. van Zandvoort (MJVZ)	5.60	\$625.00	\$3,500.00
Angelo Gentile (AG)	2.60	\$795.00	\$2,067.00
Saam Nainifard (SN)	0.40	\$550.00	\$220.00
Steven L. Graff (SLG)	1.20	\$895.00	\$1,074.00

OUR FEE	\$9,053.00
HST at 13%	\$1,176.89

AMOUNT NOW DUE	\$10,229.89
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THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

A handwritten signature in black ink, appearing to read 'Steven L. Graff', with a large, stylized initial 'S'.

Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 744290 - March 31, 2022

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 744290

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

March 31, 2022

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended February 17, 2022

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	01/02/22	\$625.00	0.20	\$125.00	Emails with B. Bando re US Real Estate LP/Medical Fund
SLG	03/02/22	\$895.00	0.20	\$179.00	Discussion and emails with M. van Zandvoort re liabilities disclaimer
MJVZ	03/02/22	\$625.00	0.40	\$250.00	Review and consider email from B. Bando; Email to B. Bando in response and emails with S. Graff and B. Bando regarding same
MJVZ	08/02/22	\$625.00	0.20	\$125.00	Emails with B. Bando and review appointment order regarding sale
MJVZ	14/02/22	\$625.00	0.10	\$62.50	Emails with S. Graff regarding C. Smith
SLG	16/02/22	\$895.00	0.20	\$179.00	Review emails re: sale of R.E. portfolio
MJVZ	16/02/22	\$625.00	0.50	\$312.50	Email from B. Bando regarding APA; Review redline and file correspondence and emails with J. Merk and commence revisions to APA

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SLG	17/02/22	\$895.00	0.20	\$179.00	Discussion with M. van Zandvoort re approval order (US Real Estate)
JTN	17/02/22	\$525.00	0.80	\$420.00	Engaged with drafting of language in APS re Court approval and related matters; Telephone call and email exchanges with M. van Zandvoort re same
MJVZ	17/02/22	\$625.00	0.50	\$312.50	Emails with S. Graff and J. Nemers; Meeting with S. Graff; Review revised APA and further revise APA and send blackline and revised draft to B. Bando; Email from B. Bando

TOTAL:		3.30	\$2,144.50
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Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	1.90	\$625.00	\$1,187.50
Steven L. Graff (SLG)	0.60	\$895.00	\$537.00
Jeremy T. Nemers (JTN)	0.80	\$525.00	\$420.00

OUR FEE	\$2,144.50
HST at 13%	\$278.79

AMOUNT NOW DUE	\$2,423.29
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THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 746732 - April 14, 2022

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 746732

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

April 14, 2022

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended March 31, 2022

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	03/03/22	\$625.00	0.60	\$375.00	Review file regarding next steps re remaining litigation matters and emails with K. Lakhani re same
RJS	14/03/22	\$450.00	0.40	\$180.00	Correspondence with M. Van Zandvoort re mortgage conveyance
MES	14/03/22	\$595.00	0.20	\$119.00	Call with lawyer for vendor of property encumbered by CW registration and email to M. van Zandvoort re same
MJVZ	14/03/22	\$625.00	0.50	\$312.50	Emails with M. Spence regarding 1 Ashton Street and call from B. McMaster; Emails with R. Sanders; Phone call and email to B. McMaster; Review file and transfer documents regarding 2017 sale to Squire
KAL	15/03/22	\$375.00	1.50	\$562.50	Video conference with M. van Zandvoort re developing next steps on outstanding actions; begin file review for same purposes

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	15/03/22	\$625.00	1.50	\$937.50	Review remaining litigation matters outstanding in preparation for meeting with K. Lakhani; Meeting with K. Lakhani regarding next steps
MJVZ	15/03/22	\$625.00	0.30	\$187.50	Emails with B. McMaster's office regarding registration and instrument and position regarding removal
SRM	20/03/22	\$425.00	0.20	\$85.00	Review file re expiring Media fund registrations; email re same
MJVZ	20/03/22	\$625.00	0.20	\$125.00	Emails with S. Morris re renewals
DW	21/03/22	\$395.00	0.10	\$39.50	Email from Saskatchewan agent attaching 2022 Annual Return for CWMSL and Invoice #6275142
KAL	22/03/22	\$375.00	3.00	\$1,125.00	Review file status; assess next steps for litigation for each file
MJVZ	22/03/22	\$625.00	0.10	\$62.50	Email from S. Windle regarding registration renewal regarding CWMSL
MJVZ	22/03/22	\$625.00	0.10	\$62.50	Emails with K. Lakhani regarding meeting
DW	22/03/22	\$395.00	0.10	\$39.50	Email to J. Wainwright agent forwarding 2022 Saskatchewan Annual Return for Crystal Wealth Management System Limited and Invoice #6275142
KAL	24/03/22	\$375.00	1.00	\$375.00	Continue reviewing and assessment of outstanding files
MJVZ	28/03/22	\$625.00	0.10	\$62.50	Emails with J. Wainwright and D. Windle regarding registration
MJVZ	28/03/22	\$625.00	0.10	\$62.50	Emails with K. Lakhani regarding litigation strategy meeting

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
DW	28/03/22	\$395.00	0.10	\$39.50	Email from J. Wainwright with request on CWMSL
KAL	29/03/22	\$375.00	5.00	\$1,875.00	Continue file review re stagnant matters to enforce; begin draft outline of proposed next steps for M. van Zandvoort
JEM	29/03/22	\$295.00	0.40	\$118.00	Order, review and report on profiles and OR/CCAA searches
MJVZ	29/03/22	\$625.00	0.90	\$562.50	Various emails with litigation counsel regarding 1 Ashton discharge of instrument; Review of court materials and emails with counsel and B. Bando regarding same [REDACTED]
MJVZ	29/03/22	\$625.00	0.10	\$62.50	Emails with K. Lakhani regarding litigation strategy meeting
PLW	29/03/22	\$240.00	0.30	\$72.00	Emails to Toronto and Brampton courts regarding status of 4 actions
DW	29/03/22	\$395.00	0.50	\$197.50	Email to and from B. Bando RE registration renewal of CWMSL in Saskatchewan; Email to Saskatchewan agent with authorization to proceed and attend to filing 2022 Annual Return for said corporation; Attend to arrange for payment of Saskatchewan agency Invoice #6275142; Email from Saskatchewan agent attaching proof of filing of 2022 Annual Return
MJVZ	30/03/22	\$625.00	0.50	\$312.50	Emails with B. Jefferies and review court materials received
MJVZ	31/03/22	\$625.00	0.20	\$125.00	Emails with B. Jefferies; Review Order; Reporting email to B. Bando
TOTAL:			18.00	\$8,077.50	

Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	5.20	\$625.00	\$3,250.00
Russell J. Sanders (RJS)	0.40	\$450.00	\$180.00
Miranda E. Spence (MES)	0.20	\$595.00	\$119.00
Kishan A. Lakhani (KAL)	10.50	\$375.00	\$3,937.50
Shannon R. Morris (SRM)	0.20	\$425.00	\$85.00
Doreen Windle (DW)	0.80	\$395.00	\$316.00
Jenaya E. McLean (JEM)	0.40	\$295.00	\$118.00
Patrick L. Williams (PLW)	0.30	\$240.00	\$72.00

OUR FEE	\$8,077.50
HST at 13%	\$1,050.08

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Due Diligence-Gov Fee	\$132.00
() Re: F#137794 - EFT payment of SK Invoice #6275142 re Crystal Wealth Management System Limited Voucher No. 28406 for Invoice No. 6275142 issued by: (2704)MLT Aikins LLP	\$21.90

Total Agency Costs	\$153.90
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Subject to HST

Bankruptcy Search	\$79.20
Due Diligence	\$396.00
Agency Fee	\$365.00

Total Disbursements	\$840.20
HST at 13%	\$109.23

AMOUNT NOW DUE

\$10,230.91

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

A handwritten signature in black ink, appearing to read 'Steven L. Graff', with a stylized, cursive script.

Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 750831 - May 16, 2022

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 750831

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

May 16, 2022

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended April 29, 2022

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	04/04/22	\$625.00	0.20	\$125.00	Review registrations
KAL	06/04/22	\$375.00	2.50	\$937.50	Continue review and analysis of pending Crystal Wealth enforcement actions against various defendants (re Factoring Fund, Hedge Fund, etc.) and continue draft outline of next steps
MJVZ	06/04/22	\$625.00	0.10	\$62.50	Emails with K. Lakhani regarding meeting to discuss advancement of litigation
KAL	12/04/22	\$375.00	2.50	\$937.50	Continue review and analysis of pending Crystal Wealth enforcement actions against various defendants
MJVZ	12/04/22	\$625.00	0.10	\$62.50	Emails with K. Lakhani regarding next steps in remaining proceedings
SLG	13/04/22	\$895.00	0.20	\$179.00	Address T.M. matters and emails with M. van Zandvoort

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
JTN	13/04/22	\$525.00	0.20	\$105.00	Email exchanges with M. van Zandvoort and K. Clark re intersection of receivership and IP-related issues
MJVZ	13/04/22	\$625.00	0.50	\$312.50	Email from K. Clark regarding s. 45 notice received; Emails with K. Clark, S. Graff, J. Nemers and B. Bando regarding same and advise of recommended strategy and approach
KAL	14/04/22	\$375.00	3.50	\$1,312.50	Analyze [REDACTED] [REDACTED] [REDACTED] revise outline of proposed next steps; continue review of file status re same
JEM	14/04/22	\$295.00	0.40	\$118.00	Discussion with K. Lakhani; Order, review and report on profile, PPSA searches and title searches
MJVZ	14/04/22	\$625.00	0.10	\$62.50	Emails with K. Lakhani regarding next steps
KAL	17/04/22	\$375.00	1.50	\$562.50	Complete outline of next steps and update re: outstanding litigation matters
KRC	18/04/22	\$725.00	0.30	\$217.50	Emails with opposing counsel re s. 45 proceeding; email re meeting to discuss
MJVZ	18/04/22	\$625.00	1.00	\$625.00	Review email and memo from K. Lakhani and consider next steps regarding outstanding litigation
MJVZ	19/04/22	\$625.00	0.20	\$125.00	Emails with K. Lakhani regarding meeting concerning next steps in litigation
KAL	20/04/22	\$375.00	0.10	\$37.50	Correspond with Grant Thornton (B. Bando) re Status update
MJVZ	20/04/22	\$625.00	0.10	\$62.50	Emails from K. Lakhani and B. Bando regarding meeting regarding litigation matters

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KAL	21/04/22	\$375.00	0.10	\$37.50	Correspond with client and M van Zandvoort re: Next steps discussion
MJVZ	21/04/22	\$625.00	0.10	\$62.50	Emails from K. Lakhani regarding meeting regarding litigation matters
KAL	22/04/22	\$375.00	0.80	\$300.00	Videoconference with Grant Thornton and M van Zandvoort re: Status updates and proposed next steps
MJVZ	22/04/22	\$625.00	0.70	\$437.50	Prepare for and attend meeting with K. Lakhani, J. Krieger, and B. Bando regarding outstanding matters and strategy and approach
MJVZ	26/04/22	\$625.00	0.30	\$187.50	Review file and email to B. Bando regarding holdbacks
JTN	28/04/22	\$525.00	0.10	\$52.50	Receipt and review of email from K. Clark re IP-related issues
MES	28/04/22	\$595.00	0.20	\$119.00	Review emails from M. van Zandvoort and B. Bando re Pond update (Commercial Loans)
MJVZ	28/04/22	\$625.00	0.10	\$62.50	Email from K. Clark regarding TM
MJVZ	28/04/22	\$625.00	0.20	\$125.00	Emails with B. Bando and M. Spence regarding Pond and review of press release
JTN	29/04/22	\$525.00	0.10	\$52.50	Email exchanges with K. Clark and M. van Zandvoort re IP-related matters
MJVZ	29/04/22	\$625.00	0.20	\$125.00	Emails with K. Clark regarding TM
TOTAL:			16.40	\$7,406.00	

Name	Hours	Rate	Value
Mark J. van Zandvoort (MJVZ)	3.90	\$625.00	\$2,437.50
Kishan A. Lakhani (KAL)	11.00	\$375.00	\$4,125.00
Steven L. Graff (SLG)	0.20	\$895.00	\$179.00
Jeremy T. Nemers (JTN)	0.40	\$525.00	\$210.00
Jenaya E. McLean (JEM)	0.40	\$295.00	\$118.00
Kenneth R. Clark (KRC)	0.30	\$725.00	\$217.50
Miranda E. Spence (MES)	0.20	\$595.00	\$119.00

OUR FEE	\$7,406.00
HST at 13%	\$962.78

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$8.50
Registration Under P.P.S.A.	\$22.41
Due Diligence-Gov Fee	\$8.50

Total Agency Costs	\$39.41
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Subject to HST

Service Provider Fee	\$37.15
Due Diligence	\$22.00

Total Disbursements	\$59.15
HST at 13%	\$7.69

AMOUNT NOW DUE

\$8,475.03

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

IN ACCOUNT WITH:



«DefaultInvAddressHeader»
«DefaultInvCity» «DefaultInvProvince»
«DefaultInvPostalCode» «DefaultInvCountry»
T «DefaultInvPhoneNumber» F «DefaultInvFaxNumber»
«DefaultInvURLAddress»

«BAdd0»
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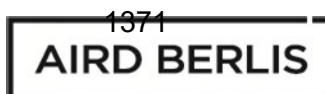
Invoice No.: «InvNo»

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: «ClientCode»/«MatterNo»
Client No.: «ClientCode»
Matter No.: «MatterNo»

«InvDate»

Account 754079 - June 13, 2022

IN ACCOUNT WITH:



Brookfield Place, 181 Bay Street, Suite 1800
Toronto, Ontario, Canada M5J 2T9
T 416.863.1500 F 416.863.1515
airdberlis.com

Grant Thornton Limited
200 King Street West, 11th Floor
Toronto, ON
M5H 3T4

Attention: Mr. Jonathan Krieger

Invoice No.: 754079

PLEASE WRITE INVOICE NUMBERS
ON THE BACK OF ALL CHEQUES
File No.: 25227/137794
Client No.: 25227
Matter No.: 137794

June 13, 2022

Re: Receivership of Crystal Wealth Management System Limited, et al

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended May 31, 2022

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
KRC	08/04/22	\$725.00	0.30	\$217.50	Emails regarding s. 45 proceeding with G. Cansfield; review s. 45 notice [CWM SL]
KRC	11/04/22	\$725.00	0.20	\$145.00	Email with R. Nicholas regarding s. 45 proceeding [CWM SL]
KRC	13/04/22	\$725.00	0.40	\$290.00	Emails with M. van Zandvoort regarding s. 45 proceeding; email with B. Bando [CWM SL]
KRC	26/04/22	\$725.00	0.50	\$362.50	Meeting with S. Vaccari regarding settlement of s. 45 proceeding [CWM SL]
KRC	28/04/22	\$725.00	0.40	\$290.00	Emails with M. van Zandvoort; email with opposing counsel [CWM SL]
KRC	29/04/22	\$725.00	0.20	\$145.00	Emails with M. van Zandvoort regarding trademark s. 45 proceeding [CWM SL]
KRC	02/05/22	\$725.00	0.40	\$290.00	Email with B. Bando regarding offer for settlement of s. 45 proceeding [CWM SL]

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	02/05/22	\$625.00	0.20	\$125.00	Email from K. Clark; Voicemail from B. Bando; Telephone call to B. Bando; Emails with B. Bando regarding CWMSL trademark
KAL	03/05/22	\$375.00	0.70	\$262.50	Review - Compile list of contacts re outstanding litigation matters and assess strategy
KRC	04/05/22	\$725.00	0.40	\$290.00	Email with S. Vaccari regarding proposed settlement; email with M. van Zandvoort regarding agreement to amend trademark to [REDACTED]
MJVZ	04/05/22	\$625.00	0.50	\$312.50	Review background correspondence and attend meeting with B. Bando; Emails with K. Clark and B. Bando regarding TM issue
MJVZ	05/05/22	\$625.00	0.10	\$62.50	Email to K. Lakhani re advancement of litigation matters
KAL	09/05/22	\$375.00	2.50	\$937.50	Draft letters to counsel for each Jerry Froese, Marion DenHollander, Jeffrey Maljaars re [REDACTED] draft emails to respective bankruptcy trustees re status updates on respective matters of Darcy Pahl, Jeremy Ostrowski, and Jocelyne Hughes-Ostrowski
MJVZ	09/05/22	\$625.00	0.20	\$125.00	Review email from K. Lakhani regarding draft correspondence to defendants
KRC	11/05/22	\$725.00	0.10	\$72.50	Email with [REDACTED]
MJVZ	11/05/22	\$625.00	0.20	\$125.00	Review and consider email from B. Bando regarding Single Source
KRC	12/05/22	\$725.00	0.20	\$145.00	Email with S. Vaccari

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SH	12/05/22	\$295.00	1.60	\$472.00	Receive instructions from J. Nemers; Review correspondence from client; Research mechanics' liens and the priority of same under the Alberta PPSA and the Garage Keepers' Lien Act; Email to J. Nemers and M. van Zandvoort re same
SRM	12/05/22	\$425.00	0.40	\$170.00	Factoring/Hedge: Review emails and file re specific requirement to be released; Order, review and report on VIN searches
JTN	12/05/22	\$525.00	0.20	\$105.00	Email exchange with M. van Zandvoort and telephone call with S. Hans re matters re mechanics lien
MJVZ	12/05/22	\$625.00	0.60	\$375.00	Review file and emails with S. Morris and B. Bando regarding Single Source registrations and review of mechanic's lien issue; Emails with J. Nemers and S. Hans and review Act provisions regarding mechanic/garage keeper liens
SRM	13/05/22	\$425.00	0.10	\$42.50	Factoring/Hedge: Emails re VIN searches and confirming same
MJVZ	13/05/22	\$625.00	0.80	\$500.00	Emails with S. Morris regarding registrations; Draft reporting email to B. Bando and draft response to be sent to claimant regarding Single Source
SRM	14/05/22	\$425.00	0.20	\$85.00	[A104] Review/Analyze: Factoring/Hedge: Review expiring registration and email regarding same
MJVZ	14/05/22	\$625.00	0.10	\$62.50	Emails with S. Morris regarding registrations
MJVZ	17/05/22	\$625.00	0.10	\$62.50	Emails with K. Clark re status of expungement application
SLG	18/05/22	\$895.00	0.20	\$179.00	Discussion with M. van Zandvoort

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
SRM	18/05/22	\$425.00	4.50	\$1,912.50	Review email and sale documents; Review file and emails re same; Order and revise instruments registered on title; Order and review updated title searches; Continue review of file and prepare summary of same
MJVZ	18/05/22	\$625.00	5.20	\$3,250.00	Receive and review application from Gowling returnable tomorrow at ACQB; Review historical information and instruments concerning collateral mortgage; Request instruments; Emails with S. Morris regarding same and obtaining postponements; Reporting email to Receiver; Meeting with S. Graff to discuss strategy and approach; Draft letter to all counsel setting out Receiver position; Emails with Receiver; Email from plaintiff counsel
SD	19/05/22	\$295.00	0.60	\$177.00	Assist with preparation of ABQB attendance
SLG	19/05/22	\$895.00	0.30	\$268.50	Email with B. Bando and M. van Zandvoort
SRM	19/05/22	\$425.00	2.90	\$1,232.50	Continue reviewing titles and ordering additional instruments; Preparing charts re same
MJVZ	19/05/22	\$625.00	4.00	\$2,500.00	Review of various court materials in preparation of motion attendance; Attend application hearing before Master Mattis of the Alberta Court of Queen's Bench; Emails with plaintiff counsel and second mortgagee following attendance and review and comment on draft order; Reporting email to B. Bando; Emails with H. Wong regarding meeting and assessment of priority dispute; Emails with S. Graff

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
MJVZ	20/05/22	\$625.00	1.00	\$625.00	Emails with D. Esch and co-defendant regarding draft Order and conference call; Email attaching executed endorsement of draft Order; Prepare for and attend meeting with H. Wong regarding Pine Lakes; Emails with S. Morris and H. Wong
HHW	20/05/22	\$450.00	0.50	\$225.00	Telephone attendance with M. van Zandvoort to receive initial instructions on application proceeding in Alberta; Reviewing correspondence regarding same
SRM	23/05/22	\$425.00	0.20	\$85.00	Review email; Prepare and submit AB PPSA renewal against 1566496 Alberta Ltd
SRM	24/05/22	\$425.00	0.10	\$42.50	Review Alberta Renewal; Order post-renewal search
MJVZ	24/05/22	\$625.00	1.20	\$750.00	Emails and meeting with H. Wong; Meeting with H. Wong and D. Esch; Follow-up emails with H. Wong and S. Morris
HHW	24/05/22	\$450.00	6.30	\$2,835.00	Reviewing file in preparation for call with opposite counsel and drafting legal opinion; Reviewing various instruments, transfers, and memos; Drafting notes to file on same; Preparation for and attendance with opposite counsel to discuss documents needed for analysis on receiver's position on mortgage priority
SRM	25/05/22	\$425.00	2.00	\$850.00	Discussion with H. Wong; Review documents and titles; Email to Agent regarding inactive title searches; Order and review additional documents; Email to H. Wong re same
MJVZ	25/05/22	\$625.00	0.20	\$125.00	Review email and attachments from S. Morris regarding Collateral Mortgage

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
HHW	25/05/22	\$450.00	6.10	\$2,745.00	Further review of documents in preparation for drafting opinion on priority of mortgage against Alberta parcels; Conducting legal research in support of same; Further drafting of opinion
SRM	26/05/22	\$425.00	0.20	\$85.00	Emails and telephone call with Agent regarding cancelled title searches
MJVZ	26/05/22	\$625.00	0.80	\$500.00	Review and consider memo and caselaw from H. Wong; Emails with H. Wong and Gowling regarding document requests
HHW	26/05/22	\$450.00	4.90	\$2,205.00	Further legal research into issue of enforcement of collateral mortgage and considering legal issues in respect of same; Drafting and finalizing memorandum; Email correspondence to Gowlings requesting documents to review in support of providing legal opinion to client
KRC	27/05/22	\$725.00	0.20	\$145.00	Emails with S. Vaccari regarding s. 45 proceeding
SLG	27/05/22	\$895.00	0.20	\$179.00	Email re priority entitlement to cash
DW	27/05/22	\$395.00	0.10	\$39.50	Email from Saskatchewan agent attaching current Profile Report showing recent change in Power of Attorney for Crystal Wealth Management System Limited in Saskatchewan
HHW	30/05/22	\$450.00	0.30	\$135.00	Reviewing file in preparation for response to opposite counsel requesting further documents
MJVZ	31/05/22	\$625.00	0.40	\$250.00	Emails with H. Wong regarding review of pleadings and follow-up request to Gowling regarding document requests; Consider Gowling response

LAWYER	DATE	RATE/ HOUR	TIME	VALUE	DESCRIPTION
HHW	31/05/22	\$450.00	0.20	\$90.00	Email correspondence to opposite counsel requesting updates on production of documents
TOTAL:			54.20	\$27,502.50	

Name	Hours	Rate	Value
Kenneth R. Clark (KRC)	3.30	\$725.00	\$2,392.50
Mark J. van Zandvoort (MJVZ)	15.60	\$625.00	\$9,750.00
Kishan A. Lakhani (KAL)	3.20	\$375.00	\$1,200.00
Samantha Hans (SH)	1.60	\$295.00	\$472.00
Shannon R. Morris (SRM)	10.60	\$425.00	\$4,505.00
Jeremy T. Nemers (JTN)	0.20	\$525.00	\$105.00
Steven L. Graff (SLG)	0.70	\$895.00	\$626.50
Simon Dugas (SD)	0.60	\$295.00	\$177.00
Hansen H. Wong (HHW)	18.30	\$450.00	\$8,235.00
Doreen Windle (DW)	0.10	\$395.00	\$39.50

OUR FEE	\$27,502.50
HST at 13%	\$3,575.33

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Search Under P.P.S.A.	\$233.00
Registration Under P.P.S.A.	\$2.00

Total Agency Costs	\$235.00
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Subject to HST

Service Provider Fee	\$440.70
Photocopies/Scanning	\$65.50

Total Disbursements	\$506.20
HST at 13%	\$65.81

AMOUNT NOW DUE	\$31,884.84
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THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

A handwritten signature in black ink, appearing to read 'Steven L. Graff', with a large, stylized initial 'S'.

Steven L. Graff

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 1.0% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the account number as reference.

Account 1302586 - July 29, 2022



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

July 29, 2022

Attention: Mr. Jonathan Krieger

Invoice No: 1302586

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending June 30, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
HHW	01/06/22	450.00	0.20	90.00	Email correspondence to Gowlings with further request for documents
MJVZ	01/06/22	625.00	0.50	312.50	Review and consideration of emails from B. Bando regarding investor request
MJVZ	01/06/22	625.00	0.40	250.00	Emails with H. Wong regarding Aspen Shores and next steps
JAW	02/06/22	825.00	0.80	660.00	Review correspondence; Email to M. van Zandvoort re transfer of trust units
MJVZ	02/06/22	625.00	0.30	187.50	Further emails with B. Bando; Emails with J. Wainwright; Emails with B. Bando and P. Kouadio regarding conference call
JAW	03/06/22	825.00	0.20	165.00	Telephone call with M. van Zandvoort, B. Bando and P. Kouadio re proposed transfer of hedge fund and factoring fund units
MJVZ	03/06/22	625.00	0.60	375.00	Attend meeting with B. Bando, P. Kouadio, and J. Wainwright; Follow-up emails regarding same
SRM	05/06/22	425.00	0.20	85.00	Hedging/Factoring: Review PPSA renewal and post-registration PPSA search and report on same; Update registration chart
HHW	06/06/22	450.00	0.20	90.00	Email correspondence to opposite counsel regarding status of request for documents; Email correspondence from opposite counsel regarding same
MJVZ	06/06/22	625.00	0.20	125.00	Emails with Gowing and H. Wong regarding Aspen Pines

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
HHW	07/06/22	450.00	0.50	225.00	Email correspondence to C. Walter of Carscallen LLP to request additional documents and information related to postponements; Email correspondence to DS Burstall regarding same; Drafting email to client and delivery to M. van Zandvoort
MJVZ	07/06/22	625.00	0.40	250.00	Emails with H. Wong regarding motion attendance; Emails with B. Bando; Emails with borrower counsel
HHW	08/06/22	450.00	0.10	45.00	Telephone attendance with M. van Zandvoort re upcoming morning chambers attendance; Email correspondence to opposite counsel confirming WebEx coordinates
JAW	08/06/22	825.00	1.00	825.00	Review trust declarations; offering memorandums and subscription agreements; Draft email re transfer provisions; Internal emails; Email to B. Bando re same
MJVZ	08/06/22	625.00	0.20	125.00	Emails with H. Wong regarding strategy and approach for motion attendance
MJVZ	08/06/22	625.00	0.20	125.00	Review draft response from J. Wainwright regarding transfer of accounts; Email to J. Wainwright regarding same
HHW	09/06/22	450.00	1.00	450.00	Preparation for and attendance at morning chambers before Master Mason to speak to relisting of parcel 1 and sale of parcels 2 and 3; Email correspondence to borrower's counsel following up on request for documents; Email correspondence with Pillar Capital's counsel regarding hearing
MJVZ	09/06/22	625.00	0.20	125.00	Emails with H. Wong regarding motion attendance and next steps; Review email from R. Verbuck
HHW	13/06/22	450.00	0.40	180.00	Email correspondence from counsel for DS Burstall re request for information; Compiling information and documents and delivery of same to counsel for DS Burstall
MJVZ	13/06/22	625.00	0.10	62.50	Review emails from H. Wong and E. Halt re Aspen
MJVZ	13/06/22	625.00	0.20	125.00	Review email from K. Clark and attached proposed settlement agreement; Email comments to K. Clark concerning same
MJVZ	14/06/22	625.00	0.30	187.50	Review and consider email and draft Order from Gowling

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
HHW	15/06/22	450.00	0.40	180.00	Reviewing draft order from counsel for Pillar Capital; Email correspondence from M. van Zandvoort regarding same; Email correspondence to opposite counsel with proposed revisions and redline
MJVZ	15/06/22	625.00	0.60	375.00	Review court materials and revise draft Order; Emails with H. Wong regarding same
MJVZ	16/06/22	625.00	0.10	62.50	Email from K. Clark; Email from B. Bando
KRC	20/06/22	725.00	0.30	217.50	Email with opposing counsel regarding executed settlement agreement; email with receiver regarding executed settlement agreement
MJVZ	20/06/22	625.00	0.10	62.50	Emails from plaintiff counsel and H. Wong regarding draft Order
HHW	21/06/22	450.00	0.20	90.00	Email correspondence with counsel for DS Burstall requesting update; Reviewing finalized order and returning signed copy to opposite counsel
DW	22/06/22	395.00	0.60	237.00	Receive email from Alberta agent attaching 2022 Annual Return for Crystal Wealth Management System Limited and Invoice #798081 in connection with foregoing Annual Return and acting as Agent for Service in Alberta; Review, complete and finalize 2022 Annual Return; Email to B. Bando attaching said invoice and Annual Return for signature and return; Further email from Alberta agent attaching Agent for Service Agreement between Parlee McLaws LLP and said corporation; Email to B. Bando attaching said agreement for signature and return
DW	23/06/22	395.00	0.40	158.00	Email from B. Bando attaching signed copy of 2022 Annual Return for Crystal Wealth Management System Limited; Email to Alberta agent attaching said Annual Return; Further email from B. Bando attaching signed copy of Agent for Service Agreement; Email to Alberta agent attaching said agreement; Email from Alberta agent attaching Proof of Filing of 2022 Annual Return
MJVZ	23/06/22	625.00	0.10	62.50	Review of emails from D. Windle and B. Bando regarding registration
MJVZ	23/06/22	625.00	0.10	62.50	Email from E. Halt regarding Aspen Shore
HHW	27/06/22	450.00	0.10	45.00	Email correspondence to counsel for DS Burstall seeking update

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PAGE 4 OF INVOICE NO: 1302586

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	27/06/22	625.00	0.20	125.00	Review emails from and with counsel and H. Wong re draft Order and document request re Aspen Shore
MJVZ	27/06/22	625.00	0.10	62.50	Emails with D. Windle and J. Wainwright
HHW	30/06/22	450.00	0.10	45.00	Email correspondence to counsel for DS Burstall seeking update
TOTAL:			11.60	\$6,850.00	

Name	Hours	Rate	Value
Clark, Kenneth R (KRC)	0.30	\$725.00	\$217.50
Morris, Shannon R (SRM)	0.20	\$425.00	\$85.00
van Zandvoort, Mark J. (MJVZ)	4.90	\$625.00	\$3,062.50
Wainwright, Jennifer A. (JAW)	2.00	\$825.00	\$1,650.00
Windle, Doreen (DW)	1.00	\$395.00	\$395.00
Wong, Hansen H. (HHW)	3.20	\$450.00	\$1,440.00

OUR FEE

\$6,850.00

HST @ 13%

890.50

AMOUNT DUE**\$7,740.50 CAD**

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Aird & Berlis LLP



Steven L. Graff

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GST / HST Registration # 12184 6539 RT0001

Account 1304808 - August 26, 2022



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

August 26, 2022

Attention: Mr. Jonathan Krieger

Invoice No: 1304808

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending July 31, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
KRC	10/06/22	725.00	0.30	217.50	Emails with S. Vaccari
KRC	16/06/22	725.00	0.30	217.50	Emails with B. Bando regarding settlement agreement.
KRC	23/06/22	725.00	0.10	72.50	Email with S. Vaccari.
KRC	24/06/22	725.00	0.40	290.00	Emails with S. Vaccari regarding settlement agreement.
KRC	26/06/22	725.00	0.20	145.00	Email with S. Vaccari regarding settlement agreement.
HHW	05/07/22	450.00	0.50	225.00	Email correspondence from M. van Zandvoort regarding carriage of enforcement matters; Reviewing documents in preparation for same
JAW	05/07/22	825.00	0.20	165.00	Review and respond to D. Windle email re Crystal Wealth extra-provincial registration; Follow-up re same
MJVZ	05/07/22	625.00	0.80	500.00	Review and revise investor notice; Emails with B. Bando regarding same; Emails with S. Graff and with H. Wong regarding next steps on outstanding litigation matters and scheduling meeting to discuss same; Email from J. Krieger regarding Investor Notice
MJVZ	05/07/22	625.00	0.10	62.50	Emails with J. Wainwright and D. Windle
SLG	05/07/22	895.00	0.30	268.50	Review notice to investors
MJVZ	06/07/22	625.00	0.10	62.50	Review email and revised Investor Notice as circulated by P. Kouadio

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	11/07/22	625.00	0.10	62.50	Emails with H. Wong
MJVZ	12/07/22	625.00	0.10	62.50	Email from H. Wong regarding Pillar Capital
HHW	19/07/22	450.00	1.50	675.00	Reviewing chart of outstanding actions in matter; Reviewing pleadings in outstanding matters; Telephone attendance with M. van Zandvoort regarding next steps in outstanding actions; Drafting email to B. Bando providing update on Pillar Capital matter; Email correspondence to counsel for DS Burstall requesting update; Email correspondence to Gowling WLG requesting update
MJVZ	19/07/22	625.00	1.20	750.00	Prepare for and attend meeting with H. Wong regarding advancement of enforcement efforts and re Aspen; Emails with H. Wong and S. Graff regarding same
MJVZ	19/07/22	625.00	0.10	62.50	Emails with S. Morris regarding registrations
SRM	19/07/22	425.00	0.30	127.50	Review file regarding registrations expiring in August for Hedge Fund and Media Funds; emails regarding same
MJVZ	20/07/22	625.00	0.10	62.50	Emails with H. Wong regarding Aspen
HHW	21/07/22	450.00	0.80	360.00	Reviewing correspondence and postponement from Peacock Linder; Drafting draft email to B. Bando regarding strategy for next steps; Email correspondence to M. van Zandvoort and S. Graff regarding same
MJVZ	21/07/22	625.00	0.30	187.50	Email from H. Wong; Review and consider correspondence received from counsel to Burstall
SLG	21/07/22	895.00	0.30	268.50	Review emails with M. van Zandvoort re priority
MJVZ	22/07/22	625.00	0.50	312.50	Emails with H. Wong and S. Graff; Conference call with S. Graff
SLG	22/07/22	895.00	0.30	268.50	Address postponements and telephone call with M. van Zandvoort
HHW	25/07/22	450.00	0.10	45.00	Email correspondence to B. Bando with advice and analysis
MJVZ	25/07/22	625.00	0.40	250.00	Meeting with S. Graff and email to H. Wong; Email from H. Wong and from B. Bando

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PAGE 3 OF INVOICE NO: 1304808

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SLG	25/07/22	895.00	0.30	268.50	Review with M. van Zandvoort re postponement and Pillar position
MJVZ	26/07/22	625.00	0.10	62.50	Email from S. Kroeger regarding sale closed
HHW	27/07/22	450.00	0.10	45.00	Email correspondence to client regarding instructions on next steps
MJVZ	27/07/22	625.00	0.20	125.00	Emails with H. Wong and B. Bandc

TOTAL:			10.10	\$6,221.50
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Name	Hours	Rate	Value
Clark, Kenneth R (KRC)	1.30	\$725.00	\$942.50
Graff, Steven L. (SLG)	1.20	\$895.00	\$1,074.00
Morris, Shannon R (SRM)	0.30	\$425.00	\$127.50
van Zandvoort, Mark J. (MJVZ)	4.10	\$625.00	\$2,562.50
Wainwright, Jennifer A. (JAW)	0.20	\$825.00	\$165.00
Wong, Hansen H. (HHW)	3.00	\$450.00	\$1,350.00

OUR FEE

HST @ 13%

\$6,221.50

808.80

AMOUNT DUE**\$7,030.30 CAD**

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Steven L. Graff

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GST / HST Registration # 12184 6539 RT0001

Account 1307596 - September 23, 2022



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 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

September 23, 2022

Attention: Mr. Jonathan Krieger

Invoice No: 1307596

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending August 31, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
KRC	02/08/22	725.00	0.20	145.00	Email with R. Nicholas regarding reporting withdrawal of s. 45 proceeding; review withdrawal of s. 45 proceeding.
HHW	03/08/22	450.00	2.10	945.00	Conducting legal research [REDACTED] Drafting email regarding same
HHW	04/08/22	450.00	1.30	585.00	Further research [REDACTED] Drafting email to B. Bando regarding same; Delivery of draft email to M. van Zandvoort
MJVZ	04/08/22	625.00	0.20	125.00	Emails with H. Wong regarding Aspen Shores – Factoring/Hedge
HHW	05/08/22	450.00	2.30	1,035.00	[REDACTED] Drafting table of outstanding enforcement matters in Crystal Wealth receivership; Reviewing file in support of drafting summary table; Email correspondence to opposite counsel regarding priority claim against Pillar Capital sale proceeds
MJVZ	05/08/22	625.00	0.70	437.50	Review draft report and cases appended; Revisions to same and email revised draft to H. Wong; Emails from H. Wong and B. Bando regarding same regarding Aspen Shores
TOTAL:			6.80	\$3,272.50	

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PAGE 2 OF INVOICE NO: 1307596

Name	Hours	Rate	Value
Clark, Kenneth R (KRC)	0.20	\$725.00	\$145.00
van Zandvoort, Mark J. (MJVZ)	0.90	\$625.00	\$562.50
Wong, Hansen H. (HHW)	5.70	\$450.00	\$2,565.00

OUR FEE

\$3,272.50

HST @ 13%

425.43

AMOUNT DUE**\$3,697.93 CAD**

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Steven L. Graff

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GST / HST Registration # 12184 6539 RT0001

Account 1312005 - October 31, 2022



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 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

October 31, 2022

Attention: Mr. Jonathan Krieger

Invoice No: 1312005

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending September 30, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SRM	15/09/22	425.00	0.30	127.50	Review file re numerous registrations coming up for renewal in October; email to M. Van Zandvoort and M. Spence re same
MJVZ	26/09/22	625.00	0.20	125.00	Receive and review motion materials regarding Aspen Shore
TOTAL:			0.50	\$252.50	

Name	Hours	Rate	Value
Morris, Shannon R (SRM)	0.30	\$425.00	\$127.50
van Zandvoort, Mark J. (MJVZ)	0.20	\$625.00	\$125.00

OUR FEE \$252.50
 HST @ 13% 32.83

AMOUNT DUE **\$285.33 CAD**

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Steven L. Graff

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Toronto, ON M5K 1A2		

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GST / HST Registration # 12184 6539 RT0001

Account 1315644 - November 15, 2022



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

November 15, 2022

Attention: Mr. Jonathan Krieger

Invoice No: 1315644

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending October 31, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
HHW	07/10/22	450.00	0.80	360.00	Reviewing additional materials from Pillar Capital regarding sale of Aspen Shores parcels; Email correspondence to B. Bando summarizing additional materials and providing analysis on same
MJVZ	07/10/22	625.00	0.20	125.00	Review materials received from counsel re Aspen Shores Estate; Emails with H. Wong
MJVZ	12/10/22	625.00	0.20	125.00	Emails with C. Casasola and B. Bando regarding mortgage payout on 48 McCormick St, Welland
MJVZ	13/10/22	625.00	0.20	125.00	Review emails and materials received from counsel regarding Aspen Shores
MJVZ	14/10/22	625.00	0.20	125.00	Review emails and materials received from counsel regarding Aspen Shores
MJVZ	18/10/22	625.00	0.10	62.50	Emails with B. Bando re SS&C
JEM	21/10/22	295.00	1.20	354.00	Review file; Draft and submit PPSA renewal and re-registrations
MJVZ	21/10/22	625.00	0.20	125.00	Emails with S. Morris and J. McLean regarding security renewals
JEM	24/10/22	295.00	0.50	147.50	Review and report on PPSA registrations; Order, review and report on post-registration searches
MJVZ	24/10/22	625.00	0.10	62.50	Emails with J. McLean regarding registration renewals

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PAGE 2 OF INVOICE NO: 1315644

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
JEM	26/10/22	295.00	0.40	118.00	Review and report on 3C verification statements and post-registration search
MJVZ	26/10/22	625.00	0.10	62.50	Emails with J. McLean regarding registration renewals
TOTAL:			4.20	\$1,792.00	

Name	Hours	Rate	Value
McLean, Jenaya E. (JEM)	2.10	\$295.00	\$619.50
van Zandvoort, Mark J. (MJVZ)	1.30	\$625.00	\$812.50
Wong, Hansen H. (HHW)	0.80	\$450.00	\$360.00

OUR FEE	\$1,792.00
HST @ 13%	232.96

DISBURSEMENTS**Non-Taxable Disbursements**

Registration Under P.P.S.A.	256.50
Search Under P.P.S.A.	42.50

Total Non-Taxable Disbursements	\$299.00
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Taxable Disbursements

Service Provider Fee	298.85
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Total Taxable Disbursements	\$298.85
HST @ 13%	38.85

AMOUNT DUE

\$2,661.66 CAD

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Steven L. Graff

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PAGE 3 OF INVOICE NO: 1315644

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Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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GST / HST Registration # 12184 6539 RT0001

Account 1318370 - November 30, 2022



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

November 30, 2022

Attention: Mr. Jonathan Krieger

Invoice No: 1318370

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending November 30, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	08/11/22	625.00	0.30	187.50	Review file and emails with H. Wong regarding status of litigation matters and meeting
SRM	17/11/22	425.00	0.10	42.50	Mortgage Fund: Review file regarding expiring registration against Pond Technologies Inc. and email re same
HHW	21/11/22	450.00	4.00	1,800.00	Reviewing outstanding enforcement actions; Preparing chart of outstanding actions and next steps in each action; Reviewing pleadings and Froese and Frontline Factoring litigation in preparation for carriage of matter
HHW	22/11/22	450.00	0.20	90.00	Attendance with M. van Zandvoort to discuss next steps in CW receivership litigation
MJVZ	22/11/22	625.00	0.60	375.00	Prepare for and meet with H. Wong regarding status and next steps in remaining litigation matters
MJVZ	23/11/22	625.00	0.20	125.00	Email From B. Bando and Richardson Wealth regarding Extension Order
MJVZ	24/11/22	625.00	0.10	62.50	Email to B. Bando regarding Extension Order
HHW	25/11/22	450.00	0.30	135.00	Email correspondence to counsel for DenHollaner re next steps in litigation
MJVZ	25/11/22	625.00	0.80	500.00	Review file and temporary/extension orders and correspondence with Staff; Reporting email to B. Bando and with S. Graff [REDACTED] [REDACTED] Review email from B. Bando concerning same; Emails with S. Graff

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	25/11/22	625.00	0.20	125.00	Emails with H. Wong re litigation matters; Emails with counsel concerning same
SLG	25/11/22	895.00	0.50	447.50	Emails re status [REDACTED]
AB	28/11/22	650.00	2.60	1,690.00	Review file and appointment order; Correspond with J. Wainwright re: [REDACTED] [REDACTED] Email to B. Worndl re: [REDACTED] [REDACTED] Draft email to J. Wainwright re: same
HHW	28/11/22	450.00	0.50	225.00	Preparing list of active and outstanding matters for M. van Zandvoort; Reviewing and calculating five year set down deadlines; Email correspondence to M. van Zandvoort regarding same
JAW	28/11/22	825.00	0.40	330.00	Review and respond to M. Van Zandvoort email; Telephone call with A. Braun
MJVZ	28/11/22	625.00	0.40	250.00	Conference call to and emails with S. Graff; Emails with J. Wainwright and A. Braun
MJVZ	28/11/22	625.00	0.10	62.50	Emails with H. Wong re litigation matters
JAW	29/11/22	825.00	0.10	82.50	Review and respond to M. Van Zandvoort email
MJVZ	29/11/22	625.00	0.10	62.50	Emails with B. Bando and J. Wainwright
AB	30/11/22	650.00	0.10	65.00	Correspondence with B. Worndl re: [REDACTED] [REDACTED]
CJB	30/11/22	925.00	0.10	92.50	Discussion with B. Worndl
HHW	30/11/22	450.00	0.20	90.00	Email to counsel for M. DenHollander and D. DenHollander re status of litigation
JAW	30/11/22	825.00	0.30	247.50	Review and respond to emails with A. Braun and B. Worndl re [REDACTED]
TOTAL:			12.20	\$7,087.50	

Name	Hours	Rate	Value
Braun, Adam (AB)	2.70	\$650.00	\$1,755.00
Burns, Carol J. (CJB)	0.10	\$925.00	\$92.50
Graff, Steven L. (SLG)	0.50	\$895.00	\$447.50
Morris, Shannon R (SRM)	0.10	\$425.00	\$42.50
van Zandvoort, Mark J. (MJVZ)	2.80	\$625.00	\$1,750.00
Wainwright, Jennifer A. (JAW)	0.80	\$825.00	\$660.00
Wong, Hansen H. (HHW)	5.20	\$450.00	\$2,340.00

OUR FEE

\$7,087.50

HST @ 13%

921.38

AMOUNT DUE

\$8,008.88 CAD

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Steven L. Graff

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GST / HST Registration # 12184 6539 RT0001

Account 1321830 - December 31, 2022



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 181 Bay Street
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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

December 31, 2022

Attention: Mr. Jonathan Krieger

Invoice No: 1321830

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending November 30, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SLG	28/11/22	895.00	0.30	268.50	Emails re distribution and tax loss scenario
TOTAL:			0.30	\$268.50	

Name	Hours	Rate	Value
Graff, Steven L. (SLG)	0.30	\$895.00	\$268.50

OUR FEE	\$268.50
HST @ 13%	34.91

AMOUNT DUE	\$303.41 CAD
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PAGE 2 OF INVOICE NO: 1321830

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GST / HST Registration # 12184 6539 RT0001

Account 1323237 - January 13, 2023



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T 416 863 1500
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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

January 13, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1323237

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending December 31, 2022

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
AB	01/12/22	650.00	0.20	130.00	E-mails with B. Worndl re: tax write-off options for fund
BJW	01/12/22	1,095.00	0.20	219.00	Review emails; consider tax matters
MJVZ	01/12/22	625.00	0.40	250.00	Emails with B. Bando; Review discharge documents regarding Mortgage Fund; Emails with N. Kalvin
AB	02/12/22	650.00	1.10	715.00	Correspondence with J. Wainwright re: redemption options for receiver; email to M. van Zandvoort and S. Graff re: same
BJW	02/12/22	1,095.00	0.10	109.50	Review emails
JAW	02/12/22	825.00	0.40	330.00	Review A. Braun email; Provide comments re same
MJVZ	02/12/22	625.00	0.20	125.00	Emails with N. Kalvin and B. Bando regarding Discharge – Mortgage Fund
MJVZ	02/12/22	625.00	0.20	125.00	Emails with A. Braun, B. Bando and S. Graff re redemptions/crystalizing loss
NJK	02/12/22	750.00	0.40	300.00	Review A&D and consider; emails to and from Mark van Zandvoort
MJVZ	12/12/22	625.00	0.20	125.00	Emails with B. Bando regarding St. Mary's Cement; Review enclosures and email to M. Spence concerning same
MES	13/12/22	595.00	0.30	178.50	Review expropriation notice re St Mary's Cement facility, order property search, and exchange emails with B. Bando re same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DSH	14/12/22	325.00	0.40	130.00	Email from M. Spence; Pull PIN and review of same; Emails to and from M. Spence; Pull instrument in favour of client; Review of same; Email to M. Spence re same
MES	14/12/22	595.00	0.20	119.00	Emails with D. Hodgson re searches re expropriation of St Mary's Cement property
MJVZ	14/12/22	625.00	0.10	62.50	Review email from counsel regarding Aspen Shores and email to H. Wong re same
MES	22/12/22	595.00	0.40	238.00	Revise expropriation notice, parcel register, notice of security interest and other security documents; Email to B. Bando confirming no action required re expropriation notice
MES	22/12/22	595.00	0.30	178.50	Exchange emails with B. Bando re renewing PPSA notice for Pond, and instruct S. Morris re same
MES	23/12/22	595.00	0.10	59.50	Review email from S. Morris confirming renewal of PPSA registration re Pond
MJVZ	23/12/22	625.00	0.10	62.50	Email from S. Morris regarding renewals
SRM	23/12/22	425.00	0.20	85.00	Review renewal instructions; Prepare, submit, review and report on PPSA renewal
SRM	24/12/22	425.00	0.10	42.50	Order post-renewal PPSA search against Pond Technologies Inc.
MES	28/12/22	595.00	0.10	59.50	Review email from S. Morris with verification statement for renewal of Pond PPSA registration
MJVZ	28/12/22	625.00	0.10	62.50	Emails from S. Morris regarding registrations (Pond)
SRM	28/12/22	425.00	0.20	85.00	Review 3C Ministry verification statement and certified post-renewal search and report on same

TOTAL:	6.00	\$3,791.50
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Name	Hours	Rate	Value
Braun, Adam (AB)	1.30	\$650.00	\$845.00
Hodgson, Daniella S. (DSH)	0.40	\$325.00	\$130.00
Kalvin, Neill J. (NJK)	0.40	\$750.00	\$300.00
Morris, Shannon R (SRM)	0.50	\$425.00	\$212.50
Spence, Miranda E. (MES)	1.40	\$595.00	\$833.00
van Zandvoort, Mark J. (MJVZ)	1.30	\$625.00	\$812.50
Wainwright, Jennifer A. (JAW)	0.40	\$825.00	\$330.00
Worndl, Barbara J. (BJW)	0.30	\$1,095.00	\$328.50

OUR FEE	\$3,791.50
HST @ 13%	492.90

DISBURSEMENTS**Non-Taxable Disbursements**

Miscellaneous HST Exempt	20.69	
Registration Under P.P.S.A.	8.00	
Search Under P.P.S.A.	8.00	
Total Non-Taxable Disbursements		\$36.69

Taxable Disbursements

Bar-eX Transaction Fee	54.31	
Service Provider Fee	16.40	
Total Taxable Disbursements		\$70.71
HST @ 13%		9.19

AMOUNT DUE**\$4,400.99 CAD**THIS IS OUR INVOICE HEREIN
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Steven L. Graff

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GST / HST Registration # 12184 6539 RT0001

Account 1328338 - February 28, 2023



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 181 Bay Street
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

February 28, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1328338

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending January 31, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	05/01/23	675.00	0.60	405.00	Prepare for and attend at meeting with H. Wong regarding next steps on litigation matters (Factoring/Hedge)
MJVZ	23/01/23	675.00	0.20	135.00	Emails with H. Wong regarding remaining litigation claims and next steps – Factoring/Hedge
TOTAL:			0.80	\$540.00	

Name	Hours	Rate	Value
van Zandvoort, Mark J. (MJVZ)	0.80	\$675.00	\$540.00

OUR FEE \$540.00
 HST @ 13% 70.20

AMOUNT DUE **\$610.20 CAD**

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PAGE 2 OF INVOICE NO: 1328338

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GST / HST Registration # 12184 6539 RT0001

Account 1334831 - April 28, 2023



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T 416 863 1500
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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

April 28, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1334831

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending March 31, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DW	15/03/23	410.00	0.30	123.00	Received email from MLT Aikins LLP attaching notice to Crystal Wealth Management System Limited of transfer of title to land or minerals; Email to M. van Zandvoort and J. Wainwright forwarding said notice; Email from M. van Zandvoort with request; Telephone call to M. Franciskovic of MLT Aikins LLP with inquiry; Email from M. Franciskovic attaching document obtained from Land Titles; Email to M. van Zandvoort forwarding said document
DW	15/03/23	410.00	0.20	82.00	Email to and from B. Bando requesting confirmation on any ongoing involvement of Crystal Wealth Management System Limited in Quebec
MJVZ	15/03/23	675.00	0.50	337.50	Review correspondence from Information Services Corporation regarding transfer of title; Emails with D. Windle; Review file concerning same; Obtain and review title file; Reporting email to B. Bando; Emails with B. Bando (CWMSL)
MJVZ	15/03/23	675.00	0.10	67.50	Emails with B. Bando and D. Windle regarding Quebec registrations (CWMSL)
MJVZ	27/03/23	675.00	0.20	135.00	Email to D. Collett concerning remaining litigation matters and meeting to discuss same – Factoring/Hedge
DJC	30/03/23	450.00	1.50	675.00	Review transfer memo from H. Wong and table of outstanding enforcement matters; Review pleadings; Attend meeting with M. van Zandvoort

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	30/03/23	675.00	2.30	1,552.50	Review pleadings, productions and correspondence concerning outstanding litigation matters in preparation for meeting with D. Collett to discuss advancement of proceedings; Emails to J. Froese, S. Leclerc, and C. Popowich in connection with advancement of actions, case conferences, and next steps; Meeting with D. Collett –Factoring/ Hedge
TOTAL:			5.10	\$2,972.50	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	1.50	\$450.00	\$675.00
van Zandvoort, Mark J. (MJVZ)	3.10	\$675.00	\$2,092.50
Windle, Doreen (DW)	0.50	\$410.00	\$205.00

OUR FEE \$2,972.50
 HST @ 13% 386.43

AMOUNT DUE \$3,358.93 CAD

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Account 1338946 - May 31, 2023



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 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

May 31, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1338946

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending April 30, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DW	24/04/23	410.00	0.50	205.00	Received email from Saskatchewan agent attaching 2023 Annual Return for Crystal Wealth Management System Limited and Invoice #6357602 in connection with acting as Attorney for Service in Saskatchewan; Email to B. Bando forwarding said 2023 Annual Return with request to renew same; Email from B. Bando with request to renew; Email to B. Bando; Attend to arrange for payment of said invoice; Email from Saskatchewan agent attaching confirmation of filing of 2023 Annual Return
MJVZ	24/04/23	675.00	0.10	67.50	Review emails from D. Windle and B. Bando regarding registration renewals
DW	25/04/23	410.00	0.10	41.00	Email from Saskatchewan agent attaching correspondence from City of Regina in connection with Crystal Wealth Management System Limited
DW	26/04/23	410.00	0.10	41.00	Email to Saskatchewan agent confirming receipt of correspondence from City of Regina regarding Crystal Wealth Management System Limited; Email to M. van Zandvoort forwarding said correspondence
MJVZ	26/04/23	675.00	0.20	135.00	Review email and attachments from MLT/D. Windle; Emails with B. Bando regarding same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DW	27/04/23	410.00	0.30	123.00	Email from Saskatchewan agent attaching notice from Title Processing System, Saskatchewan Information Services Corporation (ISC) confirming change in land title owned by Crystal Wealth Management System Limited; Email to M. van Zandvoort and J. Wainwright forwarding said notice; Email from M. van Zandvoort with request; Email to B. Bando attaching said notice
MES	27/04/23	650.00	0.20	130.00	Exchange emails with B. Bando re CRA debt owing by 244
MJVZ	27/04/23	675.00	0.20	135.00	Review correspondence received from Title Process System (Saskatchewan); Emails with D. Windle and B. Bando concerning same
MES	28/04/23	650.00	0.60	390.00	Call with B. Bando re OOM and Pond issues; Review terms of OOM security; Instruct S. Morris re PPSA search and exchange emails with B. Bando re same (Commercial Loans)
SRM	28/04/23	440.00	0.20	88.00	Mortgage Fund: Review email; Order, review and report on PPSA searches for Pond Technologies Inc. and Pond Biofuel Inc.
TOTAL:			2.50	\$1,355.50	

Name	Hours	Rate	Value
Morris, Shannon R (SRM)	0.20	\$440.00	\$88.00
Spence, Miranda E. (MES)	0.80	\$650.00	\$520.00
van Zandvoort, Mark J. (MJVZ)	0.50	\$675.00	\$337.50
Windle, Doreen (DW)	1.00	\$410.00	\$410.00

OUR FEE	\$1,355.50
HST @ 13%	176.21

DISBURSEMENTS**Non-Taxable Disbursements**

Agents Fees - Non Taxable	6.00
Non-Taxable Other	22.80
Search Under P.P.S.A.	16.00

Total Non-Taxable Disbursements \$44.80

Taxable Disbursements

Agency Fee	380.00
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Service Provider Fee

10.30

Total Taxable Disbursements

\$390.30

HST @ 13%

50.74

AMOUNT DUE

\$2,017.55 CAD

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GST / HST Registration # 12184 6539 RT0001

Account 1343958 - June 30, 2023



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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

June 30, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1343958

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending May 31, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MES	01/05/23	650.00	0.80	520.00	Exchange emails and telephone call with S. Morris re Pond security review; Telephone call and emails with B. Bando re reservation of rights letter (Commercial Loans)
MJVZ	01/05/23	675.00	0.20	135.00	Emails with S. Morris regarding registration renewals for Factoring Fund
SRM	01/05/23	440.00	0.50	220.00	Factoring: Review file regarding expiring registration against 1566496 Alberta Ltd. and emails re same; Prepare and submit renewal; Review same; Order, review and report on post-renewal search
SRM	01/05/23	440.00	1.70	748.00	Mortgage Fund: Review security and searches and prepare high-level security review
MES	02/05/23	650.00	0.50	325.00	Instruct M. Lici re reservation of rights letter; Revise same and email to B. Bando (Commercial Loans)
ML	02/05/23	395.00	1.20	474.00	Prepare default and reservation of rights letter and email to M. Spence re same
MES	03/05/23	650.00	0.20	130.00	Revise reservation of rights letter per B. Bando comments and issue to Pond (Commercial Loans)
MJVZ	08/05/23	675.00	0.10	67.50	Review email from B. Bando regarding Spectrum/mortgages
MJVZ	09/05/23	675.00	0.10	67.50	Email from P. Federoff concerning title registrations; Email to and from S. Graff
SLG	09/05/23	925.00	0.30	277.50	Telephone call with P. Fedoroff re registration of new owner

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DW	11/05/23	410.00	0.20	82.00	Email from M. van Zandvoort with request on Crystal Wealth Management System Limited; Attend to online request for Certificate of Status for said corporation; Receive Certificate of Status; Email to B. Bando attaching said document
MJVZ	11/05/23	675.00	0.20	135.00	Emails with B. Bando and D. Windle regarding Certificate of Status for CWMSL
DW	17/05/23	410.00	0.20	82.00	Received email from Saskatchewan agent attaching notification from Information Services Corporation (ISC), Title Professing System, relating to a land title owned by Crystal Wealth Management System Limited (F#137794) or have an interest in; Email to M. van Zandvoort forwarding said notification; Email from M. van Zandvoort with request; Email to B. Bando forwarding notification
MJVZ	17/05/23	675.00	0.10	67.50	Review correspondence from Information Services Corporation, Title Professing System regarding Regina Lands
MJVZ	17/05/23	675.00	0.10	67.50	Emails with D. Windle regarding correspondence from Information Services Corporation, Title Professing System regarding Regina Lands
DW	19/05/23	410.00	0.10	41.00	Email from Saskatchewan agent attaching correspondence from Saskatchewan Information Services Corporation confirming change on land title owned by Crystal Wealth Management System Limited
DW	24/05/23	410.00	0.30	123.00	Email from Saskatchewan agent attaching correspondence from Saskatchewan Information Services Corporation (ISC) confirming change on land title from Crystal Wealth Management System Limited to new owner; Email to and from M. van Zandvoort; Emails to B. Bando forwarding notices received from ISC
MJVZ	24/05/23	675.00	0.10	67.50	Review emails from D. Windle forwarding correspondence from Saskatchewan/ISC, Title Processing System; emails to D. Windle concerning same
DW	29/05/23	410.00	0.20	82.00	Email from Saskatchewan agent attaching correspondence from City of Regina addressed to Crystal Wealth Management System Limited; Email to and from M. van Zandvoort; Email to B. Bando forwarding said correspondence
MES	29/05/23	650.00	0.10	65.00	Exchange emails with B. Bando re 244 priority issue (Commercial Loans)

AIRD & BERLIS LLP

PAGE 3 OF INVOICE NO: 1343958

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	29/05/23	675.00	0.10	67.50	Emails with D. Windle concerning Regina Property Tax Notice
MES	31/05/23	650.00	0.10	65.00	Review email from B. Bando re request for letter extension of Pond agreement (Commercial Loans)
TOTAL:			7.40	\$3,909.50	

Name	Hours	Rate	Value
Graff, Steven L. (SLG)	0.30	\$925.00	\$277.50
Lici, Matilda (ML)	1.20	\$395.00	\$474.00
Morris, Shannon R (SRM)	2.20	\$440.00	\$968.00
Spence, Miranda E. (MES)	1.70	\$650.00	\$1,105.00
van Zandvoort, Mark J. (MJVZ)	1.00	\$675.00	\$675.00
Windle, Doreen (DW)	1.00	\$410.00	\$410.00

OUR FEE	\$3,909.50
HST @ 13%	508.23

DISBURSEMENTS**Non-Taxable Disbursements**

Due Diligence-Gov Fee	24.00
Registration Under P.P.S.A.	2.00
Search Under P.P.S.A.	9.00

Total Non-Taxable Disbursements	\$35.00
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Taxable Disbursements

Certificate of Status	35.80
Due Diligence	30.00
Service Provider Fee	26.55

Total Taxable Disbursements	\$92.35
HST @ 13%	12.01

AMOUNT DUE

\$4,557.09 CAD

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Steven L. Graff

E.&O.E.

Payment Information

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Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
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TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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Payable To:
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Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com

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GST / HST Registration # 12184 6539 RT0001

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Account 1347998 - July 31, 2023



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

July 31, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1347998

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending June 30, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
JTN	01/06/23	575.00	0.40	230.00	Engaged with review of certain CRA-related material and telephone call with M. Spence re same; Email to B. Bando (Commercial Loans)
MES	01/06/23	650.00	0.50	325.00	Review notice from CRA re amount outstanding from 244 and discuss with J. Nemers (Commercial Loans)
JTN	02/06/23	575.00	0.30	172.50	Telephone call with B. Bando and M. Spence (Commercial Loans)
MES	02/06/23	650.00	0.30	195.00	Call with B. Bando, J. Nemers re 244 CRA issue (Commercial Loans)
MES	02/06/23	650.00	0.50	325.00	Draft letter re Pond loan extension and email to B. Bando (Commercial Loans)
MES	05/06/23	650.00	0.30	195.00	Issue amendment letter to Pond and exchange emails with B. Bando re same (Commercial Loans)
MES	06/06/23	650.00	0.20	130.00	Review email and enclosure from T. Masney enclosing signed Pond amendment (Commercial Loans)
MES	14/06/23	650.00	0.40	260.00	Review email from B. Bando enclosing NDA proposed by Pond; Review credit agreement and GSA for reporting requirements and email to B. Bando re same (Commercial Loans)
MJVZ	27/06/23	675.00	0.20	135.00	Review emails from B. Bando regarding discharge regarding Mortgage Fund in BC; Conference call with B. Bando; Email to T. Crowley (real estate)
KA	28/06/23	515.00	0.80	412.00	Review escheat issues; correspond with Jacob Brown.

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	28/06/23	675.00	0.70	472.50	Emails and meeting with T. Crowley regarding BC mortgage discharge; Email to D. Windle and J. Wainwright regarding BC registration/status; Emails with V. Clayton and T. Crowley further emails with D. Windle, V. Clayton and T. Crowley; Emails with M. Lepage-Chouinard and K. Arciaga; Email to B. Bando; Emails with B. Bando and with A&B Real Estate regarding discussion with counsel; Further emails with K. Arciaga, B. Bando and V. Clayton regarding borrower's response and request for status certificate and facilitate response
ML	28/06/23	615.00	0.20	123.00	Coordination with K. Arciaga and T. Crowley
TAC	28/06/23	730.00	0.90	657.00	Telephone conference and e-mails with M v Zandvoort, K Arciaga and M Lepage-Chouinard regarding escheats issue
KA	29/06/23	515.00	0.20	103.00	Review escheat issues; correspond with Jacob Brown.
MJVZ	29/06/23	675.00	0.20	135.00	Emails with I. Viera regarding certificate; Emails with K. Arciaga regarding response to borrower's counsel; Emails to I. Viera and K. Arciaga
TOTAL:			6.10	\$3,870.00	

Name	Hours	Rate	Value
Arciaga, Kristian (KA)	1.00	\$515.00	\$515.00
Crowley, Trevor A.W. (TAC)	0.90	\$730.00	\$657.00
Lepage-Chouinard, Mistrale (ML)	0.20	\$615.00	\$123.00
Nemers, Jeremy T (JTN)	0.70	\$575.00	\$402.50
Spence, Miranda E. (MES)	2.20	\$650.00	\$1,430.00
van Zandvoort, Mark J. (MJVZ)	1.10	\$675.00	\$742.50

OUR FEE	\$3,870.00
HST @ 13%	503.10

DISBURSEMENTS**Taxable Disbursements**

Certificate of Status 35.80

Total Taxable Disbursements	\$35.80
HST @ 13%	4.65

AMOUNT DUE**\$4,413.55 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP

Steven L. Graff

E.&O.E.

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55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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GST / HST Registration # 12184 6539 RT0001

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Account 1351519 - August 31, 2023



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
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T 416 863 1500
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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

August 31, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1351519

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending July 31, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
IBV	28/06/23	255.00	0.10	25.50	Running prelim on Crystal Wealth Management System Ltd; 137794
MJVZ	12/07/23	675.00	0.20	135.00	Emails with B. Bando re discharge, notarizing, and meeting re same
MJVZ	17/07/23	675.00	0.10	67.50	Emails with B. Bando re notarizing discharge documentation and meeting
MJVZ	20/07/23	675.00	0.40	270.00	Meeting with B. Bando to notarize discharge documents and email to B. Bando re same
MJVZ	27/07/23	675.00	0.30	202.50	Emails with B. Bando and undertake review of materials provided regarding discharge and arranging for meeting to notarize
MJVZ	31/07/23	675.00	0.20	135.00	Emails with B. Bando regarding discharges and review of attachments

TOTAL:	1.30	\$835.50
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Name	Hours	Rate	Value
van Zandvoort, Mark J. (MJVZ)	1.20	\$675.00	\$810.00
Vieira, Ivone B. (IBV)	0.10	\$255.00	\$25.50

OUR FEE	\$835.50
HST @ 13%	108.62

AMOUNT DUE	\$944.12 CAD
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GST / HST Registration # 12184 6539 RT0001

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Account 1354298 - September 29, 2023



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T 416 863 1500
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

September 29, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1354298

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending August 31, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
KA	01/08/23	515.00	0.60	309.00	Review land title office documents; call with Andrew Tomilson.
MJVZ	01/08/23	675.00	1.00	675.00	Review materials concerning discharge and prepare same for meeting with B. Bando; Emails with K. Arciaga regarding Land Titles Act certification; Email from B. Bando and review opposing counsel email and request for call; Emails with K. Arciaga and opposing counsel; Attend on call; Email to B. Bando regarding same and meeting; Revise stat dec for meeting
MJVZ	02/08/23	675.00	1.10	742.50	Prepare for and attend meeting with B. Bando re notarizing documents and report to court; Attend to letter and response to purchaser lawyer regarding McCready execution
MJVZ	03/08/23	675.00	0.20	135.00	Finalize notarized documents to send to B. Bando; Email same to B. Bando
MJVZ	04/08/23	675.00	0.20	135.00	Emails with A. Tomilson and B. Bando regarding discharge
MJVZ	07/08/23	675.00	0.10	67.50	Email to A. Tomilson regarding mortgage releases
MJVZ	08/08/23	675.00	0.10	67.50	Emails with A. Tomilson regarding discharge
MJVZ	10/08/23	675.00	0.40	270.00	Emails with B. Bando regarding Lawrick Estate; Review emails and telephone call to Spectrum counsel
MJVZ	11/08/23	675.00	0.40	270.00	Conference call with P. Federoff; Review report; Emails with S. Graff
MJVZ	12/08/23	675.00	0.10	67.50	Emails with S. Graff regarding Lawick Estate

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	14/08/23	675.00	0.10	67.50	Telephone call to S. Graff; Emails with S. Graff regarding Lawrick estate
MJVZ	15/08/23	675.00	0.20	135.00	Telephone call with S. Graff regarding Lawrick estate; Email to B. Bando
SLG	15/08/23	925.00	0.20	185.00	Discussion re Mortgage on Saskatchewan party
DJC	22/08/23	450.00	0.90	405.00	Review statement of claim re M. DenHollander and D. DenHollander; Review client documents re guarantee agreements, confirmation agreement and demand letters; Emails to M. van Zandvoort re agreements and Commercial List appointment request
MJVZ	22/08/23	675.00	2.50	1,687.50	Review status of litigation matters (Factoring/Hedge Fund); Telephone call with E. Hanoski; telephone call to S. Dugas; email to S. Dugas; emails with D. Collett re preparation of 9:30 a.m. request to address remaining litigation matters; review materials sent by D. Collett
DJC	23/08/23	450.00	1.60	720.00	Review pleadings re outstanding actions against M. DenHollander, D. DenHollander et al.; Prepare appointment request for Commercial List; Review correspondence from M. van Zandvoort re claim against Frontline Factoring and J. Froese; Email M. van Zandvoort re draft appointment request
MJVZ	23/08/23	675.00	0.40	270.00	Email to D. Collett regarding Froese/Frontline; emails with S. Leclerc regarding meeting on August 25, 2023 to discuss M. Denhollander claim; emails with D. Collett regarding case conference request
MJVZ	24/08/23	675.00	1.50	1,012.50	Review DenHollander matter in preparation for call with S. Dugas; Emails with S. Dugas and D. Collett; attend on call with S. Dugas; Review of file related materials sent by S. Dugas in preparation of call with S. Leclerc; Email to S. Dugas inquiring as to status of proceedings in Vernon, BC (Court File S8023); Further emails with S. Dugas regarding same (Factoring/Hedge)
DJC	25/08/23	450.00	0.40	180.00	Review correspondence from M. van Zandvoort re call with S. Leclerc; Email M. van Zandvoort re guarantee from M. DenHollander dated November 20, 2014 and demand letter
MJVZ	25/08/23	675.00	0.60	405.00	Prepare for call with S. Leclerc regarding Marion Denhollander matter; Attend on call with S. Leclerc; Follow-up email to S. Leclerc and emails with D. Collett regarding same (regarding Factoring/Hedge Fund)

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PAGE 3 OF INVOICE NO: 1354298

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	26/08/23	675.00	0.10	67.50	Email response regarding Frontline
MES	28/08/23	650.00	0.30	195.00	Review expropriation notice and email to B. Bando re same (Commercial Loans)
MJVZ	28/08/23	675.00	0.10	67.50	Email to D. Collett (regarding Factoring/ Hedge Fund)
TOTAL:			13.10	\$8,136.50	

Name	Hours	Rate	Value
Arciaga, Kristian (KA)	0.60	\$515.00	\$309.00
Collett, Dillon J.E. (DJC)	2.90	\$450.00	\$1,305.00
Graff, Steven L. (SLG)	0.20	\$925.00	\$185.00
Spence, Miranda E. (MES)	0.30	\$650.00	\$195.00
van Zandvoort, Mark J. (MJVZ)	9.10	\$675.00	\$6,142.50

OUR FEE	\$8,136.50
HST @ 13%	1,057.75

DISBURSEMENTS**Taxable Disbursements**

ACL - Litigation	116.00	
Total Taxable Disbursements		\$116.00
HST @ 13%		15.08

AMOUNT DUE**\$9,325.33 CAD**

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Steven L. Graff

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Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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GST / HST Registration # 12184 6539 RT0001

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Account 1357541 - October 25, 2023



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

October 25, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1357541

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending September 30, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	01/09/23	675.00	0.40	270.00	Prepare for and attend call with S. Leclerc (Factoring/Hedge)
MJVZ	05/09/23	675.00	0.20	135.00	Emails with B. Bando regarding meeting to attend to mortgage discharge documentation; Email to D. Collett
DJC	06/09/23	450.00	0.10	45.00	Schedule meeting with B. Bando and M. van Zandvoort
MJVZ	06/09/23	675.00	0.70	472.50	Emails with Receiver, counsel to Spectrum; Receive and revise discharge documents and stat dec in preparation for meeting; Emails with B. Bando regarding same
DJC	07/09/23	450.00	0.70	315.00	Meeting with M. van Zandvoort and B. Bando re statutory declaration; Email L. Bradshaw re same; Email S. Fong re payout of mortgage to Spectrum
MJVZ	07/09/23	675.00	1.40	945.00	Various revisions, emails, and conference call pertaining to mortgage discharge documents; Meeting with Receiver and attend to same; Review additional materials received and emails with D. Collett regarding same
MJVZ	07/09/23	675.00	0.30	202.50	Follow-up email to S. Leclerc (Factoring/Hedge); Office conference with D. Collett
DJC	08/09/23	450.00	0.10	45.00	Email S. Fung re payout of mortgage to Spectrum
MJVZ	08/09/23	675.00	0.10	67.50	Emails regarding mortgage discharge with D. Collett and Spectrum

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
ASR	11/09/23	515.00	0.60	309.00	Receipt and review of pay-out statement and borrower documentation regarding preparation of discharge statement; Attend to email correspondence with Carlos Casasola and Dillon Collett regarding same
DJC	11/09/23	450.00	1.10	495.00	Emails to S. Fong and P. Federoff re discharge of mortgage re Spectrum; Emails to M. van Zandvoort, B. Bando, T. Crowley and A. Raponi
MJVZ	11/09/23	675.00	0.40	270.00	Emails with Spectrum, D. Collett, Borrower counsel, B. Bando, A&B real estate, and P. Federoff regarding mortgage discharge
DJC	14/09/23	450.00	0.40	180.00	Review correspondence between M. van Zandvoort and S. Leclerc; Revise case conference request form re CV-18-604459-00CL; Email M. van Zandvoort
DJC	14/09/23	450.00	0.60	270.00	Prepare and send letter enclosing original copies of mortgage discharge documents re Spectrum to Schnell Hardy Jones LLP; Email L. Bradshaw
MJVZ	14/09/23	675.00	0.20	135.00	Emails with borrower and D. Collett regarding discharge and review letter concerning same
MJVZ	14/09/23	675.00	0.40	270.00	Emails with S. Leclerc (counsel to M. Denhollander); Revisions to case conference request (Factoring/Hedge)
DJC	18/09/23	450.00	0.10	45.00	Email L. Bradshaw re delivery of statutory declaration re mortgage discharge
MJVZ	18/09/23	675.00	0.10	67.50	Emails with borrower's counsel regarding discharge of mortgage
MES	27/09/23	650.00	0.20	130.00	Review request for extension letter for Pond loan and emails re same (Commercial Loans)
MES	28/09/23	650.00	0.50	325.00	Draft letter extension re Pond and circulate to B. Bando (Commercial Loans)
MES	29/09/23	650.00	0.30	195.00	Issue extension letter to Pond and review executed response (Commercial Loans)

TOTAL:			8.90	\$5,189.00
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	3.10	\$450.00	\$1,395.00
Raponi, Alexandra S. (ASR)	0.60	\$515.00	\$309.00
Spence, Miranda E. (MES)	1.00	\$650.00	\$650.00
van Zandvoort, Mark J. (MJVZ)	4.20	\$675.00	\$2,835.00

OUR FEE	\$5,189.00
HST @ 13%	674.57

DISBURSEMENTS**Taxable Disbursements**

Courier/Delivery	75.61	
Photocopies/Scanning	31.50	
Total Taxable Disbursements		\$107.11
HST @ 13%		13.92

AMOUNT DUE**\$5,984.60 CAD**THIS IS OUR INVOICE HEREIN
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Steven L. Graff

E.&O.E.

Payment Information**Payment by Wire Transfer:**

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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181 Bay Street
Toronto, ON M5J 2T9

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GST / HST Registration # 12184 6539 RT0001

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Account 1362413 - November 30, 2023



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

November 30, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1362413

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending October 31, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MES	02/10/23	650.00	0.80	520.00	Exchange emails and telephone call with B. Bando re settlement of Pond indebtedness (Commercial Loans)
MES	03/10/23	650.00	1.10	715.00	Draft settlement agreement and exchange emails with B. Bando re same (Commercial Loans)
MJVZ	03/10/23	675.00	0.50	337.50	Revise Case Conference request; Email to M. DenHollander counsel; Emails with Court regarding Case Conference
MES	04/10/23	650.00	1.00	650.00	Revise minutes of settlement per B. Bando comments; Discussion with B. Bando and further revise; Review exchange of emails with Pond re minutes of settlement (Commercial Loans)
MES	05/10/23	650.00	0.50	325.00	Revise settlement agreement per comments received from Pond, exchange emails with B. Bando re same, circulate for execution (Commercial Loans)
MES	06/10/23	650.00	0.10	65.00	Email to Pond counsel re executed settlement agreement (Commercial Loans)
MES	09/10/23	650.00	0.20	130.00	Review executed Pond settlement agreement and circulate to B. Bando (Commercial Loans)
MES	13/10/23	650.00	0.10	65.00	Review email re extension of Pond closing (Commercial Loans)
MES	16/10/23	650.00	0.20	130.00	Exchange emails with B. Bando re Pond extension request and review request for evidence of financing

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MES	17/10/23	650.00	0.10	65.00	Review email from D. Jarvis re funding Pond settlement (Commercial Loans)
MES	19/10/23	650.00	0.20	130.00	Review further emails re extension of Pond closing (Commercial Loans)
MES	20/10/23	650.00	0.10	65.00	Review emails re delayed financing re Pond settlement (Commercial Loans)
MES	24/10/23	650.00	0.20	130.00	Email to B. Bando re draft email to Pond re failure to fund (Commercial Loans)
MES	25/10/23	650.00	0.20	130.00	Send email to investor counsel re Pond failure to pay and review response (Commercial Loans)
MJVZ	25/10/23	675.00	0.20	135.00	Review email from J. Wild re mortgage discharge; Review file correspondence re same; Review email from P. Federoff
MJVZ	26/10/23	675.00	0.20	135.00	Emails with L. Bradshaw, M. Marti, B. Bando, J. Wild
MES	27/10/23	650.00	0.10	65.00	Review email from Pond counsel re status of funds (Commercial Loans)
MJVZ	27/10/23	675.00	0.30	202.50	Review email from L. Bradshaw; Review file and respond (re mortgage discharge)
DJC	30/10/23	450.00	0.20	90.00	Review emails between M. van Zandvoort and L. Bradshaw re discharge of mortgage and revised registration number; Email L. Bradshaw
MES	30/10/23	650.00	0.60	390.00	Review proposed receipt and acknowledgment of delayed funds; Revise receipt and circulate to B. Bando; Review further revision proposed by Pond counsel; Circulate executed receipt (Commercial Loans)
MJVZ	30/10/23	675.00	0.30	202.50	Telephone call from L. Bradshaw; Review stat dec and affidavit/discharge and request from L. Bradshaw; Email to D. Collett instructing regarding finalizing same
DJC	31/10/23	450.00	0.70	315.00	Call with L. Bradshaw re mortgage discharge and revised registration number; Emails to M. van Zandvoort and L. Bradshaw; Review registration number 191 048 271
MES	31/10/23	650.00	0.20	130.00	Review emails confirming receipt of funds re Pond settlement payment (Commercial Loans)
MJVZ	31/10/23	675.00	0.20	135.00	Emails with borrower, D. Collett, B. Bando regarding discharge
TOTAL:			8.30	\$5,257.50	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	0.90	\$450.00	\$405.00
Spence, Miranda E. (MES)	5.70	\$650.00	\$3,705.00
van Zandvoort, Mark J. (MJVZ)	1.70	\$675.00	\$1,147.50

OUR FEE \$5,257.50
HST @ 13% 683.48

DISBURSEMENTS**Non-Taxable Disbursements**

Agents Fees - Non Taxable 10.00
Total Non-Taxable Disbursements \$10.00

AMOUNT DUE**\$5,950.98 CAD**

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Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
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Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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GST / HST Registration # 12184 6539 RT0001

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Account 1366471 - December 18, 2023



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 Toronto, Ontario M5J 2T9 Canada

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 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

December 18, 2023

Attention: Mr. Jonathan Krieger

Invoice No: 1366471

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending November 30, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	01/11/23	450.00	0.40	180.00	Emails to M. van Zandvoort and L. Bradshaw re discharge of mortgage; Email B. Bando re same
MJVZ	01/11/23	675.00	0.20	135.00	Emails with borrower and D. Collett regarding discharge
DJC	02/11/23	450.00	2.30	1,035.00	Review correspondence from B. Bando re 216 Lakeview and discharge of mortgage in Saskatchewan; Calls with B. Bando; Prepare letter to C. Sazinski; Emails to M. van Zandvoort and B. Bando
MJVZ	02/11/23	675.00	0.30	202.50	Emails with B. Bando, D. Collett regarding discharge; Review and comment on comfort letter
MJVZ	02/11/23	675.00	0.10	67.50	Conference call with E. Hamoski (Factoring/Hedge)
MJVZ	02/11/23	675.00	0.10	67.50	Email to S. Leclerc re M. Denhollander (Factoring/Hedge)
MJVZ	02/11/23	675.00	0.10	67.50	Review email from P. Federoff regarding Mortgage discharge
DJC	03/11/23	450.00	0.10	45.00	Inquire into pulling land titles search in Saskatchewan re discharge of mortgage
MJVZ	03/11/23	675.00	0.10	67.50	Review email and letter from D. Orr regarding mortgage discharge
DJC	09/11/23	450.00	0.10	45.00	Email M. van Zandvoort re case conference request for outstanding actions
MES	09/11/23	650.00	0.20	130.00	Arrange for discharge of PPSA registrations and email to Pond counsel re same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	09/11/23	675.00	0.10	67.50	Emails with S. Leclerc
MJVZ	09/11/23	675.00	0.20	135.00	Emails with D. Collett regarding addressing litigation matters
SRM	09/11/23	440.00	0.40	176.00	Review email; Review settlement agreement; Prepare PPSA discharge; Review file and TM database to confirm no other releases required; Submit, review and report PPSA discharge
SRM	12/11/23	440.00	0.10	44.00	Pond: Review 3C discharge statement and report on same
MES	13/11/23	650.00	0.10	65.00	Email to Pond counsel re confirmation of PPSA discharge (Commercial Loans)
DJC	14/11/23	450.00	0.80	360.00	Review correspondence; Emails to M. van Zandvoort re status update to client concerning outstanding actions, case conference request and enforcement efforts by E. Hanoski against M. DenHollander and D. DenHollander
MJVZ	14/11/23	675.00	0.50	337.50	Review file notes and revise report to Receiver concerning litigation matters and emails with D. Collett concerning same
DJC	15/11/23	450.00	0.50	225.00	Review correspondence re enforcement proceedings by E. Hanofski; Email B. Bando re status update re outstanding actions; Emails to L. Bradshaw and B. Bando re discharge of mortgage
MJVZ	15/11/23	675.00	0.10	67.50	Email from A. Bradshaw regarding mortgage discharge
MJVZ	15/11/23	675.00	0.20	135.00	Emails with D. Collett and B. Bando regarding litigation update and next steps
DJC	16/11/23	450.00	0.30	135.00	Schedule call with B. Bando and M. van Zandvoort re outstanding actions; Email M. van Zandvoort re judgment obtained by E. Hanoski and court materials re same
MJVZ	16/11/23	675.00	0.10	67.50	Emails with D. Collett regarding litigation matters
MJVZ	16/11/23	675.00	0.80	540.00	Preparation for meeting re litigation matters and conference call with E. Hamoski
DJC	20/11/23	450.00	0.90	405.00	Email S. Leclerc re solicitors' removal motion re M. DenHollander in advance of scheduling case conference re outstanding actions; Review Claims Procedure Order; Attend call with B. Bando, M. van Zandvoort and S. Graff re outstanding actions; Emails to M. van Zandvoort and B. Bando

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	20/11/23	675.00	0.80	540.00	Prepare for and attend meeting with B. Bando, S. Graff and D. Collett regarding outstanding litigation and next steps; Revise follow-up recommendation email to Receiver concerning same
SLG	20/11/23	925.00	0.50	462.50	Attend meeting with B. Bando and M. Van Zandvoort re: ongoing proceedings and next steps
DJC	21/11/23	450.00	0.40	180.00	Review case conference request form; Emails to M. van Zandvoort, S. Leclerc, J. Froese and C. Popowich re case conference
DJC	22/11/23	450.00	0.40	180.00	Email B. Bando re consent to shortfall sale of 216 Lakeview Avenue, Saskatchewan Beach; Emails to K. Gulka-Teichko and P. Federoff re same
MJVZ	22/11/23	675.00	0.10	67.50	Meeting with D. Collett regarding strategy and approach to case conference
DJC	23/11/23	450.00	0.50	225.00	Finalize case conference request form re outstanding actions against M. DenHollander et al.; Call with M. van Zandvoort re solicitors' removal motion by S. Leclerc; Email S. Leclerc
MJVZ	23/11/23	675.00	0.10	67.50	Review email from D. Collett re title search for Saskatchewan property
DJC	24/11/23	450.00	0.20	90.00	Review title searches re sale of 216 Lakeview Avenue; Email P. Federoff
MJVZ	24/11/23	675.00	0.10	67.50	Review emails from P. Federoff and D. Collett regarding title search for Saskatchewan property
DJC	27/11/23	450.00	0.10	45.00	Email S. Leclerc re dates for case conference to address outstanding actions against M. DenHollander et al.
MJVZ	27/11/23	675.00	0.10	67.50	Review email from D. Collett regarding case conference and status of Marion Denhollander motion to be removed from the record (Factoring/Hedge)
DJC	28/11/23	450.00	0.20	90.00	Emails to M. van Zandvoort, S. Leclerc and C. Popowich re consent to communicate directly with M. DenHollander and D. DenHollander re outstanding actions
MJVZ	28/11/23	675.00	0.50	337.50	Prepare for and attend to telephone call to E. Hamoski; emails from D. Collett regarding case conference; telephone call from E. Hamoksi; email to D. Collett concerning status and case conference (Factoring/Hedge)

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PAGE 4 OF INVOICE NO: 1366471

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	29/11/23	675.00	0.10	67.50	Review email from C. Popowich
TOTAL:			13.20	\$7,290.00	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	7.20	\$450.00	\$3,240.00
Graff, Steven L. (SLG)	0.50	\$925.00	\$462.50
Morris, Shannon R (SRM)	0.50	\$440.00	\$220.00
Spence, Miranda E. (MES)	0.30	\$650.00	\$195.00
van Zandvoort, Mark J. (MJVZ)	4.70	\$675.00	\$3,172.50

OUR FEE	\$7,290.00
HST @ 13%	947.70

DISBURSEMENTS**Taxable Disbursements**

Service Provider Fee	5.50
Total Taxable Disbursements	\$5.50
HST @ 13%	0.72

AMOUNT DUE**\$8,243.92 CAD**

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Steven L. Graff

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PAGE 5 OF INVOICE NO: 1366471

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GST / HST Registration # 12184 6539 RT0001

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Account 1368877 - January 17, 2024



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 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
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 airdberlis.com

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 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

January 17, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1368877

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending December 31, 2023

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	03/12/23	675.00	0.10	67.50	Review email and attachments from B. Bando regarding discharge
DJC	04/12/23	450.00	0.70	315.00	Review email from B. Bando re discharge of mortgage re T. Vienneau; Email B. Bando; Prepare discharge documentation
MJVZ	04/12/23	675.00	0.40	270.00	Review and revise materials regarding discharge and email to D. Collett regarding same; Emails from D. Collett and B. Bando; Review email from V. Eldridge
MJVZ	04/12/23	675.00	0.10	67.50	Meeting from B. Bando regarding discharge
DJC	05/12/23	450.00	0.50	225.00	Review and revise discharge documentation re T. Vienneau; Emails to M. van Zandvoort, B. Bando and Spectrum
DJC	08/12/23	450.00	0.20	90.00	Review email from K. Gulka-Tiechko re closing for sale of 216 Lakeview Avenue; Email B. Bando re discharge of mortgage re 216 Lakeview Avenue
MJVZ	08/12/23	675.00	0.10	67.50	Review various emails regarding undertaking and discharge regarding Saskatchewan property
DJC	11/12/23	450.00	0.10	45.00	Email K. Gulka-Tiechko re sale of 216 Lakeview Avenue
DJC	11/12/23	450.00	0.20	90.00	Email C. Popowich re request to communicate with D. DenHollander and M. DenHollander; Revise case conference request form
MJVZ	11/12/23	675.00	0.10	67.50	Review email from D. Collett regarding status of case conference/DenHollanders

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	12/12/23	675.00	0.10	67.50	Review email from C. Popowich re DenHollanders (Factoring/Hedge)
DJC	13/12/23	450.00	0.30	135.00	Emails to M. van Zandvoort and counsel for C. Sazinski re discharge of mortgage re 216 Lakeview
DJC	13/12/23	450.00	0.20	90.00	Review and revise case conference form re outstanding actions against M. DenHollander and D. DenHollander
MJVZ	13/12/23	675.00	0.10	67.50	Emails with D. Collett regarding mortgage discharge status
DJC	14/12/23	450.00	0.40	180.00	Email M. van Zandvoort re case conference request re outstanding actions against M. DenHollander and D. DenHollanders; Emails to C. Popowich and S. Leclerc re contact information for defendants
MJVZ	14/12/23	675.00	0.10	67.50	Emails with D. Collett regarding case conference
DJC	15/12/23	450.00	0.10	45.00	Review email from counsel for C. Sazinski re wire transfer re sale of 216 Lakeview
MJVZ	18/12/23	675.00	0.10	67.50	Emails with D. Collett and B. Bando regarding payout and discharge
DJC	19/12/23	450.00	0.50	225.00	Arrange for wire transfer re discharge of mortgage re 216 Lakeview Avenue, Saskatchewan Beach; Review documents and correspondence; Email P. Federoff re mortgage discharge
MJVZ	19/12/23	675.00	0.10	67.50	Review emails re wire and discharge
MJVZ	20/12/23	675.00	0.10	67.50	Review emails from P. Federoff and B. Bando
DJC	21/12/23	450.00	0.20	90.00	Email K. Gulka-Tiechko re wire transfer re discharge of mortgage re 216 Lakeview Avenue, Saskatchewan Beach; Email M. van Zandvoort re discharge documentation
DJC	21/12/23	450.00	0.20	90.00	Emails to C. Popowich and S. Leclerc re contact information for D. DenHollander and M. DenHollander
MJVZ	21/12/23	675.00	0.10	67.50	Emails with B. Bando, P. Federoff and D. Collett regarding discharge
MJVZ	21/12/23	675.00	0.10	67.50	Review emails from D. Collett regarding DenHollanders and case conference
TOTAL:			5.20	\$2,700.00	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	3.60	\$450.00	\$1,620.00
van Zandvoort, Mark J. (MJVZ)	1.60	\$675.00	\$1,080.00

OUR FEE \$2,700.00
HST @ 13% 351.00

DISBURSEMENTS**Non-Taxable Disbursements**

Wire Charges 32.50
Total Non-Taxable Disbursements \$32.50

AMOUNT DUE**\$3,083.50 CAD**

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Steven L. Graff

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GST / HST Registration # 12184 6539 RT0001

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Account 1374454 - February 29, 2024



Aird & Berlis LLP
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 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

February 29, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1374454

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending January 31, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	03/01/24	560.00	0.30	168.00	Review draft Affidavit Verifying Corporate Signing Authority and Affidavit of Execution re discharge of mortgage for 216 Lakeview Avenue; Email B. Bando
MJVZ	03/01/24	795.00	0.20	159.00	Emails with D. Collett and B. Bando concerning discharge and meeting
DJC	05/01/24	560.00	0.10	56.00	Email M. Marti and B. Bando re receipt of payout funds re sale of 216 Lakeview Avenue
MJVZ	05/01/24	795.00	0.10	79.50	Email from C. Popowich regarding M. and D. Denhollander (Factoring/Hedge); Voice mail from E. Hamoski
DJC	08/01/24	560.00	0.20	112.00	Revise chamber appointment request form; Email M. van Zandvoort
MJVZ	08/01/24	795.00	1.00	795.00	Attend to case conference scheduling and review of transcripts from examinations in connection with remaining actions (Factoring/Hedge)
DJC	09/01/24	560.00	0.70	392.00	Prepare discharge documentation re 216 Lakeview Avenue; Engaged with M. van Zandvoort re same; Meeting with B. Bando to sign discharge documentation
DJC	09/01/24	560.00	0.20	112.00	Engaged with M. van Zandvoort re outstanding actions against DenHollanders and call with E. Hamoski; Review correspondence with E. Hamoski
MJVZ	09/01/24	795.00	0.30	238.50	Emails with D. Collett regarding discharge; Revise documentation; Meet with B. Bando and D. Collett to notarize same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	09/01/24	795.00	0.40	318.00	Prepare for and attend on call with E. Hanoksi; Office conference with D. Collett regarding strategy and next steps (Factoring/Hedge)
DJC	10/01/24	560.00	0.70	392.00	Email M. Marti re Spectrum authorization for discharge of Assignment of Rents re 216 Lakeview Avenue; Email P. Fedoroff re discharge of mortgage for 216 Lakeview Avenue; Prepare and send letter to P. Fedoroff enclosing original copy of mortgage discharge authorization
MJVZ	10/01/24	795.00	0.10	79.50	Emails with P. Feldman and D. Collett regarding discharge
DJC	16/01/24	560.00	0.20	112.00	Email S. Dugas re request for call with M. DenHollander and D. DenHollander re outstanding actions
MJVZ	16/01/24	795.00	0.20	159.00	Emails and meeting with D. Collett regarding next steps in advancing remaining litigation matters (Factoring/Hedge)
DJC	18/01/24	560.00	1.00	560.00	Call with E. Hanoski re outstanding claims and request for call with M. DenHollander and D. DenHollander; Emails to E. Hanoski, M. van Zandvoort, M. DenHollander and D. DenHollander
MJVZ	18/01/24	795.00	0.10	79.50	Review correspondence regarding DenHollander meeting
DJC	19/01/24	560.00	0.40	224.00	Call with J. Hornby re request for call with D. DenHollander and potential resolution discussions; Call with M. van Zandvoort re same
MJVZ	19/01/24	795.00	0.10	79.50	Call with D. Collett regarding DenHollander meeting
DJC	24/01/24	560.00	0.20	112.00	Review emails from M. Marti and P. Fedoroff re discharge of mortgage re 216 Lakeview Avenue; Email P. Fedoroff re discharge of assignment of rents
MJVZ	24/01/24	795.00	0.40	318.00	Receive and review notice of discharge re J. Ostrowski; Review file concerning same and in consideration of next steps
MJVZ	25/01/24	795.00	0.40	318.00	Review file and email to BLG concerning discussion regarding Ostrowski discharge hearing (Factoring/Hedge)
DJC	29/01/24	560.00	0.30	168.00	Review email from M. van Zandvoort and website of trustee re bankruptcy discharge hearing for J. Ostrowski; Voicemail to trustee; Email M. van Zandvoort

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PAGE 3 OF INVOICE No: 1374454

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	29/01/24	560.00	0.50	280.00	Review email from B. Bando re discharge of mortgage re T. Vienneau; Revise discharge documentation; Email B. Bando
MJVZ	29/01/24	795.00	0.30	238.50	Emails with M. Schneider regarding J. Ostrowski discharge hearing; Consider materials from trustee and coordinate review with D. Collett; Emails with D. Collett concerning same (Factoring/Hedge)
DJC	30/01/24	560.00	0.40	224.00	Emails to B. Bando and M. van Zandvoort re discharge of mortgage re T. Vienneau; Schedule meeting with B. Bando
MJVZ	30/01/24	795.00	0.10	79.50	Emails with D. Collett regarding mortgage discharge
DJC	31/01/24	560.00	0.70	392.00	Review and revise mortgage discharge documentation; Meeting with B. Bando and S. Dugas to notarize discharge documentation; Email R. Cragg
SD	31/01/24	425.00	0.30	127.50	Notarize mortgage documents for D. Collett
TOTAL:			9.90	\$6,373.00	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	5.90	\$560.00	\$3,304.00
Dugas, Simon (SD)	0.30	\$425.00	\$127.50
van Zandvoort, Mark J. (MJVZ)	3.70	\$795.00	\$2,941.50

OUR FEE	\$6,373.00
HST @ 13%	828.49

DISBURSEMENTS**Taxable Disbursements**

Courier/Delivery	50.92
Photocopies/Scanning	0.75

Total Taxable Disbursements	\$51.67
HST @ 13%	6.72

AMOUNT DUE**\$7,259.88 CAD**

AIRD & BERLIS LLP
PAGE 4 OF INVOICE NO: 1374454

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Steven L. Graff

E.&O.E.

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Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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GST / HST Registration # 12184 6539 RT0001

* For legal services provided to clients residing in British Columbia, Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1378906 - March 31, 2024



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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

March 31, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1378906

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending February 29, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	01/02/24	560.00	0.50	280.00	Email B. Bando re engagement of Schnell Hardy Jones LLP for registration of discharge documentation re T. Vienneau; Emails to R. Cragg, C. Smethurst and L. Bradshaw; Send original discharge documentation to C. Smethurst
MJVZ	01/02/24	795.00	0.10	79.50	Review emails from D. Collett regarding mortgage discharge and from C. Smethurst
DJC	02/02/24	560.00	0.30	168.00	Review email from J. Millichamp re discharge documentation re T. Vienneau; Call with J. Millichamp re amendments to Affidavit of Corporate Signing Authority; Emails to B. Bando and J. Millichamp
MJVZ	02/02/24	795.00	0.10	79.50	Review emails from L. Bradshaw and J. Millichamp and D. Collett regarding discharge
DJC	06/02/24	560.00	0.40	224.00	Email R. Cragg re status of registration of discharge re mortgage concerning T. Vienneau; Review email from J. Millichamp and discharge documentation; Email J. Millichamp re plan number for discharge; Email P. Fedoroff re discharge of mortgage re C. Sazinsk
MJVZ	06/02/24	795.00	0.10	79.50	Review emails from J. Millichamp and D. Collett regarding mortgage discharge
DJC	08/02/24	560.00	0.30	168.00	Review and receive discharge verification reports from P. Fedoroff re C. Sazinski; Emails to P. Fedoroff and K. Gulka-Tiechko re same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	08/02/24	560.00	0.20	112.00	Review correspondence re bankruptcy discharge hearing re J. Ostrowski; Voicemail to trustee re bankruptcy discharge hearing re J. Ostrowski
DJC	08/02/24	560.00	0.10	56.00	Voicemail to J. Hornby re call with D. DenHollander to discuss settlement of outstanding actions
DJC	08/02/24	560.00	0.40	224.00	Review email from M. van Zandvoort enclosing Notice of Expropriation re S. Mary's Cement; Email M. Spence; Review file; Engaged with M. Spence re same
MES	08/02/24	775.00	0.20	155.00	Discussion with D. Collett re expropriation notice (Commercial Loans)
MJVZ	08/02/24	795.00	0.20	159.00	Emails with B. Bando regarding expropriation proceedings and review covering letter; Emails with D. Collett
DJC	12/02/24	560.00	0.40	224.00	Emails to M. van Zandvoort re status update re call with D. DenHollander to discuss outstanding actions; Email to D. DenHollander, M. DenHollander and J. Hornby re same
DJC	12/02/24	560.00	0.10	56.00	Email M. van Zandvoort re bankruptcy discharge hearing re J. Ostrowski
DJC	12/02/24	560.00	0.20	112.00	Email M. van Zandvoort re discharge of mortgage and assignment of rents re 216 Lakeview Ave. and C. Sazinski; Email B. Bando re same
DJC	12/02/24	560.00	0.10	56.00	Emails to M. Spence and M. van Zandvoort re expropriation notice re St. Mary's Cement
MJVZ	12/02/24	795.00	0.50	397.50	Review CW/DenHollander matter and various emails with D. Collett and C. Pihokker regarding same (Factoring/Hedge)
MJVZ	12/02/24	795.00	0.20	159.00	Emails with D. Collett regarding mortgage and assignment of rents; Emails from B. Bando and D. Collett
MJVZ	12/02/24	795.00	0.20	159.00	Emails with M. Spence, D. Collett, B. Bando regarding expropriation notice regarding St. Mary's Cement
DJC	15/02/24	560.00	0.60	336.00	Call with Bromwich & Smith re bankruptcy discharge hearing re J. Ostrowski; Review documents and correspondence re action against J. Ostrowski; Email M. van Zandvoort
DJC	15/02/24	560.00	0.30	168.00	Call with E. Hanoski re actions against D. DenHollander and M. DenHollander and strategy re enforcement efforts

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	15/02/24	795.00	0.10	79.50	Emails with D. Collett regarding Ostrowski discharge hearing (Factoring/Hedge)
DJC	16/02/24	560.00	0.20	112.00	Call with M. van Zandvoort re calls with J. Hornby and E. Hanoski re actions against D. DenHollander and M. DenHollander, settlement negotiations and strategy re enforcement efforts
MJVZ	16/02/24	795.00	0.40	318.00	Attend to Ostrowski bankruptcy review and call with I. Aversa [REDACTED] (Factoring/Hedge)
MJVZ	16/02/24	795.00	0.20	159.00	Email to and meeting with D. Collett regarding strategy and approach to DenHollander matters (Factoring/Hedge)
MJVZ	19/02/24	795.00	0.10	79.50	Emails with B. Bando regarding J. Ostrowski bankruptcy
DJC	20/02/24	560.00	0.30	168.00	Emails to J. Millichamp, C. Smethurst, R. Cragg and M. van Zandvoort re status update re mortgage discharge registration re T. Vienneau
MJVZ	20/02/24	795.00	0.20	159.00	Emails with D. Collett and Schnell Law and related correspondence regarding Mortgage Discharge
DJC	21/02/24	560.00	0.10	56.00	Email B. Bando re status update re mortgage discharge re T. Vienneau
MJVZ	21/02/24	795.00	0.10	79.50	Emails with D. Collett and B. Bando regarding mortgage discharge
MJVZ	23/02/24	795.00	0.30	238.50	Reporting email to B. Bando regarding strategy and approach to Ostrowski matter; Emails with B. Bando
DJC	26/02/24	560.00	0.40	224.00	Call with J. Hornby; Email M. van Zandvoort re status update re settlement discussions; Email M. DenHollander, D. DenHollander and J. Hornby
MJVZ	26/02/24	795.00	0.20	159.00	Emails with D. Collett regarding status of Denhollander meeting
DJC	27/02/24	560.00	0.10	56.00	Review email from J. Hornby re proposal from D. DenHollander; Email M. van Zandvoort; Call J. Hornby
MJVZ	27/02/24	795.00	0.20	159.00	Emails from J. Hornby and D. Collett regarding Denhollander matter
DJC	28/02/24	560.00	0.10	56.00	Email R. Cragg re copy of title evidencing registration of mortgage discharge re T. Vienneau

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	28/02/24	560.00	0.60	336.00	Call with M. Statz re bankruptcy discharge application re Jeremy Ostrowski and Jocelyne Ostrowski; Review email from M. Statz re creditor packages; Emails to M. van Zandvoort and B. Bando re same
MJVZ	28/02/24	795.00	0.20	159.00	Review materials from trustee; Emails with D. Collett and B. Bando regarding Ostrowski bankruptcy
TOTAL:			9.30	\$6,050.00	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	5.70	\$560.00	\$3,192.00
Spence, Miranda E. (MES)	0.20	\$775.00	\$155.00
van Zandvoort, Mark J. (MJVZ)	3.40	\$795.00	\$2,703.00

OUR FEE	\$6,050.00
HST @ 13%	786.50

DISBURSEMENTS**Non-Taxable Disbursements**

Agents Fees - Non Taxable	20.00	
Total Non-Taxable Disbursements		\$20.00

Taxable Disbursements

Agency Fee	109.50	
Courier/Delivery	58.19	
Total Taxable Disbursements		\$167.69
HST @ 13%		21.80

AMOUNT DUE**\$7,045.99 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP


Steven L. Graff

E.&O.E.

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PAGE 5 OF INVOICE NO: 1378906

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GST / HST Registration # 12184 6539 RT0001

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Account 1380764 - April 16, 2024



Aird & Berlis LLP
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

April 16, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1380764

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending March 31, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	12/02/24	795.00	0.30	238.50	Review J. Ostrowski matter and emails with D. Collett regarding same
DJC	06/03/24	560.00	0.20	112.00	Call with J. Hornby re settlement discussions with D. DenHollander and M. DenHollander
DJC	08/03/24	560.00	0.30	168.00	Review settlement offer from D. DenHollander and M. DenHollander; Email M. van Zandvoort
MJVZ	08/03/24	795.00	0.20	159.00	Review and consider correspondence and settlement proposal regarding Factoring/Hedge Fund
DJC	11/03/24	560.00	0.40	224.00	Email B. Bando re offer from D. DenHollander and M. DenHollander
MJVZ	11/03/24	795.00	0.10	79.50	Email from D. Collett regarding Offer (Factoring/Hedge)
DJC	13/03/24	560.00	0.20	112.00	Email M. Statz and M. Munro re bankruptcy discharge application re J. Ostrowski
MJVZ	13/03/24	795.00	0.10	79.50	Emails with D. Collett regarding Ostrowski discharge hearing
MJVZ	13/03/24	795.00	0.10	79.50	Email from B. Bando regarding DenHollander offer
DJC	15/03/24	560.00	0.30	168.00	Review email from B. Bando; Conduct searches re 3891 Turner Road, Tappen, British Columbia
DJC	18/03/24	560.00	0.70	392.00	Email M. van Zandvoort re Turner Road property owned by M. DenHollander and D. DenHollander; Emails to B. Bando and MLT Aikins re same; Review emails from W. Kelly; Email W. Kelly re mortgages

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	18/03/24	795.00	0.20	159.00	Emails with D. Collett, B. Bando and W. Skelly regarding DenHollander matter and review parcel abstract and assessed value provided and conference call to discuss
MJVZ	18/03/24	795.00	0.10	79.50	Emails with S. Morris regarding renewals (Factoring/Hedge)
SRM	18/03/24	485.00	0.30	145.50	Factoring/Hedge: Review email; Prepare, submit and review AB PPSA renewal; Order post-renewal search; Review and report on same; update search summary
DJC	19/03/24	560.00	0.60	336.00	Meeting with B. Bando and M. van Zandvoort; Pull transfer of charge re Thunder Bay property; Review correspondence re Underused Housing Tax return and sale of assets by Receiver to Ryan Mortgage Income Fund; Email M. van Zandvoort
DW	19/03/24	450.00	0.10	45.00	Email from Saskatchewan agent attaching 2024 Annual Return for Crystal Wealth Management System Limited
MJVZ	19/03/24	795.00	0.40	318.00	Meeting with B. Bando and D. Collett and follow-up emails regarding same and next steps; Review PPSA search regarding Frontline
MJVZ	19/03/24	795.00	0.10	79.50	Email from D. Collett regarding UHT and proposed course of action further to meeting with B. Bando
SRM	19/03/24	485.00	0.20	97.00	Review email; Order, review and report on PPSA search against Frontline Factoring Inc.
DW	20/03/24	450.00	0.30	135.00	Email to B. Bando forwarding 2024 Saskatchewan Annual Return for Crystal Wealth Management System Limited with request to renew/file said Annual Return; Email from B. Bando to proceed with renewal; Email to Saskatchewan agent requesting to proceed and renew/file 2024 Annual Return (with no change); Email from Saskatchewan agent confirming receipt of request
MES	20/03/24	775.00	0.20	155.00	Exchange emails with P. Cho re request to discharge security interest at SMC (Commercial Loans)
MJVZ	20/03/24	795.00	0.10	79.50	Emails from D. Windle and B. Bando
DJC	21/03/24	560.00	0.20	112.00	Email B. Bando re Thunder Bay property and transfer of mortgage to Ryan Mortgage Income Fund
MES	22/03/24	775.00	0.20	155.00	Exchange emails with B. Bando re discharging SMC security (Commercial Loans)

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	23/03/24	795.00	0.10	79.50	Emails with S. Graff regarding meeting Factoring/Hedge
MJVZ	25/03/24	795.00	0.90	715.50	Prepare for and attend meeting with S. Graff and follow-up emails with B. Bando regarding strategy and approach to DenHollanders matter
SLG	25/03/24	1,095.00	0.50	547.50	Meeting with M. Van Zandvoort to discuss strategy
DJC	26/03/24	560.00	0.20	112.00	Email B. Bando re supplementary report of Bromwich & Smith and discharge hearing re bankruptcy of Jeremy Ostrowski
DJC	26/03/24	560.00	0.20	112.00	Review email and discharge documentation from B. Bando re payout of mortgage re J. Dancey; Email B. Bando
MJVZ	26/03/24	795.00	0.20	159.00	Review package received from trustee and report re J. Ostrowski bankruptcy hearing; Emails with D. Collett regarding same
DJC	28/03/24	560.00	0.60	336.00	Prepare revised mortgage discharge documentation re J. Dancey; Emails to B. Bando
MJVZ	28/03/24	795.00	0.10	79.50	Emails with D. Collett and B. Bando regarding discharge
TOTAL:			8.70	\$5,849.00	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	3.90	\$560.00	\$2,184.00
Graff, Steven L. (SLG)	0.50	\$1,095.00	\$547.50
Morris, Shannon R (SRM)	0.50	\$485.00	\$242.50
Spence, Miranda E. (MES)	0.40	\$775.00	\$310.00
van Zandvoort, Mark J. (MJVZ)	3.00	\$795.00	\$2,385.00
Windle, Doreen (DW)	0.40	\$450.00	\$180.00

OUR FEE

\$5,849.00

HST @ 13%

760.37

DISBURSEMENTS**Non-Taxable Disbursements**

Agents Fees - Non Taxable	432.90
Registration Under P.P.S.A.	2.00
Search Under P.P.S.A.	2.00

Total Non-Taxable Disbursements

\$436.90

Taxable Disbursements

Service Provider Fee	28.55
Teraview Search	3.00
Total Taxable Disbursements	\$31.55
HST @ 13%	4.10

AMOUNT DUE**\$7,081.92 CAD**

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Steven L. Graff

E.&O.E.

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GST / HST Registration # 12184 6539 RT0001

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Account 1384999 - May 16, 2024



Aird & Berlis LLP
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 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

May 16, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1384999

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending April 30, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MES	04/01/2024	775.00	0.10	77.50	Instruct C. Casasola re discharging security interest re SMC (Commercial Loans)
CEC	04/02/2024	375.00	0.80	300.00	Receipt of email from J. Dubelaar and M. Spence; Telephone discussion with J. Dubelaar thereto; Review of original A&D including draft of new A&D and Discharge of Interest for discharge of Notice of Security Interest; Email to J. Dubelaar with all documents and notes thereto for review; Receipt of email from J. Dubelaar and email to M. Spence re PPSA requirements
DJC	04/02/2024	560.00	0.20	112.00	Review email from M. van Zandvoort re meeting with B. Bando and outstanding actions against the DenHollanders; Email M. van Zandvoort
JBD	04/02/2024	775.00	0.60	465.00	Corresponding with M. Spence and C. Casasola regarding discharge of notice of security interest; Reviewing same
MES	04/02/2024	775.00	0.30	232.50	Exchange emails with C. Casasola, J. Dubelaar re effecting discharge of security registration (Commercial Loans)
MJVZ	04/02/2024	795.00	1.00	795.00	Prepare for and attend meeting with B. Bando and S. Graff; Preparation of reporting email to B. Bando setting out recommendations and instruct D. Collett regarding finalizing same
MJVZ	04/02/2024	795.00	0.10	79.50	Email from B. Bando re mortgage discharge
SLG	04/02/2024	1,095.00	0.60	657.00	Discussion with M. van Zandvoort and B. Bando re: [REDACTED] [REDACTED]

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	04/03/2024	560.00	2.00	1,120.00	Drafting reporting status update to B. Bando; Review correspondence and documents re outstanding actions against the DenHollanders, enforcement proceedings by Lamal Holdings against the DenHollanders in B.C. and settlement offer from the DenHollanders; Emails to M. van Zandvoort
DJC	04/03/2024	560.00	0.50	280.00	Prepare mortgage discharge documentation re Dancey; Email B. Bando and H. Ward re meeting to notarize discharge documentation; Meeting with B. Bando and H. Ward
MJVZ	04/03/2024	795.00	0.20	159.00	Emails with D. Collett regarding DenHollanders and next steps
MJVZ	04/03/2024	795.00	0.10	79.50	Emails from D. Collett and B. Bando regarding mortgage discharge
DJC	04/04/2024	560.00	0.30	168.00	Prepare updated sharefolder of documents re outstanding actions against the DenHollanders; Email M. van Zandvoort
MJVZ	04/04/2024	795.00	0.80	636.00	Review Sharefile link contents and court materials; Revise reporting email to Receiver setting out recommendations and emails with D. Collett re same (Factoring/Hedge)
MES	04/05/2024	775.00	0.20	155.00	Review relevant documents for discharge of St Mary's registration
DW	04/08/2024	450.00	0.20	90.00	Email from Saskatchewan agent attaching confirmation of filing of 2024 Annual Return for CWMSL
MJVZ	04/08/2024	795.00	0.30	238.50	Finalize and sending reporting email to B. Bando re DenHollander proceedings
DJC	04/09/2024	560.00	0.20	112.00	Email counsel for J. Dancey re discharge of mortgage re 1172 Channelside Way SW Airdrie, Alberta
DJC	04/09/2024	560.00	0.10	56.00	Review emails from B. Bando and M. van Zandvoort; Email M. van Zandvoort re written settlement offer re outstanding actions against the DenHollanders
MJVZ	04/09/2024	795.00	0.10	79.50	Email from B. Bando concerning DenHollander proceedings; Emails with D. Collett
SLG	04/09/2024	1,095.00	0.10	109.50	GT Crystal - Emails with M. van Zandvoort and B. Bando
DJC	04/10/2024	560.00	2.00	1,120.00	Prepare counteroffer re outstanding actions against D. DenHollander and M. DenHollander; Review pleadings and correspondence; Emails to M. van Zandvoort re counteroffer

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	04/10/2024	795.00	0.40	318.00	Revise settlement offer and emails with D. Collett concerning same regarding DenHollanders
DJC	04/11/2024	560.00	2.20	1,232.00	Prepare mutual full and final release re outstanding actions against M. DenHollander and D. DenHollander and consent judgments re same; Review prejudgment interest rates; Revise cover letter re counteroffer; Email M. van Zandvoort
MJVZ	04/11/2024	795.00	0.30	238.50	Emails with D. Collett and C. Pihokker regarding settlement offer and revisions to same
DJC	04/12/2024	560.00	0.10	56.00	Email M. van Zandvoort re mutual full and final release re outstanding actions against D. DenHollander and M. DenHollander.
DJC	04/16/2024	560.00	0.20	112.00	Prepare cover letter re discharge documents re J. Dancey and Crystal Mortgage Wealth System Limited; Send letter and original copies of discharge documentation to counsel for J. Dancey
MJVZ	04/16/2024	795.00	1.30	1,033.50	Drafting settlement offer documentation to DenHollanders; Email C. Pihokker regarding revisions to be made to same
MES	04/17/2024	775.00	0.30	232.50	Review PPSA registrations relevant to 244 receivership and instruct S. Morris re updating and discharging (Commercial Loans)
MJVZ	04/17/2024	795.00	1.60	1,272.00	Revise and finalize offer letter, Mutual Release, Consents to Judgment; Emails with Receiver and to Defendants concerning same
SLG	04/17/2024	1,095.00	0.10	109.50	Email re D. Hollenski offer
SRM	04/17/2024	485.00	0.30	145.50	Mortgage Fund: Order, review and report on PPSA search against 2441472 Ontario Inc.; Prepare and circulate draft discharge
MES	04/18/2024	775.00	0.30	232.50	Review draft PPSA discharges; Instruct C. Casasola re preparing discharge of mortgage (Commercial Loans)
SRM	04/18/2024	485.00	0.20	97.00	Mortgage Fund: Review sign off; submit, review and report on PPSA discharge; update registration records re same
CEC	04/19/2024	375.00	0.20	75.00	Receipt of email from M. Spence and review of discharge of PPSA and email thereof to J. Dubelaar; Receipt of email from J. Dubelaar and email of A&D to M. Spence

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
JBD	04/19/2024	775.00	0.40	310.00	Corresponding with C. Casasola regarding draft discharge of notice of security interest; Reviewing registration requirements regarding same
MES	04/19/2024	775.00	0.20	155.00	Exchange emails with C. Casasola, B. Bando re discharge of SMC mortgage (Commercial Loans)
MES	04/22/2024	775.00	0.10	77.50	Instruct C. Casasola re registering discharge of SMC mortgage (Commercial Loans)
MJVZ	04/23/2024	795.00	0.10	79.50	Email from B. Bando regarding investor inquiry re payout; Email to B. Bando
SRM	04/23/2024	485.00	0.10	48.50	Review 3C Ministry discharge statement and report on same
CEC	04/24/2024	375.00	0.20	75.00	Receipt and review of executed acknowledgment and direction from M. Spence and email to J. Dubelaar to request signing of Discharge of Interest; Attending to registration of Discharge of Interest and email thereof to M. Spence
JBD	04/24/2024	775.00	0.40	310.00	Corresponding with C. Casasola re registration matters; Attending to registration
MES	04/24/2024	775.00	0.20	155.00	Review registered discharge re SMC mortgage and email to P. Cho re same (Commercial Loans)
SLG	04/25/2024	1,095.00	0.20	219.00	Emails with M. Van Zandvoort
MJVZ	04/29/2024	795.00	0.10	79.50	Emails with B. Bando and J. Wainwright regarding Pond Sale
TOTAL:			20.30	\$13,784.50	

Name	Hours	Rate	Value
Casasola, Carlos E. (CEC)	1.20	\$375.00	\$450.00
Collett, Dillon J.E. (DJC)	7.80	\$560.00	\$4,368.00
Dubelaar, Jacob Bow (JBD)	1.40	\$775.00	\$1,085.00
Graff, Steven L. (SLG)	1.00	\$1,095.00	\$1,095.00
Morris, Shannon R (SRM)	0.60	\$485.00	\$291.00
Spence, Miranda E. (MES)	1.70	\$775.00	\$1,317.50
van Zandvoort, Mark J. (MJVZ)	6.40	\$795.00	\$5,088.00
Windle, Doreen (DW)	0.20	\$450.00	\$90.00

OUR FEE	\$13,784.50
HST @ 13%	1,791.98

DISBURSEMENTS**Non-Taxable Disbursements**

Search Under P.P.S.A.	8.00	
Teranet	69.95	
Total Non-Taxable Disbursements		\$77.95

Taxable Disbursements

Courier/Delivery	58.65	
Service Fee Teranet	11.65	
Service Provider Fee	5.15	
Total Taxable Disbursements		\$75.45
HST @ 13%		9.81

AMOUNT DUE**\$15,739.69 CAD**

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AIRD & BERLIS LLP



Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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GST / HST Registration # 12184 6539 RT0001

* For legal services provided to clients residing in British Columbia, Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1390961 - June 30, 2024



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

June 30, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1390961

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending May 31, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
JAW	04/29/2024	950.00	0.50	475.00	Review M. Van Zandvoort email, documents and file; draft response email
DJC	05/02/2024	560.00	0.20	112.00	Call with J. Hornby re potential resolution re outstanding actions against DenHollanders and formal proposal from the DenHollanders
DJC	05/03/2024	560.00	0.40	224.00	Review email from J. Hornby; Emails to M. van Zandvoort, B. Bando and J. Hornby [REDACTED]
MJVZ	05/03/2024	795.00	0.10	79.50	Emails with D. Collett, J. Hornby, and B. Bando regarding status of DenHollander response [REDACTED]
IBV	05/06/2024	275.00	0.30	82.50	Obtained the profile reports for Sebo Limited; and Zynlon Limited
JAW	05/06/2024	950.00	1.90	1,805.00	Review email correspondence, order corporate profiles, draft dividend in kind resolution, supporting certificates, officer's certificate, transfer, circulate same internally, circulate same to B. Bando
MES	05/06/2024	775.00	0.10	77.50	Exchange emails with B. Bando re CRA issue re 244 (Commercial Loans)
MJVZ	05/06/2024	795.00	0.10	79.50	Emails with J. Wainwright regarding investor response and direction
JAW	05/07/2024	950.00	0.40	380.00	Revise resolutions, officer's certificate
JAW	05/08/2024	950.00	0.30	285.00	Revise resolutions, certificates
JAW	05/09/2024	950.00	0.50	475.00	Revise resolutions, circulate same to B. Bando

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/10/2024	560.00	0.50	280.00	Call with J. Hornby; Receive and review settlement offer from J. Hornby and D. DenHollander re outstanding actions against D. DenHollander and M. DenHollander; Email M. van Zandvoort
MJVZ	05/10/2024	795.00	0.20	159.00	Review email and settlement offer from D. DenHollander
MJVZ	05/11/2024	795.00	0.10	79.50	Emails with D. Collett regarding DenHollander Settlement offer and meeting to discuss
DJC	05/13/2024	560.00	0.50	280.00	Prepare for and attend meeting with M. van Zandvoort re settlement offer from D. DenHollander and assignment of mortgage to third party
MJVZ	05/13/2024	795.00	0.30	238.50	Prepare for and attend at meeting with D. Collett regarding DenHollander offer and next steps
DJC	05/14/2024	560.00	0.50	280.00	Email J. Nemers re potential settlement with D. DenHollander and assignment of collateral mortgage; Call with J. Nemers re same; Emails to M. van Zandvoort and B. Bando
JTN	05/14/2024	695.00	0.20	139.00	Email from and telephone call with D. Collett re matters re potential mortgage assignment
MJVZ	05/14/2024	795.00	0.10	79.50	Advance DenHollander proposal and advise D. Collett regarding same
JAW	05/17/2024	950.00	1.10	1,045.00	Review documents provided, review email correspondence, email B. Bando re same (Pond Technologies)
SLG	05/22/2024	1,095.00	0.20	219.00	Emails re settlement of Denhollander claim
DJC	05/23/2024	560.00	0.10	56.00	Email B. Bando re settlement offer from D. DenHollander and outstanding actions against D. DenHollander and M. DenHollander
MJVZ	05/23/2024	795.00	0.10	79.50	Emails from B. Bando and D. Collett re DenHollander resolution proposal
DJC	05/24/2024	560.00	0.90	504.00	Review email from B. Bando; Email B. Bando re settlement counteroffer re outstanding actions against the DenHollanders; Call with J. Hornby re identity of third party for assignment of collateral mortgage; Prepare revised mutual release and terms of settlement
MJVZ	05/24/2024	795.00	0.10	79.50	Email from D. Collett regarding preparation of counter offer

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/27/2024	560.00	0.90	504.00	Review and revise settlement documentation re outstanding actions against the DenHollanders; Emails to M. van Zandvoort and B. Bando; Finalize and send settlement offer
MJVZ	05/27/2024	795.00	0.80	636.00	Review and revise settlement offer letter and mutual release and circulate redlines regarding DenHollanders; Emails with B. Bando and D. Collett to finalize and issue
DJC	05/29/2024	560.00	0.10	56.00	Call with J. Hornby re settlement negotiations with D. DenHollander and M. DenHollander re outstanding actions
MJVZ	05/31/2024	795.00	0.80	636.00	Review email from Chaitons regarding urgent discharge request; Review background and file materials regarding mortgage transfer and related emails; Reporting email to and emails with B. Bando; Email to Chaitons requesting profile report and form of consent
TOTAL:			12.30	\$9,425.50	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	4.10	\$560.00	\$2,296.00
Graff, Steven L. (SLG)	0.20	\$1,095.00	\$219.00
Nemers, Jeremy T (JTN)	0.20	\$695.00	\$139.00
Spence, Miranda E. (MES)	0.10	\$775.00	\$77.50
van Zandvoort, Mark J. (MJVZ)	2.70	\$795.00	\$2,146.50
Vieira, Ivone B. (IBV)	0.30	\$275.00	\$82.50
Wainwright, Jennifer A. (JAW)	4.70	\$950.00	\$4,465.00

OUR FEE	\$9,425.50
HST @ 13%	1,225.31

DISBURSEMENTS**Non-Taxable Disbursements**

Due Diligence-Gov Fee	16.00	
Total Non-Taxable Disbursements		\$16.00

Taxable Disbursements

Due Diligence	19.60	
Total Taxable Disbursements		\$19.60
HST @ 13%		2.55

AMOUNT DUE

\$10,688.96 CAD

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AIRD & BERLIS LLP

Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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GST / HST Registration # 12184 6539 RT0001

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Account 1392204 - July 9, 2024



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

July 9, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1392204

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending June 30, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
IBV	06/03/2024	275.00	0.20	55.00	Obtained the corporate profile report for Amur Capital Income Fund Inc.
MJVZ	06/03/2024	795.00	0.10	79.50	Request and review profile report for Amur Capital Income Fund Inc. in response to discharge request; Emails with I. Viera regarding same
MJVZ	06/03/2024	795.00	0.40	318.00	Review email and attachments from Chaitons regarding discharge of Court order; See to execution and return of requested documentation and report to B. Bando; Further emails with Chaitons and B. Bando
DJC	06/04/2024	560.00	0.60	336.00	Email M. van Zandvoort re settlement discussions re outstanding actions against the DenHollanders; Meeting with M. van Zandvoort re same; Emails to D. DenHollander, M. DenHollander, J. Hornby and B. Bando; Review letter from Bromwich & Smith re discharge applications for the Ostrowskis; Email M. Munro re request for status update re discharge applications for the Ostrowskis
MJVZ	06/04/2024	795.00	0.20	159.00	Email with D. Collett regarding DenHollander response; Meet with D. Collett; Follow-up email with D. Collett
MJVZ	06/04/2024	795.00	0.10	79.50	Review correspondence from trustee in bankruptcy for J. Ostrowski; Email to D. Collett concerning same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	06/06/2024	560.00	0.70	392.00	Review email from M. van Zandvoort re call from E. Hamoski; Calls with J. Hornby and E. Hamoski re outstanding actions against the DenHollanders; Emails to M. van Zandvoort, B. Bando, D. DenHollander, M. DenHollander and J. Hornby re same
MJVZ	06/06/2024	795.00	0.10	79.50	Emails with B. Bando and D. Collett regarding DenHollander matter
MJVZ	06/07/2024	795.00	0.20	159.00	Emails with Chaitons and review discharge documentation; Emails with B. Bando
DJC	06/10/2024	560.00	0.40	224.00	Review settlement offer from J. Hornby and D. DenHollander re outstanding actions against the DenHollanders; Emails to M. van Zandvoort and B. Bando
MJVZ	06/10/2024	795.00	0.20	159.00	Emails with D. Collett regarding DenHollander counter-offer and response
DJC	06/11/2024	560.00	0.10	56.00	Email M. Munro re request for status update re discharge application of J. Ostrowski
DJC	06/11/2024	560.00	0.40	224.00	Review and revise settlement documentation re outstanding actions against the DenHollanders; Email M. van Zandvoort
MJVZ	06/11/2024	795.00	0.10	79.50	Email from D. Collett regarding DenHollander counter-offer
MJVZ	06/13/2024	795.00	0.40	318.00	Review and revise package to DenHollanders and email same to D. Collett
DJC	06/14/2024	560.00	0.20	112.00	Finalize and send updated settlement offer to the DenHollanders re outstanding actions
MJVZ	06/14/2024	795.00	0.10	79.50	Email from D. Collett regarding DenHollander offer
DJC	06/17/2024	560.00	0.40	224.00	Call with E. Hamoski re enforcement proceedings against DenHollanders; Call with J. Hornby re settlement negotiations re outstanding actions against DenHollanders
DJC	06/24/2024	560.00	0.20	112.00	Review discharge documents re J. Dancy; Emails to B. Bando, Hendrix Law and Elite Counsel re amendment to legal description of subject property
DJC	06/24/2024	560.00	0.20	112.00	Review signed settlement documents from D. DenHollander; Email J. Hornby re same
JAW	06/25/2024	950.00	0.30	285.00	Review M. Taggart email re documents required to transfer shares

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	06/27/2024	560.00	0.40	224.00	Call with E. Hanoski re enforcement proceedings against DenHollanders and strategy re same
DJC	06/28/2024	560.00	0.30	168.00	Call with J. Hornby re settlement documents required from the DenHollanders and settlement payment; Receive and review email from J. Hornby

TOTAL:	6.30	\$4,034.50
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	3.90	\$560.00	\$2,184.00
van Zandvoort, Mark J. (MJVZ)	1.90	\$795.00	\$1,510.50
Vieira, Ivone B. (IBV)	0.20	\$275.00	\$55.00
Wainwright, Jennifer A. (JAW)	0.30	\$950.00	\$285.00

OUR FEE	\$4,034.50
HST @ 13%	524.49

DISBURSEMENTS**Non-Taxable Disbursements**

Agents Fees - Non Taxable	435.88	
Due Diligence-Gov Fee	8.50	
Total Non-Taxable Disbursements		\$444.38

Taxable Disbursements

Due Diligence	16.20	
Total Taxable Disbursements		\$16.20
HST @ 13%		2.11

AMOUNT DUE**\$5,021.68 CAD**THIS IS OUR INVOICE HEREIN
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Steven L. Graff

E.&O.E.

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PAGE 4 OF INVOICE No: 1392204

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TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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GST / HST Registration # 12184 6539 RT0001

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Account 1398105 - August 27, 2024



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
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T 416 863 1500
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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

August 27, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1398105

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending July 31, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	07/02/2024	560.00	0.70	392.00	Review emails and attachments from J. Hornby; Email M. van Zandvoort re status update re settlement documents received from the DenHollanders; Review email from M. van Zandvoort; Email J. Hornby
MJVZ	07/02/2024	795.00	0.20	159.00	Review updates regarding DenHollanders; Email to D. Collett
DJC	07/04/2024	560.00	0.50	280.00	Email B. Bando status update re settlement documents received from the DenHollanders and call with E. Hanoski re enforcement proceedings; Email J. Hornby
JTN	07/04/2024	695.00	0.30	208.50	Email exchange with M. Spence; Telephone call with B. Bando re CRA deemed trust (2441472 Ontario Inc.)
MES	07/04/2024	775.00	0.20	155.00	Review CRA notice re 244 and email to J. Nemers re same (Commercial Loans)
MJVZ	07/04/2024	795.00	0.10	79.50	Meeting with D. Collett re DenHollander response; Email from D. Collett
DJC	07/05/2024	560.00	0.30	168.00	Review email from J. Hornby; Confirm wire transfer re first settlement payment from D. DenHollander; Emails to M. van Zandvoort and B. Bando
MJVZ	07/05/2024	795.00	0.10	79.50	Emails with D. Collett, J. Hornby and B. Bando regarding DenHollander resolution
MJVZ	07/05/2024	795.00	0.50	397.50	Email from B. Bando regarding deemed trust issue regarding 244 Ontario; Conference call with B. Bando; Consider issue and email to S. Graffi

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SLG	07/05/2024	1,095.00	0.20	219.00	Discussion with M. van Zandvoort on bankruptcy proceeding
DJC	07/08/2024	560.00	0.10	56.00	Email J. Hornby re first settlement payment received from D. DenHollander and shortfall amount
DJC	07/09/2024	560.00	0.10	56.00	Confirm receipt of shortfall settlement payment from D. DenHollander
MJVZ	07/09/2024	795.00	0.10	79.50	Review correspondence regarding DenHollander resolution
MJVZ	07/10/2024	795.00	0.10	79.50	Emails with S. Graff regarding bankruptcy application
MJVZ	07/11/2024	795.00	0.70	556.50	Review file in preparation for and attendance at meeting with S. Graff regarding bankruptcy application; Emails with S. Graff and S. Hans; Reporting email to B. Bando setting out recommendation for bankruptcy application of 244 Ontario
SH	07/11/2024	425.00	0.10	42.50	Emails to M. van Zandvoort re bankruptcy application
MJVZ	07/15/2024	795.00	0.20	159.00	Prepare for and attend at meeting with S. Hans regarding 244 Ontario and next steps
SH	07/15/2024	425.00	0.30	127.50	Receive instructions from M. van Zandvoort re bankruptcy application; Review file background and receivership materials re same
DJC	07/16/2024	560.00	0.10	56.00	Email M. van Zandvoort re outstanding action against J. Froese and Frontline Factoring
DJC	07/16/2024	560.00	0.10	56.00	Email B. Bando re additional settlement payment received from D. DenHollander re shortfall payment
MJVZ	07/16/2024	795.00	0.10	79.50	Emails with B. Bando regarding next steps 244 Ontario
MJVZ	07/16/2024	795.00	0.10	79.50	Email from D. Collett regarding DenHollander response
MJVZ	07/16/2024	795.00	0.10	79.50	Emails to and from D. Collett to advance Frontline/Froese action
SLG	07/16/2024	1,095.00	0.20	219.00	Emails with B. Bando re: settlement
MJVZ	07/17/2024	795.00	0.10	79.50	Emails with B. Bando regarding next steps 244 Ontario
MJVZ	07/17/2024	795.00	0.20	159.00	Conference call with B. Bando regarding bankruptcy application

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	07/17/2024	795.00	0.10	79.50	Emails with S. Hans regarding preparation of bankruptcy application
SH	07/17/2024	425.00	0.20	85.00	Review correspondence received from receiver; Emails to M. van Zandvoort and S. Graff re bankruptcy application
SLG	07/17/2024	1,095.00	0.20	219.00	Emails with B. Bando and M. van Zandvoort
SLG	07/17/2024	1,095.00	0.20	219.00	Consider bankruptcy application to reverse HST priority
SH	07/21/2024	425.00	0.40	170.00	Draft bankruptcy order re 244
DJC	07/22/2024	560.00	0.30	168.00	Review email from B. Bando re discharge of court order from title re 3078 Ingleton Lane, Oakville; Review email from M. van Zandvoort; Consider application to delete order appointing receiver from title
MES	07/22/2024	775.00	0.20	155.00	Discussion with S. Hans re bankruptcy application re 244
MJVZ	07/22/2024	795.00	0.10	79.50	Review email from S. Hans regarding bankruptcy application for 244 Ontario
MJVZ	07/22/2024	795.00	0.20	159.00	Emails with B. Bando and D. Collett regarding discharge of instrument from title
SH	07/22/2024	425.00	1.80	765.00	Emails to E. Sharhrami re corporate searches; Review same; Draft bankruptcy application and trustee's consent to act; Email to M. van Zandvoort re same
DJC	07/23/2024	560.00	0.90	504.00	Emails to B. Bando re removal of appointment order from title to 3078 Ingleton Lane, Oakville; Meeting with M. van Zandvoort re same; Review parcel register and Application to Register Appointment Order; Email W. Lelis; Call with W. Lelis
MJVZ	07/23/2024	795.00	0.20	159.00	Meeting with D. Collett regarding discharge of instrument and next steps; Emails from B. Bando and D. Collett regarding same
MJVZ	07/23/2024	795.00	0.50	397.50	Review draft application materials; Email to S. Hans regarding same
DJC	07/24/2024	560.00	0.50	280.00	Review precedent consents re discharge of Application to Register Court Order re 3078 Ingleton Lane, Oakville; Email W. Lelis
DJC	07/24/2024	560.00	0.30	168.00	Review file and correspondence re J. Froese and Frontline Factoring; Emails to J. Froese and J. Hornby

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	07/24/2024	795.00	0.30	238.50	Review revised bankruptcy materials and settlement agreement and emails with S. Hans and S. Graff concerning same
SH	07/24/2024	425.00	0.60	255.00	Revise bankruptcy application; Email to M. van Zandvoort re same
JAW	07/25/2024	950.00	0.10	95.00	Review and respond to M. Lepage-Chouinard emails re required information regarding Grant Thorton
MJVZ	07/26/2024	795.00	0.30	238.50	Review settlement agreement and emails to S. Hans regarding advancement of application
SH	07/27/2024	425.00	0.10	42.50	Email to M. van Zandvoort re bankruptcy application materials
MJVZ	07/28/2024	795.00	0.10	79.50	Email from S. Hans regarding bankruptcy application for 244 Ontario
SH	07/28/2024	425.00	0.90	382.50	Update bankruptcy application, trustee's consent and draft order; Email to client and M. van Zandvoort enclosing same; Review proper filing districts and procedures
SH	07/29/2024	425.00	0.50	212.50	Review and implement edits from client on bankruptcy application and consent; Confirm proper filing district with bankruptcy court
SH	07/30/2024	425.00	0.40	170.00	Update bankruptcy application; Emails to client re same; Arrange for commissioning of same
CD	07/31/2024	395.00	0.10	39.50	Meet with client re affidavit signing
SH	07/31/2024	425.00	0.50	212.50	Update bankruptcy application materials; Emails to client and C. Delfino re same; Call with C. Delfino re same

TOTAL:	15.80	\$9,676.00
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	3.90	\$560.00	\$2,184.00
Delfino, Cristian (CD)	0.10	\$395.00	\$39.50
Graff, Steven L. (SLG)	0.80	\$1,095.00	\$876.00
Hans, Samantha (SH)	5.80	\$425.00	\$2,465.00
Nemers, Jeremy T (JTN)	0.30	\$695.00	\$208.50
Spence, Miranda E. (MES)	0.40	\$775.00	\$310.00
van Zandvoort, Mark J. (MJVZ)	4.40	\$795.00	\$3,498.00
Wainwright, Jennifer A. (JAW)	0.10	\$950.00	\$95.00

OUR FEE	\$9,676.00
HST @ 13%	1,257.88

DISBURSEMENTS**Non-Taxable Disbursements**

Due Diligence-Gov Fee	8.00	
Wire Charges	35.00	
Total Non-Taxable Disbursements		\$43.00

Taxable Disbursements

Due Diligence	10.00	
Total Taxable Disbursements		\$10.00
HST @ 13%		1.30

AMOUNT DUE**\$10,988.18 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP


Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
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55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1401323 - September 18, 2024



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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

September 18, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1401323

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending August 31, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
PLW	08/01/2024	280.00	0.40	112.00	Submitted Application for Bankruptcy Order for issuance online with the court
SH	08/02/2024	425.00	0.30	127.50	Revise court scheduling form; Arrange for same to be filed
DJC	08/06/2024	560.00	0.20	112.00	Call with J. Hornby; Emails to Trust and B. Bando re settlement payment from D. DenHollander
MJVZ	08/06/2024	795.00	0.10	79.50	Receive wire from DenHollanders; Emails with D. Collett and B. Bando concerning same
SH	08/06/2024	425.00	0.20	85.00	Confirm court filing and request update on status
MJVZ	08/07/2024	795.00	0.10	79.50	Emails from S. Hans and B. Bando regarding 244 bankruptcy application
SH	08/07/2024	425.00	0.20	85.00	Review application filing status; Email to client, M. van Zandvoort and S. Graff re file update
DJC	08/15/2024	560.00	0.20	112.00	Emails to M. van Zandvoort, D. DenHollander, M. DenHollander and J. Hornby re default on terms of settlement and outstanding balance owing
DJC	08/20/2024	560.00	0.10	56.00	Review emails from D. DenHollander re outstanding settlement payment; Engaged with M. van Zandvoort re same
SH	08/21/2024	425.00	0.10	42.50	Arrange for follow up with court re hearing date scheduling
DJC	08/27/2024	560.00	0.30	168.00	Email D. DenHollander and J. Hornby re shortfall payment owing under terms of settlement; Email M. van Zandvoort

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	08/27/2024	560.00	0.20	112.00	Review correspondence from J. Hornby re contact information for J. Froese; Email J. Froese re outstanding action against Frontline Factoring
MJVZ	08/27/2024	795.00	0.10	79.50	Correspond with D. Collett regarding status of DenHollander remaining August settlement payment
DJC	08/28/2024	560.00	0.20	112.00	Review email from D. DenHollander re shortfall payment owing; Emails to M. van Zandvoort re Terms of Settlement
DJC	08/28/2024	560.00	0.30	168.00	Review correspondence and documents from Elite Counsel re rejection notice re mortgage discharge documentation for Dancey property; Email B. Bando re same
MJVZ	08/28/2024	795.00	0.10	79.50	Emails with D. Collett regarding status of DenHollanders' payment and review correspondence from D. DenHollander
DJC	08/29/2024	560.00	0.50	280.00	Prepare revise mortgage discharge documentation re Dancy property; Emails to E. Chow and B. Bando re meeting to sign discharge documents; Email A. Farrer re same
DJC	08/29/2024	560.00	0.40	224.00	Review email from D. DenHollander re payment of shortfall amount under Terms of Settlement; Confirm payment of shortfall amount into trust; Email B. Bando re same
MJVZ	08/29/2024	795.00	0.20	159.00	Emails with D. Collett regarding DenHollander settlement funds status and next steps; Email from Trust concerning same regarding fund delivery

TOTAL:	4.20	\$2,273.00
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	2.40	\$560.00	\$1,344.00
Hans, Samantha (SH)	0.80	\$425.00	\$340.00
van Zandvoort, Mark J. (MJVZ)	0.60	\$795.00	\$477.00
Williams, Patrick L. (PLW)	0.40	\$280.00	\$112.00

OUR FEE	\$2,273.00
HST @ 13%	295.49

DISBURSEMENTS**Non-Taxable Disbursements**

Bankruptcy Petition

150.00

Wire Charges	35.00
Total Non-Taxable Disbursements	\$185.00

AMOUNT DUE**\$2,753.49 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP


Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

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Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1407666 - October 31, 2024



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

October 31, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1407666

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending September 30, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	09/03/2024	560.00	0.30	168.00	Review and revise mortgage discharge documents re Dancey property; Meeting with E. Chow re same; Email E. Chow
EC	09/03/2024	350.00	0.20	70.00	Meeting with D. Collett re mortgage discharge signing
DJC	09/04/2024	560.00	0.40	224.00	Review and finalize mortgage discharge documentation re Dancey; Engaged with E. Chow re same; Attend meeting with B. Bando and E. Chow to sign discharge documents
EC	09/04/2024	29.17	4.80	140.00	Prepare alternative versions of mortgage discharge documents for wet signatures; Emails with D. Collett re same; Witness mortgage discharge with D. Collett; Preserve originals and prepare copies
DJC	09/05/2024	560.00	0.20	112.00	Prepare letter to Hendrix Law re mortgage discharge documents re Dancey; Finalize and send letter and original discharge documents
DJC	09/05/2024	560.00	0.50	280.00	Review pleadings re outstanding action against Frontline Factoring and J. Froese re potential settlement
DJC	09/06/2024	560.00	0.10	56.00	Review email from A. Farrer re mortgage discharge documents re Dancey; Email A. Farrer re same
DJC	09/06/2024	560.00	0.40	224.00	Call with J. Hornby [REDACTED] [REDACTED] Engaged with J. Hornby re J. Froese and outstanding action against Frontline Factoring

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	09/09/2024	795.00	0.10	79.50	Emails with S. Hans regarding 244 Ontario bankruptcy application returnable on October 22, 2024
SH	09/09/2024	425.00	0.40	170.00	Emails to the court, client, M. van Zandvoort and S. Graff re hearing date; Arrange for update to bankruptcy application
SH	09/10/2024	425.00	0.80	340.00	Arrange for service of bankruptcy application on OSB and proposed trustee; Review draft correspondence re same
DJC	09/11/2024	560.00	0.30	168.00	Call with E. Hamoski re enforcement proceeding against D. DenHollander and M. DenHollander; Email M. van Zandvoort re same
MJVZ	09/11/2024	795.00	0.10	79.50	Voicemail from E. Hamoski; Emails with D. Collett addressing same
SH	09/11/2024	425.00	0.50	212.50	Attend to service matters; Arrange for additional service attempts
SH	09/12/2024	425.00	0.40	170.00	Review, revise and commission affidavit of service
MJVZ	09/13/2024	795.00	0.10	79.50	Review email from B. Bando and attachment re 244 Ontario bankruptcy application
DJC	09/17/2024	560.00	0.10	56.00	Email A. Goncalves re wire received from D. DenHollander for partial payment of outstanding settlement funds
MES	09/19/2024	775.00	0.20	155.00	Exchange emails with M. van Zandvoort re next Receiver's report
MJVZ	09/19/2024	795.00	0.70	556.50	Emails and conference call with B. Bando regarding preparation of Receiver's Report; Review 2nd and 4th reports on subject areas; Emails with A&B Team coordinating review and advancement of same
DJC	09/20/2024	560.00	0.50	280.00	Review emails from M. van Zandvoort and M. Spence re draft report of the Receiver; Email M. van Zandvoort and M. Spence; Call with M. van Zandvoort; Email M. Munro re bankruptcy of J. Ostrowski
MJVZ	09/20/2024	795.00	0.30	238.50	Attend meeting with D. Collett re preparation of summaries for Receiver's report
SH	09/20/2024	425.00	0.10	42.50	Attend to service of bankruptcy application
DJC	09/23/2024	560.00	0.10	56.00	Schedule meeting with J. Hornby

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DSH	09/23/2024	375.00	0.30	112.50	Emails with S. Hans; Email to MTO requesting drivers license information against director of bankrupt company; Email to conveyancer to pull referenced parcel abstracts
JEM	09/23/2024	395.00	0.20	79.00	Order, review and report on profile and PPSA search
JS	09/23/2024	290.00	1.00	290.00	Sub search re 440 Reynolds Street, 200 North Service Road West and 534 Golfview Court, Oakville and email copies of PIN's and PIN map to Daniella Hodgson.
MJVZ	09/23/2024	795.00	0.10	79.50	Emails with S. Hans regarding 244 Ontario bankruptcy application and service
SH	09/23/2024	425.00	1.40	595.00	Receive update from process server; Attend to service of bankruptcy applications; Emails to M. van Zandvoort, S. Graff and D. Hodgson re same; Arrange for MTO search on director; Review BIA General Rules re service of application; Review affidavit of attempted service; Order PPSA and corporate profile searches
JEM	09/24/2024	395.00	0.10	39.50	Review and report on certified PPSA search
MJVZ	09/25/2024	795.00	0.10	79.50	Review correspondence from B. Bando regarding Ministry notice and email with S. Graff concerning same
TOTAL:			14.80	\$5,232.50	

Name	Hours	Rate	Value
Chow, Emily (EC)	5.00	\$42.00	\$210.00
Collett, Dillon J.E. (DJC)	2.90	\$560.00	\$1,624.00
Hans, Samantha (SH)	3.60	\$425.00	\$1,530.00
Hodgson, Daniella S. (DSH)	0.30	\$375.00	\$112.50
McLean, Jenaya E. (JEM)	0.30	\$395.00	\$118.50
Scarpelli, John (JS)	1.00	\$290.00	\$290.00
Spence, Miranda E. (MES)	0.20	\$775.00	\$155.00
van Zandvoort, Mark J. (MJVZ)	1.50	\$795.00	\$1,192.50

OUR FEE	\$5,232.50
HST @ 13%	680.23

DISBURSEMENTS**Non-Taxable Disbursements**

Due Diligence-Gov Fee	8.00
Search Under P.P.S.A.	16.00

Wire Charges	17.50
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Total Non-Taxable Disbursements	\$41.50
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Taxable Disbursements

Courier/Delivery	57.73
Due Diligence	10.00
Motor Vehicle Search	26.00
Photocopies/Scanning	7.00
Postage	25.18
Service of Documents	580.00
Service Provider Fee	10.30
Teraview Search	121.35

Total Taxable Disbursements	\$837.56
HST @ 13%	108.88

AMOUNT DUE**\$6,900.67 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP


Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

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IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

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Account 1411357 - November 29, 2024



Aird & Berlis LLP
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 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

November 29, 2024

Attention: Mr. Jonathan Krieger

Invoice No: 1411357

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending October 31, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	10/02/2024	560.00	0.70	392.00	Prepare sixth receivership report; Emails to Z. Walwyn re same; Meeting with Z. Walwyn re prior receivership reports and various investments for sixth report
MJVZ	10/02/2024	795.00	0.10	79.50	Emails with S. Graff regarding Ministry Notice
ZW	10/02/2024	350.00	1.50	525.00	Meeting with D.Collett re instructions; organizing documents for receivership report
DJC	10/03/2024	560.00	0.20	112.00	Call with J. Hornby re D. DenHollander and J. Froese; Schedule follow-up call with J. Hornby
ZW	10/03/2024	350.00	2.40	840.00	Organizing contents of receivership report for D.Collett
DJC	10/04/2024	560.00	0.30	168.00	Call with J. Hornby re D. DenHollander and J. Froese
ZW	10/04/2024	350.00	8.80	3,080.00	Organizing contents of receivership report for D.Collett
ZW	10/06/2024	350.00	3.40	1,190.00	Organizing documents for receivership report for D.Collett
DJC	10/07/2024	560.00	0.20	112.00	Review email and chart from Z. Walwyn re sixth report of the Receiver and various investments re same; Email Z. Walwyn
DJC	10/08/2024	560.00	0.50	280.00	Review email from B. Bando re NFL Participation Agreements and prohibition on assignment of claims by Class Members pursuant to the ruling of Brody J. dated December 8, 2017; Email B. Bando; Review file and correspondence re NFL Participation Agreements

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	10/08/2024	560.00	0.10	56.00	Review email from B. Bando re draft sixth report of the Receiver; Email B. Bando re same
MJVZ	10/08/2024	795.00	0.10	79.50	Emails with B. Bando and D. Collett re NFL Participation Agreements
MJVZ	10/08/2024	795.00	0.10	79.50	Emails with S. Graff regarding Ministry Notice; Prepare for meeting with S. Graff regarding same
DJC	10/09/2024	560.00	0.20	112.00	Emails to Z. Walwyn re NFL Participation Agreements and research re US case law on prohibition on assignment of claims by Class Members
SLG	10/09/2024	1,095.00	0.30	328.50	Discussion with M. Van Zandvoort
ZW	10/09/2024	350.00	0.10	35.00	Reviewing instructions from D.Collett for research assignment
MJVZ	10/10/2024	795.00	0.30	238.50	Meeting with S. Graff regarding Ministry Notice and response and emails with B. Bando concerning same
ZW	10/10/2024	350.00	1.90	665.00	Research on assignment of claims by NFL class members for D.Collett
MJVZ	10/11/2024	795.00	0.10	79.50	Emails with B. Bando regarding Ministry Notice
SH	10/11/2024	425.00	0.80	340.00	Prepare affidavit of service received for process server; Arrange for swearing of same
SH	10/15/2024	425.00	0.50	212.50	Revise affidavit of service received for process server; Arrange for swearing of same
DJC	10/16/2024	560.00	4.40	2,464.00	Review email from Z. Walwyn re NFL Participation Agreements and decision of the Third Circuit partially reversing the District Court's decision dated December 8, 2017 re assignment of NFL player claims; Emails to Z. Walwyn and M. van Zandvoort; Call with Z. Walwyn; Review file including prior reports of the Receiver, correspondence and documents re NFL funding and participation agreements with Xynergy and KrunchCash LLC and considering ruling of the Third Circuit re cash advance agreements and application to NFL funding and participation agreements
MJVZ	10/16/2024	795.00	0.40	318.00	Review email and attachments from D. Collett concerning Medical Fund investment and next steps and advise regarding same
MJVZ	10/16/2024	795.00	0.10	79.50	Emails with S. Hans regarding 244 bankruptcy application

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
PLW	10/16/2024	280.00	0.40	112.00	Submitted Application for Bankruptcy Order and Consent for filing online with the court
SH	10/16/2024	425.00	1.30	552.50	Revise draft order; Review finalized materials; Update CaseLines; Emails to M. van Zandvoort and S. Graff re service of materials
SLG	10/16/2024	1,095.00	0.30	328.50	Emails re: service of bankruptcy application
ZW	10/16/2024	350.00	2.10	735.00	Research; call with D.Collett re same
DJC	10/17/2024	560.00	0.30	168.00	Emails to M. van Zandvoort, B. Bando and D. Collins re NFL funding and participation agreements and Third Circuit ruling partially reversing prohibition on cash advance agreements; Email Z.Walwyn re same
MJVZ	10/17/2024	795.00	0.20	159.00	Emails with D. Collett and B. Bando regarding Medical Fund investment
DJC	10/18/2024	560.00	0.20	112.00	Review email from B. Bando; Schedule meeting with M. van Zandvoort and B. Bando re NFL Participation Agreements
MJVZ	10/18/2024	795.00	0.10	79.50	Emails with D. Collett and B. Bando regarding meeting and 244 Ontario bankruptcy application
DJC	10/21/2024	560.00	0.60	336.00	Prepare for and attend meeting with B. Bando and M. van Zandvoort re NFL Participation Agreements; Email M. van Zandvoort re asset search information for Xynergy and KrunchCash LLC
DJC	10/21/2024	560.00	1.40	784.00	Review file, correspondence and chart from Z. Walwyn re commercial loans, gold loans, factoring agreements and US Real Estate LP; Draft Sixth Report of the Receiver
MJVZ	10/21/2024	795.00	0.60	477.00	Prepare for and attend on meeting with B. Bando and D. Collett; Follow-up email to asset investigator
SH	10/21/2024	425.00	0.40	170.00	Review and finalize documents on CaseLines
MJVZ	10/22/2024	795.00	0.10	79.50	Review Ministry response as forwarded by B. Bando
PLW	10/22/2024	280.00	0.40	112.00	Submitted Bankruptcy Order for filing online with the court
SH	10/22/2024	425.00	0.50	212.50	Review signed bankruptcy order received from court; Emails to client, M. van Zandvoort and S. Graff re same; Arrange for issuance of same
SLG	10/22/2024	1,095.00	0.10	109.50	Emails with B. Bando, S. Hans and M. van Zandvoort

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	10/23/2024	560.00	1.60	896.00	Review file and correspondence with Xynergy re NFL Participation agreements; Email M. van Zandvoort re proposed email to Xynergy re same; Review comments from M. van Zandvoort; Emails to B. Bando re same; Email M. Schesnuk re engagement of ASG Investigations re asset searches for Xynergy and KrunchCash LLC
MJVZ	10/23/2024	795.00	0.60	477.00	Review and revise correspondence to Xynergy; Correspondence with D. Collett, B. Bando and asset investigator
MJVZ	10/23/2024	795.00	0.10	79.50	Emails with S. Hans and B. Bando re 244 Ontario bankruptcy order and next steps
SH	10/23/2024	425.00	0.20	85.00	Review issued copy of bankruptcy order; Email to client, M. van Zandvoort and S. Graff re same
MES	10/24/2024	775.00	0.30	232.50	Address PPSA filings re 244/Mortgage Fund (Commercial Loans)
MJVZ	10/24/2024	795.00	0.10	79.50	Emails with asset investigator
MJVZ	10/24/2024	795.00	0.10	79.50	Review emails from B. Bando and S. Hans regarding 244 Ontario bankruptcy and Mortgage Fund registration
SH	10/24/2024	425.00	2.20	935.00	Emails to client, M. Spence, M. van Zandvoort, D. Collett and S. Morris re PPSA registrations; Calls with M. Spence and S. Morris re same; Review file history re same; Arrange for and review re-registration
SRM	10/24/2024	485.00	0.70	339.50	Review email regarding discharged PPSA registration; Review file and report on findings; Order updated searches; Prepare and submit re-registration
DJC	10/25/2024	560.00	0.20	112.00	Review email from D. Collins re deceased investor and notary package re determination of rightful beneficiary of estate; Emails to M. van Zandvoort, D. Collins and M. Pernica re same
MJVZ	10/25/2024	795.00	0.10	79.50	Emails with D. Collins and D. Collett regarding estate inquiry
SH	10/25/2024	425.00	0.50	212.50	Review prior PPSA creditor registrations; Email to B. Bando re expiry of same
SRM	10/25/2024	485.00	0.10	48.50	Order certified post-registration PPSA search

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	10/27/2024	560.00	8.10	4,536.00	Review prior reports of the Receiver re commercial loans, gold loans, factoring agreements and US Real Estate LP; Review status charts re enforcement efforts; Draft Sixth Report of the Receiver
DJC	10/28/2024	560.00	0.10	56.00	Review email from J. Hornby; Schedule call with J. Hornby re outstanding actions against Frontline Factoring and terms of settlement with D. DenHollander
SH	10/28/2024	425.00	0.10	42.50	Review certificate of appointment; Email to client re same
SRM	10/28/2024	485.00	0.20	97.00	Review 3C Ministry verification statement and certified post-registration PPSA search and report on same
DJC	10/31/2024	560.00	0.50	280.00	Review correspondence and documents re Xynergy and KrunchCash LLC and asset investigation re same; Emails to M. van Zandvoort and M. Schesnuk re same
DJC	10/31/2024	560.00	1.10	616.00	Emails to M. Pernica re deceased investor question concerning the estate of G. Starosta and notarized will; Review notary package; Emails to D. Collins, B. Bando and M. La Sieur re contact information for estate lawyer of C. Starosta as liquidator
MJVZ	10/31/2024	795.00	0.20	159.00	Review asset investigator engagement and emails with D. Collett re advancement

TOTAL:	53.60	\$25,835.50
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	20.70	\$560.00	\$11,592.00
Graff, Steven L. (SLG)	0.70	\$1,095.00	\$766.50
Hans, Samantha (SH)	6.50	\$425.00	\$2,762.50
Morris, Shannon R (SRM)	1.00	\$485.00	\$485.00
Spence, Miranda E. (MES)	0.30	\$775.00	\$232.50
van Zandvoort, Mark J. (MJVZ)	3.40	\$795.00	\$2,703.00
Walwyn, Zoë (ZW)	20.20	\$350.00	\$7,070.00
Williams, Patrick L. (PLW)	0.80	\$280.00	\$224.00

OUR FEE	\$25,835.50
HST @ 13%	3,358.61

DISBURSEMENTS**Non-Taxable Disbursements**

Due Diligence-Gov Fee

8.00

Registration Under P.P.S.A.	16.00
Search Under P.P.S.A.	16.00

Total Non-Taxable Disbursements \$40.00

Taxable Disbursements

Due Diligence	10.00
Service of Documents	217.50
Service Provider Fee	21.55

Total Taxable Disbursements \$249.05
HST @ 13% 32.38

AMOUNT DUE

\$29,515.54 CAD

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Steven L. Graff

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GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

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Account 1416701 - December 31, 2024



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 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

December 31, 2024

Attention: David Collins

Invoice No: 1416701

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending November 30, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SLG	09/30/2024	1,095.00	0.20	219.00	Review issues re stay of enforcement filings
SLG	10/09/2024	1,095.00	0.50	547.50	Discussion with M. van Zandvoort re: filings for C.W. Management
DJC	11/06/2024	560.00	0.10	56.00	Email D. Collins re template consent forms for investors re authorized contact persons
DJC	11/07/2024	560.00	1.00	560.00	Review file, documents, correspondence and online information re asset search investigation on Xynergy Medical Capital LLC and KrunchCash LLC with respect to NFL funding and participation agreements; Email M. Schesnuk re same
MJVZ	11/07/2024	795.00	0.10	79.50	Review Receiver's correspondence to Xynergy; Emails regarding asset investigation (Medical Fund)
DJC	11/11/2024	560.00	1.70	952.00	Review file re consent forms for authorized contact person for investors; Collins; Prepare template authorization form; Emails to D. Collins
MJVZ	11/11/2024	795.00	0.10	79.50	Review email from M. Schesnuk regarding asset investigation
DJC	11/13/2024	560.00	0.10	56.00	Review correspondence re additional payment received from D. DenHollander under terms of settlement; Email A. Goncalves re same
DJC	11/19/2024	560.00	0.30	168.00	Review email from B. Bando re sixth report of the Receiver and proposed update to investors; Call with B. Bando and D. Collins re same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	11/19/2024	795.00	0.10	79.50	Email from B. Bando; Meeting with D. Collett regarding investor update
DJC	11/20/2024	560.00	0.10	56.00	Email M. van Zandvoort and M. Spence re proposed updated notice to investors re conclusion of receivership
MJVZ	11/21/2024	795.00	0.10	79.50	Review update from M. Schesnuk regarding Medical Fund
DJC	11/22/2024	560.00	0.10	56.00	Emails to M. Spence, M. van Zandvoort and B. Bando re proposed update to investors re conclusion of receivership
MJVZ	11/22/2024	795.00	0.10	79.50	Emails with B. Bando and D. Collett regarding investor update
MJVZ	11/26/2024	795.00	0.10	79.50	Email from B. Bando regarding investor notice
MJVZ	11/27/2024	795.00	0.40	318.00	Email with D. Collett regarding asset investigation and review reports received regarding Medical Fund

TOTAL:	5.10	\$3,465.50
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	3.40	\$560.00	\$1,904.00
Graff, Steven L. (SLG)	0.70	\$1,095.00	\$766.50
van Zandvoort, Mark J. (MJVZ)	1.00	\$795.00	\$795.00

OUR FEE	\$3,465.50
HST @ 13%	450.52

DISBURSEMENTS

Non-Taxable Disbursements

11/01/2024	Foreign Professional Fees - Vendor: TD Visa; Invoice#: NOV-05-2024-MS#2; Date: 2024-11-01 - Visa charges from Oct 07 to Nov 05, 2024 - ASG INVESTIGATIONS - foreign currency 2,500.00 USD @exchange rate 1.42967 - ACL # n/a	3,574.18
	Wire Charges	17.50

Total Non-Taxable Disbursements	\$3,591.68
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AMOUNT DUE	\$7,507.70 CAD
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Steven L. Graff

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Account 1420546 - January 31, 2025



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 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

January 31, 2025

Attention: David Collins

Invoice No: 1420546

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending December 31, 2024

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	12/02/2024	560.00	0.60	336.00	Review asset investigations re Xynergy Medical Capital LLC and KrunchCash LLC; Email B. Bando and D. Collins re summary of same; Review email from B. Bando re same
MJVZ	12/02/2024	795.00	0.10	79.50	Emails with D. Collett and B. Bando regarding asset investigation (Medical Fund)
MES	12/09/2024	775.00	0.20	155.00	Exchange emails with B. Bando re seeking 244 discharge (Commercial Loans)
DJC	12/17/2024	560.00	0.20	112.00	Email M. van Zandvoort and B. Bruce re call to discuss draft sixth report of the Receiver; Schedule meeting with M. van Zandvoort, B. Bando and J. Krieger
MJVZ	12/17/2024	795.00	0.10	79.50	Emails with B. Bando and D. Collett regarding meeting to address next steps
DJC	12/18/2024	560.00	1.20	672.00	Review and revise draft sixth report of the Receiver; Conduct searches re commercial loan investments; Call with M. van Zandvoort; Attend meeting with B. Bando, J. Krieger and M. van Zandvoort re draft sixth report and outstanding issues; Email J. Hornby re call to discuss potential resolution with J. Froese
MJVZ	12/18/2024	795.00	0.60	477.00	Email to D. Collett in preparation of meeting with B. Bando and J. Krieger; File review in preparation for meeting and attend pre-meeting with D. Collett; Attend meeting with J. Krieger, B. Bando and D. Collett concerning next steps in the administration of the receivership

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	12/20/2024	560.00	0.70	392.00	Review email from M. van Zandvoort re judgment and writs obtained against M. McReady; Review file and correspondence re same; Emails to B. Bando, L. Nguyen and M. van Zandvoort re writ renewals
DJC	12/20/2024	560.00	1.60	896.00	Review file and correspondence re Xynergy Medical Capital LLC; Prepare letter to A. Nathan re NFL participation agreements and request for documents and information from Xynergy re same; Emails to B. Bando, D. Collins, A. Nathan and M. van Zandvoort re same
LN	12/20/2024	310.00	0.10	31.00	Emails with P. Miehl and D. Collett re: renewal of writs
MJVZ	12/20/2024	795.00	0.10	79.50	Review letter to debtor and emails with debtor and D. Collett re Medical Fund; Email from B. Bando
MJVZ	12/20/2024	795.00	0.10	79.50	Email concerning writ renewal for M. McCreedy; Email to D. Collett advancing same
PSM	12/20/2024	750.00	0.40	300.00	Attend to renewal of four writs; review emails from writ filing re same
DJC	12/23/2024	560.00	0.30	168.00	Review prior receivership reports; Review and revise sixth report of the receiver re commercial loans
TOTAL:			6.30	\$3,857.00	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	4.60	\$560.00	\$2,576.00
Miehl, Pamela S. (PSM)	0.40	\$750.00	\$300.00
Nguyen, Linh (LN)	0.10	\$310.00	\$31.00
Spence, Miranda E. (MES)	0.20	\$775.00	\$155.00
van Zandvoort, Mark J. (MJVZ)	1.00	\$795.00	\$795.00

OUR FEE	\$3,857.00
HST @ 13%	501.41

AMOUNT DUE	\$4,358.41 CAD
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Steven L. Graff

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Account 1422827 - February 14, 2025



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Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

February 14, 2025

Attention: David Collins

Invoice No: 1422827

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending January 31, 2025

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	01/03/2025	635.00	3.20	2,032.00	Review Second Report, Fourth Report and Fifth Report of the Receiver re commercial loans and investigation by Receiver; Prepare draft Sixth Report
DJC	01/04/2025	635.00	3.60	2,286.00	Review and revise draft Sixth Report of the Receiver re commercial loans and final distribution; Conduct searches re OOM Energy Group, MCSnoxrecovery, MCSAB10, Cinnos Mission, Liberta Mortgage and Kanwal Developments
DJC	01/05/2025	635.00	4.10	2,603.50	Review and revise draft Sixth Report re commercial loans, factoring agreements and final distribution; Review prior notices to investors and court orders; Conduct searches re J. Froese and Frontline Factoring, Onstar Exploration, 156 Alberta, 647 BC and the DenHollanders, OSC sanctions against C. Smith, BDO Settlement and correspondence with OSC staff re AMP Penalty
MES	01/06/2025	825.00	0.30	247.50	Discussion with D. Collett re distribution motion, discharge motion (Commercial Loans)
DJC	01/07/2025	635.00	0.50	317.50	Email J. Hornby re call to discuss outstanding action against Frontline Factoring and J. Froese; Review trust summary re payments from D. DenHollander and correspondence with D. DenHollander re same; Email D. DenHollander re demand for shortfall owing

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	01/08/2025	635.00	0.40	254.00	Call with J. Hornby re settlement agreement with D. DenHollander and M. DenHollander and outstanding claim against J. Froese and Frontline Factoring; Scheduling follow-up call with J. Hornby and J. Froese
DJC	01/10/2025	635.00	2.10	1,333.50	Email J. Hornby; Review documents re Frontline Factoring, transcript from the examination of J. Froese and Statement of Claim against Frontline Factoring; Prepare for and attend call with J. Hornby and J. Froese re outstanding action against J. Froese and Frontline Factoring; Prepare draft statutory declaration re assets and liabilities of J. Froese; Review and revise draft Sixth Report
DJC	01/12/2025	635.00	4.50	2,857.50	Draft sixth report of the Receiver; Review file and correspondence re OOM Energy Group Loans and 244 Ontario receivership application
DJC	01/13/2025	635.00	11.70	7,429.50	Review and revise draft Sixth Report of the Receiver; Review 244 Ontario receivership materials, court orders and endorsements; Review examinations of C. Clydesdale and C. Smith; Review correspondence and documents re status of commercial loans
DJC	01/14/2025	635.00	11.90	7,556.50	Review and revise draft Sixth Report; Review correspondence, notices to investors, prior reports and appendices re commercial loans and NFL Participation Agreements and status of enforcement proceedings, bankruptcies and settlements; Prepare reporting update to M. van Zandvoort, M. Spence and client
DJC	01/15/2025	635.00	1.20	762.00	Email M. van Zandvoort and M. Spence re draft Sixth Report of the Receiver, C. Smith and BDO Settlement Agreement, updated status chart of bankruptcy and litigation matters and outstanding items; Emails to Z. Walwyn re same; Review comments from M. van Zandvoort; Meeting with Z. Walwyn re next steps and preparation of appendices to Sixth Report
MJVZ	01/15/2025	840.00	3.00	2,520.00	Review and revisions to draft Sixth Report, Status Chart in conjunction with review of file correspondence and email to D. Collett attaching revised draft and redline directing regarding advancement of same
ZW	01/15/2025	375.00	0.30	112.50	Call with D.Collett to receive instructions; reviewing task list

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	01/16/2025	635.00	1.10	698.50	Review and revise draft Sixth Report; Emails to M. van Zandvoort and client re same; Schedule meeting with B. Bando and D. Collins; Prepare draft statutory declaration of J. Froese re outstanding action against J. Froese and Frontline Factoring; Email J. Froese and J. Hornby re same
MJVZ	01/16/2025	840.00	0.10	84.00	Emails with D. Collett and B. Bando concerning preparation of draft report and meeting to address
DJC	01/20/2025	635.00	1.40	889.00	Review draft Sixth Report and task chart re same; Prepare motion materials [REDACTED] [REDACTED] Review correspondence and organize exhibits; Email Z. Walwyn re same; Call with Z. Walwyn
ZW	01/20/2025	375.00	0.40	150.00	Meeting with D. Collett re instructions re drafting motion [REDACTED]
DJC	01/23/2025	635.00	1.30	825.50	Call with J. Hornby re outstanding actions against D. DenHollander, M. DenHollander, J. Froese and Frontline Factoring; Email Z. Walwyn; Call with Z. Walwyn re motion materials [REDACTED] [REDACTED] Review draft Sixth Report; Prepare for and attend meeting with B. Bando and M. van Zandvoort re draft Sixth Report; Email A. Nathan re NFL participation agreements with Xynergy
MJVZ	01/23/2025	840.00	0.50	420.00	Prepare for and attend meeting with D. Collett and B. Bando regarding draft report and outstanding items/next steps
ZW	01/23/2025	375.00	1.80	675.00	Organizing appendices for sixth receivership report; [REDACTED] [REDACTED] Call with D. Collett
MJVZ	01/24/2025	840.00	2.20	1,848.00	Preparation of Receiver's draft report and emails with B. Bando re same
ZW	01/24/2025	375.00	0.80	300.00	Drafting affidavit for D. Collett
DJC	01/27/2025	635.00	0.10	63.50	Review emails from M. van Zandvoort and B. Bando re C. Smith and 1150752 Ontario Limited; Email M. van Zandvoort
MJVZ	01/27/2025	840.00	0.40	336.00	Emails and meeting with A. Marks; Review stat dec; Email to B. Bando concerning same; Emails with D. Collett
ZW	01/27/2025	375.00	2.40	900.00	Drafting [REDACTED] motion for D. Collett

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	01/28/2025	635.00	0.40	254.00	Review emails from B. Bando and MNP re appendices to Sixth Report and status of bankruptcies; Review file re appendices to Sixth Report; Emails to Z. Walwyn and B. Bando sharefile links for appendices
MJVZ	01/28/2025	840.00	0.10	84.00	Review emails from B. Bando re Sixth Report preparation
ZW	01/28/2025	375.00	2.70	1,012.50	Drafting consent judgment motion for D. Collett
DJC	01/29/2025	635.00	0.60	381.00	Review sharefile links from Z. Walwyn re appendices to the draft Sixth Report; Review prior reports of the Receiver and correspondence re C. Clydesdale and OOM Energy Group; Emails to Z. Walwyn and B. Bando re draft appendices
MJVZ	01/29/2025	840.00	0.10	84.00	Emails with D. Collett and B. Bando re Sixth Report preparation
ZW	01/29/2025	375.00	2.90	1,087.50	Drafting [REDACTED] motion for D. Collett; compiling appendices and setting up Sharefile

TOTAL:	66.10	\$40,404.50
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	48.10	\$635.00	\$30,543.50
Spence, Miranda E. (MES)	0.30	\$825.00	\$247.50
van Zandvoort, Mark J. (MJVZ)	6.40	\$840.00	\$5,376.00
Walwyn, Zoë (ZW)	11.30	\$375.00	\$4,237.50

OUR FEE	\$40,404.50
HST @ 13%	5,252.59

AMOUNT DUE	\$45,657.09 CAD
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Account 1426825 - March 14, 2025



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 Brookfield Place, Suite 1800
 181 Bay Street
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 200 King Street West, 11th Floor
 Toronto, ON
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March 14, 2025

Attention: David Collins

Invoice No: 1426825

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending February 28, 2025

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	02/07/2025	635.00	0.10	63.50	Review email from Z. Walwyn [REDACTED] re D. DenHollander and M. DenHollander; Email Z. Walwyn
ZW	02/07/2025	375.00	1.10	412.50	Drafting motion [REDACTED] for D.Collett
ZW	02/10/2025	375.00	0.50	187.50	Editing affidavit for motion [REDACTED] for D.Collett
DJC	02/11/2025	635.00	0.10	63.50	Review email from H. Harvey; Email H. Harvey re wind-up of receivership and trust funds
DJC	02/12/2025	635.00	0.40	254.00	Review trust balance re payments from St. Mary's Cement and D. DenHollander; Emails to B. Bando re windup of receivership and disbursement of trust funds; Email M. Spence and M. van Zandvoort re same; Call with B. Bando
MES	02/12/2025	825.00	0.20	165.00	Exchange emails with D. Collett re transfer of funds to Grant Thornton (Commercial Loans)
DJC	02/13/2025	635.00	0.20	127.00	Arrange for transfer of funds held in trust to Receiver; Email B. Bando re same
DJC	02/18/2025	635.00	0.10	63.50	Meeting with M. van Zandvoort re status and outstanding items to advance re draft Sixth Report and windup of receivership
MJVZ	02/18/2025	840.00	0.30	252.00	Prepare for and attend at meeting with D. Collett concerning status of report and outstanding items to be completed

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	02/21/2025	840.00	0.40	336.00	Prepare for and attend touch base meeting with D. Collett concerning status of remaining matters to be addressed before finalizing Receiver's report

TOTAL:			3.40	\$1,924.50	
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Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	0.90	\$635.00	\$571.50
Spence, Miranda E. (MES)	0.20	\$825.00	\$165.00
van Zandvoort, Mark J. (MJVZ)	0.70	\$840.00	\$588.00
Walwyn, Zoë (ZW)	1.60	\$375.00	\$600.00

OUR FEE	\$1,924.50
HST @ 13%	250.19

DISBURSEMENTS

Non-Taxable Disbursements

Wire Charges	15.00	
Total Non-Taxable Disbursements		\$15.00

AMOUNT DUE	\$2,189.69 CAD
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THIS IS OUR INVOICE HEREIN
 AIRD & BERLIS LLP



Steven L. Graff

E.&O.E.

AIRD & BERLIS LLP

PAGE 3 OF INVOICE No: 1426825

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com

Bill.Com Payment Network ID: c114483219512158

*** Aird & Berlis LLP does not accept interac/email transfers *****Payment is due on receipt.**

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1430936 - April 11, 2025



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

April 11, 2025

Attention: David Collins

Invoice No: 1430936

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending March 31, 2025

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	03/06/2025	840.00	0.10	84.00	Email from B. Bando delivering revised draft of report; Email to B. Bando
DJC	03/17/2025	635.00	0.20	127.00	Review email from D. Collins re draft Sixth Report; Engaged with M. van Zandvoort re same; Email D. Collins and B. Bando
MJVZ	03/17/2025	840.00	0.10	84.00	Discussion with D. Collett regarding review of draft Receiver's report
MES	03/18/2025	825.00	0.30	247.50	Discussion with S. Hans re bringing discharge motion; Review email from GT re Receiver's report (Commercial Loans)
MJVZ	03/18/2025	840.00	0.10	84.00	Email from D. Collins regarding draft report
SH	03/18/2025	490.00	0.40	196.00	Correspond with M. Spence re discharge motion; Review file re same
DW	03/19/2025	450.00	0.30	135.00	Email from Saskatchewan agent attaching 2025 Annual Return for Crystal Wealth Management System Limited; Review attachment
DJC	03/20/2025	635.00	0.70	444.50	Review emails from D. Collins and M. van Zandvoort re draft Sixth Report and final distribution to investors; Email M. van Zandvoort re draft Sixth Report; Review and revise draft Sixth Report; Call with J. Hornby re outstanding items concerning D. DenHollander and J. Froese
DW	03/20/2025	450.00	0.10	45.00	Email to B. Bando forwarding 2025 Saskatchewan Annual Return for Crystal Wealth Management System Limited and requesting instruction to file same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MJVZ	03/20/2025	840.00	0.10	84.00	Emails with D. Windle and B. Bando concerning Saskatchewan Annual Return
MJVZ	03/20/2025	840.00	0.20	168.00	Emails with D. Collins and D. Collett regarding Conscious Capital Fund and Report review
DJC	03/21/2025	635.00	3.30	2,095.50	Review and revise draft Sixth Report; Consider comments from B. Bando and D. Collins re outstanding items and final distribution to investors; Review appendices to prior reports and correspondence re same; Email M. van Zandvoort re updated draft Sixth Report and remaining outstanding items to address
DW	03/21/2025	450.00	0.20	90.00	Email from B. Bando with instruction to proceed with 2025 Saskatchewan Annual Return filing for Crystal Wealth Management System Limited; Email to B. Bando confirming receipt of instruction; Email to Saskatchewan agent requesting to file said Annual Return (with no changes)
MJVZ	03/21/2025	840.00	0.20	168.00	Email from D. Collett attaching revised draft sixth report and list of remaining action items; Email to D. Collett concerning same
MJVZ	03/22/2025	840.00	4.50	3,780.00	Detailed review of file in reviewing and revising draft Sixth Report to conclude receivership
DJC	03/23/2025	635.00	0.10	63.50	Review email from M. van Zanvoort re call to discuss draft Sixth Report with B. Bando and M. Spence; Email M. van Zandvoort and M. Spence
MJVZ	03/23/2025	840.00	4.40	3,696.00	Complete detailed review of file in reviewing and revising draft Sixth Report to conclude receivership; Circulate revised draft and redline to Receiver for discussion and coordinate meeting to advance; Emails with A&B Team advancing remaining action items and request copy of Order
DW	03/24/2025	450.00	0.20	90.00	Email from Saskatchewan agent attaching confirmation of filing of 2025 Annual Return for Crystal Wealth Management System Limited; Update corporate records relating thereto
MJVZ	03/24/2025	840.00	0.20	168.00	Obtain and review Whitehouse dismissal order; Amend Receiver's report and email to B. Bando and D. Collins concerning same
PLW	03/24/2025	295.00	0.20	59.00	Emailed Toronto court for copy of dismissal order
ABF	03/25/2025	375.00	0.30	112.50	Call re fee affidavit deliverables with D. Collett

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	03/25/2025	635.00	1.10	698.50	Review draft sixth report; Email K. Gillespie re Kanwal Mortgage participation and Liberty Mortgage; Email M. Munro re bankruptcy order concerning J. Ostrowski; Email A. Bernicchia-Freeman re preparation of fee affidavit for Sixth Report; Prepare for and attend meeting with B. Bando, M. van Zandvoort and M. Spence re draft Sixth Report and outstanding items re same
MES	03/25/2025	825.00	0.50	412.50	Attend call with B. Bando, M. van Zandvoort, D. Collett re moving forward, concluding 244 receivership
MJVZ	03/25/2025	840.00	0.50	420.00	Attend meeting with A&B and GTL Teams to address Sixth Report revisions and next steps
MJVZ	03/25/2025	840.00	0.10	84.00	Emails with D. Collett and A. Bernicchia-Freeman concerning preparation of fee affidavit for motion
DJC	03/27/2025	635.00	0.50	317.50	Email D. DenHollander and J. Hornby re terms of settlement; Review email from D. DenHollander re same; Email J. Froese re statutory declaration; Email M. Munro re bankruptcy orders re J. Ostrowski; Email Liberty Mortgage re Kanwal Mortgage participation interest; Email A. Nathan re Xynergy and NFL class action; Email B. Bando and D. Collins re same; Review email from B. Bando
DJC	03/27/2025	635.00	0.30	190.50	Email A. Nathan re Xynergy and Medical Fund participation interest in NFL agreements; Review email from A. Nathan; Email B. Bando and D. Collins re same; Review email from B. Bando
MJVZ	03/27/2025	840.00	0.10	84.00	Review correspondence with A. Nathan regarding Medical Fund
DJC	03/28/2025	635.00	0.60	381.00	Consider terms of Master Purchase and Administration Agreement between Medical Fund and Xynergy; Email B. Bando re strategy re same; Email A. Nathan re outstanding NFL participation agreements
DJC	03/28/2025	635.00	0.40	254.00	Calls with Bromwich & Smith re status of bankruptcy re J. Ostrowski; Review correspondence re same
MJVZ	03/28/2025	840.00	0.10	84.00	Emails with D. Collett regarding Xynergy

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
ABF	03/31/2025	375.00	1.00	375.00	Reviewing matter file and preparation re drafting fee affidavit for D. Collett

TOTAL:	21.40	\$15,322.50
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Name	Hours	Rate	Value
Bernicchia-Freeman, Alex (ABF)	1.30	\$375.00	\$487.50
Collett, Dillon J.E. (DJC)	7.20	\$635.00	\$4,572.00
Hans, Samantha (SH)	0.40	\$490.00	\$196.00
Spence, Miranda E. (MES)	0.80	\$825.00	\$660.00
van Zandvoort, Mark J. (MJVZ)	10.70	\$840.00	\$8,988.00
Williams, Patrick L. (PLW)	0.20	\$295.00	\$59.00
Windle, Doreen (DW)	0.80	\$450.00	\$360.00

OUR FEE	\$15,322.50
HST @ 13%	1,991.93

DISBURSEMENTS**Non-Taxable Disbursements**

Agents Fees - Non Taxable	438.45	
Renewal Fee	400.00	
Total Non-Taxable Disbursements		\$838.45

Taxable Disbursements

Bar-eX Transaction Fee	139.80	
Total Taxable Disbursements		\$139.80
HST @ 13%		18.17

AMOUNT DUE	\$18,310.85 CAD
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THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP


Steven L. Graff

E.&O.E.

AIRD & BERLIS LLP

PAGE 5 OF INVOICE No: 1430936

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com

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IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1435642 - May 20, 2025



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

May 20, 2025

Attention: David Collins

Invoice No: 1435642

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending April 30, 2025

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
ABF	04/01/2025	375.00	0.20	75.00	Correspondence re accessing historical dockets with D. Collett; reviewing same
DJC	04/01/2025	635.00	1.60	1,016.00	Review email from A. Nathan; Emails to A. Nathan re Medical Fund and call to discuss outstanding NFL participation agreements; Prepare for and attend call with A. Nathan re same; Email B. Bando and D. Collins re reporting update
DJC	04/01/2025	635.00	0.20	127.00	Emails to A. Bernicchia-Freeman re draft fee affidavit for Sixth Report; Pull docket history re same
MJVZ	04/01/2025	840.00	0.10	84.00	Review emails from A. Nathan and D. Collett regarding Xynergy/Medical Fund
ABF	04/02/2025	375.00	0.40	150.00	Planning affidavit of service organizing and drafting with D. Collett
DJC	04/02/2025	635.00	0.40	254.00	Review email from A. Nathan; Review correspondence and prior reports re NFL participation agreements and Medical Fund; Email A. Nathan re updated copy of chart of NFL participation agreements and information requests re Xynergy
DJC	04/02/2025	635.00	0.30	190.50	Prepare for and attend call with A. Bernicchia-Freeman re draft fee affidavit for Sixth Report and next steps re same
MJVZ	04/02/2025	840.00	0.10	84.00	Review correspondence from A. Nathan and D. Collett regarding Medical Fund

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	04/03/2025	635.00	0.50	317.50	Review email from A. Nathan re Xynergy and offer to purchase NFL participation agreement portfolio interest from Medical Fund; Email B. Bando and D. Collins re same; Engaged with M. van Zandvoort re same; Review email from B. Bando; Email A. Nathan
MJVZ	04/03/2025	840.00	0.20	168.00	Review emails from A. Nathan and D. Collett concerning Medical Fund; Emails with D. Collett and Receiver
DJC	04/04/2025	635.00	0.20	127.00	Review email from D. DenHollander re settlement payment; Email Trust re wire payment from D. DenHollander; Email B. Bando and D. Collins re same
DJC	04/07/2025	635.00	0.20	127.00	Review emails from D. Collins and M. van Zandvoort re proposed update to creditors
MJVZ	04/07/2025	840.00	0.10	84.00	Email from D. Collins regarding investor update; Email to D. Collett
DJC	04/08/2025	635.00	1.20	762.00	Review email from D. Collins and draft Sixth Report; Emails to M. van Zandvoort re status update re outstanding items; Meeting with M. van Zandvoort re same; Email M. Spence re draft case website update; Review accounts re draft fee affidavit; Email D. Collins re draft update to investors
DJC	04/08/2025	635.00	0.40	254.00	Review email from A. Nathan and updated chart of NFL participation agreements re Medical Fund portfolio interest; Email B. Bando and D. Collins re same
MJVZ	04/08/2025	840.00	0.20	168.00	Email from D. Collett regarding remaining items to address in receivership and anticipated timelines; Email to and office conference with D. Collett
MJVZ	04/08/2025	840.00	0.10	84.00	Emails with A. Nathan, D. Collett
ABF	04/09/2025	375.00	4.50	1,687.50	Sourcing, sorting, and compiling all docket accounts for March 2020 to March 2025; correspondence with D. Collett and A. Shaw re same; annotating dockets per fund allocation for March 2020 to March 2025
DJC	04/09/2025	635.00	0.40	254.00	Review correspondence from M. van Zandvoort re annotated accounts for Sixth Report allocation; Emails to A. Bernicchia-Freeman re same
DJC	04/09/2025	635.00	0.20	127.00	Review email from D. Collins re case site update re Sixth Report; Emails to M. van Zandvoort and D. Collins re same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MES	04/09/2025	825.00	0.20	165.00	Instruct S. Hans re discharge motion (Commercial Loans)
MJVZ	04/09/2025	840.00	0.10	84.00	Emails with D. Collett and D. Collins regarding remaining items to address in receivership and anticipated timelines
SH	04/09/2025	490.00	0.10	49.00	Email to M. Spence re booking court time
ABF	04/10/2025	375.00	0.40	150.00	Call re docket redactions for privilege with D. Collett
ABF	04/10/2025	375.00	0.40	150.00	Annotating dockets per fund allocation for March 2020 to March 2025 for D. Collett
DJC	04/10/2025	635.00	0.50	317.50	Prepare for and attend meeting with A. Bernicchia-Freeman re draft fee affidavit and review of accounts re allocation for Sixth Report
DJC	04/10/2025	635.00	1.40	889.00	Review email from D. Collins and spreadsheet of NFL participation agreements received from A. Nathan re Medical Fund portfolio interest; Emails to D. Collins and B. Bando re same; Email A. Nathan; Call with A. Nathan re offer to purchase portfolio interest by Xynergy
DJC	04/10/2025	635.00	0.10	63.50	Receive and review wire payment details re settlement payment received from M. DenHollander; Email Trust re same
MES	04/10/2025	825.00	0.30	247.50	Exchange emails with D. Collins, court re available dates for distribution motion
MJVZ	04/10/2025	840.00	0.10	84.00	Emails with D. Collett, D. Collins, M. Spence and B. Bando regarding concluding matters in receivership in advance of finalizing Sixth Report
SH	04/10/2025	490.00	0.20	98.00	Email to court re motion scheduling
DJC	04/11/2025	635.00	1.30	825.50	Review documents from Xynergy re Medical Fund portfolio interest in NFL participation agreements; Review emails from D. Collins and M. van Zandvoort re same; Engaged with M. van Zandvoort re potential sale of portfolio interest; Email S. Graff; Emails to J. Merk and A. Leung Lim re potential asset purchase agreement; Review email from A. Leung Lim
DJC	04/11/2025	635.00	0.20	127.00	Review email from J. Hornby re D. DenHollander and proposed assignment of mortgage; Email J. Hornby

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
MES	04/11/2025	825.00	0.30	247.50	Exchange emails with court, B. Bando re date for discharge motion
MJVZ	04/11/2025	840.00	0.20	168.00	Emails with D. Collins, D. Collett, J. Merk, M. Spence, A. Nathan regarding finalizing matters for receivership; Discussion with D. Collett regarding Medical Fund
SRM	04/11/2025	510.00	0.20	102.00	Review file re expiring registration and email re same
DJC	04/12/2025	635.00	0.10	63.50	Email A. Leung Lim re call to discuss draft asset purchase agreement re Xynergy Medical Capital LLC and Medical Fund
ALL	04/14/2025	840.00	0.50	420.00	Call with D. Collett to discuss Asset Purchase Agreement to be drafted;
DJC	04/14/2025	635.00	1.60	1,016.00	Prepare for and attend meeting with A. Leung-Lim re Medical Fund, NFL participation agreements and potential asset sale re portfolio interest; Email A. Leung-Lim re same; Review file and correspondence re Xynergy; Email D. Collins re same; Review email from D. Collins; Email A. Nathan
MJVZ	04/14/2025	840.00	0.10	84.00	Emails with D. Collett, B. Bando regarding Medical Fund
MJVZ	04/14/2025	840.00	0.10	84.00	Emails with S. Morris regarding Factoring/Hedge fund renewal
SRM	04/14/2025	510.00	0.20	102.00	Prepare, submit and review PPSA renewal; Order and review Alberta post-registration search and update records
ABF	04/15/2025	375.00	1.80	675.00	Annotating dockets per fund allocation for March 2020 to March 2025 for D. Collett
DJC	04/15/2025	635.00	0.30	190.50	Review emails from B. Bando and M. van Zandvoort re final distribution; Call with M. van Zandvoort re outstanding items for Sixth Report; Emails to B. Bando re same
DJC	04/15/2025	635.00	0.20	127.00	Call with J. Hornby re terms of settlement re D. DenHollander and M. DenHollander, guarantees and mortgage in favour of Frontline Factoring; Email J. Froese re outstanding action against J. Froese and Frontline Factoring and statutory declaration
MJVZ	04/15/2025	840.00	1.50	1,260.00	Review B. Bando inquiry regarding BDO Claim; Review file; Reporting email to B. Bando; Telephone call with B. Bando; Emails with L. Rogers; Meeting with D. Collett

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
ABF	04/16/2025	375.00	8.00	3,000.00	Annotating dockets per fund allocation for March 2020 to March 2025 for D. Collett
DJC	04/16/2025	635.00	0.20	127.00	Review email from A. Nathan re due diligence information and payment records re NFL participation agreements; Email A. Leung Lim re draft asset purchase agreement re Xynergy and Medical Fund and records received from Xynergy
MJVZ	04/16/2025	840.00	0.10	84.00	Emails with A. Bernicchia-Freeman regarding approval motion and meeting to address preparation for same
MJVZ	04/16/2025	840.00	0.10	84.00	Review email response from A. Nathan; Email with D. Collett regarding Medical Fund
ABF	04/17/2025	375.00	0.20	75.00	Call re drafting fee affidavit with M. van Zandvoort
ABF	04/17/2025	375.00	0.50	187.50	Annotating dockets per fund allocation for March 2020 to March 2025 for D. Collett
DJC	04/17/2025	635.00	0.20	127.00	Review email from A. Bernicchia-Freeman re draft fee affidavit and docket annotations re Sixth Report and fee allocation; Email A. Bernicchia-Freeman
DJC	04/17/2025	635.00	0.60	381.00	Review email from A. Nathan re updated chart of NFL participation agreements and payment records; Email B. Bruce and D. Collins re draft asset purchase agreement re Xynergy and Medical Fund; Review email from D. Collins; Email A. Leung Lim re draft asset purchase agreement and next steps
MJVZ	04/17/2025	840.00	0.20	168.00	Meeting with A. Bernicchia-Freeman regarding approval motion
MJVZ	04/17/2025	840.00	0.10	84.00	Emails with D. Collett and B. Bando and A. Leung Lim regarding NFL Participation Agreements and asset purchase agreement preparation regarding Medical Fund
ABF	04/18/2025	375.00	5.00	1,875.00	Annotating dockets per fund allocation for March 2020 to March 2025 for D. Collett
DJC	04/18/2025	635.00	0.20	127.00	Review emails from A. Leung Lim draft asset purchase agreement re Xynergy and Medical Fund; Email A. Leung Lim re same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
ABF	04/19/2025	375.00	10.90	4,087.50	Annotating dockets per fund allocation for March 2020 to March 2025 for D. Collett; redacting annotated dockets for confidentiality and privilege for D. Collett; correspondence with D. Collett re same
ABF	04/22/2025	375.00	3.60	1,350.00	Drafting fee affidavit and exhibits for D. Collett
ALL	04/22/2025	840.00	4.20	3,528.00	Review Sixth Report of the Receiver, information re. funds received from NFL, and ancillary emails and documents re. file; Draft Asset Purchase Agreement;
DJC	04/22/2025	635.00	0.10	63.50	Review emails from A. Nathan re Xynergy Asset Purchase Agreement re Medical Fund portfolio interest in NFL participation agreements; Emails to A. Nathan re same
MJVZ	04/22/2025	840.00	0.10	84.00	Emails with D. Collett and A. Nathan concerning resolution of NFL Participation Agreements
ALL	04/23/2025	840.00	0.70	588.00	Finalize comments to asset purchase agreement;
DJC	04/23/2025	635.00	0.30	190.50	Review draft asset purchase agreement from A. Leung Lim re Xynergy purchase of Medical Fund portfolio interest re NFL participation agreements; Email A. Leung Lim; Call with A. Leung Lim; Email S. Nainifard re asset purchase agreement and tax considerations re same
DJC	04/23/2025	635.00	1.40	889.00	Prepare Notices of Discontinuance re outstanding actions against D. DenHollander and M. DenHollander; Review pleadings and correspondence with opposing counsel re same; Arrange for transfer of balance of settlement funds to client; Call with J. Hornby re dispute between D. DenHollander and Lamal Holdings; Emails to B. Bando and D. Collins re same; Call with M. van Zandvoort re same
MJVZ	04/23/2025	840.00	0.10	84.00	Emails with L. Rogers regarding BDO claim; Emails with B. Bando
MJVZ	04/23/2025	840.00	0.20	168.00	Emails and discussion with D. Collett concerning matters to be finalized for Sixth Report
ALL	04/24/2025	840.00	0.30	252.00	Review and consider comments from client;

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	04/24/2025	635.00	1.50	952.50	Review and revise draft asset purchase agreement re Xynergy purchase of Medical Fund portfolio interest; Review background materials and draft Sixth Report re same; Email B. Bando and D. Collins; Review comments from B. Bando and email from A. Leung Lim re same; Email A. Leung Lim; Consider comments from M. van Zandvoort re vesting order
MJVZ	04/24/2025	840.00	0.40	336.00	Emails with D. Collett, B. Bando and A. Leung Lim concerning sale to Xynergy regarding Medical Fund
DJC	04/25/2025	635.00	0.90	571.50	Review bill of sale re prior sale transaction with Xynergy and Third Report of the Receiver; Engaged with M. van Zandvoort re draft asset purchase agreement re Xynergy purchase of Medical Fund portfolio interest in NFL participation agreements; Review and revise draft asset purchase agreement; Review emails from M. van Zandvoort and B. Bando; Email A. Leung Lim re draft assignment and assumption agreement
DJC	04/25/2025	635.00	0.50	317.50	Review email from S. Dvorak re dispute between D. DenHollander and Lamal Holdings re Frontline Factoring Inc. mortgage and outstanding actions against D. DenHollander and M. DenHollander; Finalize and serve Notices of Discontinuance re outstanding actions against D. DenHollander and M. DenHollander; Email S. Dvorak re same
MJVZ	04/25/2025	840.00	0.40	336.00	Emails and meeting with D. Collett regarding Xynergy sale and review revised APA; Email to B. Bando
ABF	04/28/2025	375.00	0.20	75.00	Correspondence re filing Notice of Discontinuance re Crystal Wealth v. Marion DenHollander with D. Collett
DJC	04/28/2025	635.00	1.10	698.50	Review draft asset purchase agreement re Xynergy purchase of Medical Fund portfolio interest re NFL participation agreements; Emails to B. Bando and D. Collins re same; Review NFL player list from B. Bando; Email A. Nathan re NFL player list; Review updated chart of NFL participation agreements from A. Nathan and cross-reference with the Receiver's records

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	04/28/2025	635.00	0.60	381.00	Prepare certificates of service re Notices of Discontinuance for outstanding actions against D. DenHollander and M. DenHollander and arrange to file same; Call with P. Williams re same; Review email from P. Williams re filing of Notices of Discontinuance; Email Z. Walwyn and A. Bernicchia-Freeman re in person filing of Notice of Discontinuance re M. DenHollander
MJVZ	04/28/2025	840.00	0.10	84.00	Review emails from D. Collett, B. Bando and A. Nathen concerning NFL Participation Agreement sale
PLW	04/28/2025	295.00	0.50	147.50	Call with D. Collett and Filed Notice of Discontinuance against 2 defendants online with the court
ABF	04/29/2025	375.00	1.00	375.00	Filing Notice of Discontinuance re Crystal Wealth v. Marion DenHollander at the Commercial List for D. Collett; correspondence re same
ALL	04/29/2025	840.00	0.60	504.00	Prepare Assignment and Assumption Agreement;
DJC	04/29/2025	635.00	0.50	317.50	Email S. Nainifaard re Xynergy draft asset purchase agreement re sale of Medical Fund portfolio interest in NFL participation agreements; Review draft assignment and assumption agreement from A. Leung Lim; Emails to A. Leung Lim and A. Nathan
DJC	04/29/2025	635.00	0.10	63.50	Email B. Bando re Sixth Report
MES	04/29/2025	825.00	0.20	165.00	Instruct S. Hans re discharge motion
MJVZ	04/29/2025	840.00	0.10	84.00	Emails from D. Collett, B. Bando, A. Leung Lim, and S. Nainifard concerning sale of NFL Participation interests
SH	04/29/2025	490.00	0.50	245.00	Email to M. Spence re discharge motion materials; Review receiver's draft report
SN	04/29/2025	765.00	1.40	1,071.00	Reviewing asset purchase agreement and providing tax feedback
DJC	04/30/2025	635.00	4.20	2,667.00	Review and revise Sixth Report; Call with B. Bando re same; Call with M. Elliot at Liberty Mortgage Services Ltd. re Kanwal mortgage and participation interest re same; Email M. Elliot re Kanwal mortgage; Review file and correspondence and incorporate updates to Sixth Report; Email B. Bando re revised draft Sixth Report

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	04/30/2025	635.00	0.30	190.50	Email K. Spampinato re draft asset purchase agreement re Xynergy purchase of Medical Fund portfolio interest in NFL participation agreements; Review email from K. Spampinato re same; Email A. Nathan re potential sales tax considerations
KSP	04/30/2025	610.00	1.70	1,037.00	Review of agreement; Review of Excise Tax Act as it relates to the proposed transaction; Correspondence with A. Gentile regarding GST/HST in respect of the proposed transaction
MES	04/30/2025	825.00	1.80	1,485.00	Revise First Report of Receiver for discharge motion; Exchange emails with B. Bando re motion date; Instruct S. Hans re changing motion date and review emails re same; Instruct S. Morris re security review
MJVZ	04/30/2025	840.00	0.50	420.00	Review emails from D. Collett, K. Spampinato, A. Nathan, B. Bando, M. Spence, S. Hans regarding matters for approval motion and review revised Report/redline and email to D. Collett to B. Bando delivering same
SH	04/30/2025	490.00	0.90	441.00	Prepare notice of motion re receiver discharge; Emails to the court, client and M. Spence re booking same
TOTAL:			81.20	\$44,499.00	

Name	Hours	Rate	Value
Bernicchia-Freeman, Alex (ABF)	37.10	\$375.00	\$13,912.50
Collett, Dillon J.E. (DJC)	24.00	\$635.00	\$15,240.00
Hans, Samantha (SH)	1.70	\$490.00	\$833.00
Leung Lim, Adria (ALL)	6.30	\$840.00	\$5,292.00
Morris, Shannon R (SRM)	0.40	\$510.00	\$204.00
Nainifard, Saam (SN)	1.40	\$765.00	\$1,071.00
Spampinato, Kyle (KSP)	1.70	\$610.00	\$1,037.00
Spence, Miranda E. (MES)	2.80	\$825.00	\$2,310.00
van Zandvoort, Mark J. (MJVZ)	5.30	\$840.00	\$4,452.00
Williams, Patrick L. (PLW)	0.50	\$295.00	\$147.50

OUR FEE	\$44,499.00
HST @ 13%	5,784.87

DISBURSEMENTS**Non-Taxable Disbursements**

Registration Under P.P.S.A.	2.00
Search Under P.P.S.A.	1.00

Wire Charges	50.00
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Total Non-Taxable Disbursements	\$53.00
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Taxable Disbursements

Service Provider Fee	21.40
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Total Taxable Disbursements	\$21.40
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HST @ 13%	2.78
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AMOUNT DUE**\$50,361.05 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP


Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com Bill.Com Payment Network ID: c114483219512158*** Aird & Berlis LLP does not accept interac/email transfers *****Payment is due on receipt.**

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1437427 - May 31, 2025



Aird & Berlis LLP
 Brookfield Place, Suite 1800
 181 Bay Street
 Toronto, Ontario M5J 2T9 Canada

T 416 863 1500
 F 416 863 1515
 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

May 31, 2025

Attention: Mr. Bruce Bando

Invoice No: 1437427

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending May 31, 2025

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/01/2025	635.00	0.60	381.00	Review email from C. Evangelista at Liberty Mortgage re distribution of proceeds re Kanwal mortgage and funds held for Crystal Wealth; Email B. Bando and D. Collins re same; Email C. Evangelista re accounting of Kanwal mortgage distribution
MJVZ	05/01/2025	840.00	0.10	84.00	Review emails from D. Collett, Liberty, A. Nathan in connection with approval motion
MES	05/02/2025	825.00	0.20	165.00	Email to B. Bando re security opinion re 244 (Commercial Loans)
SH	05/02/2025	490.00	0.10	49.00	Review correspondence from client and M. Spence
DJC	05/05/2025	635.00	0.10	63.50	Review email and attachments from B. Bando re revisions to draft asset purchase agreement with Xynergy re purchase of Medical Fund portfolio interest in NFL participation agreements
MES	05/05/2025	825.00	0.20	165.00	Discussion with S. Hans re materials for discharge motion
SRM	05/05/2025	510.00	0.20	102.00	Order profiles and PPSA searches for security review
AG	05/06/2025	1,125.00	0.60	675.00	Conference call with K. Spampinato and advising regarding HST revisions; Reviewing agreement
ALL	05/06/2025	840.00	0.20	168.00	Review updated comments to APA and discuss with D. Collett;

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/06/2025	635.00	0.40	254.00	Emails to K. Spampinato and A. Leung Lim re draft asset purchase agreement re Xynergy and NFL participation agreements; Review emails from A. Nathan and K. Spampinato re same;
KSP	05/06/2025	610.00	0.50	305.00	Discussion with A. Gentile concerning matter; Internal correspondence concerning request for additional documentation; Additional correspondence to confirm application of the GST/HST to the proposed transaction
MES	05/06/2025	825.00	0.20	165.00	Further instructions to S. Morris re security review
MJVZ	05/06/2025	840.00	0.10	84.00	Emails with D. Collett, K. Spampinato and A. Lim concerning APA regarding Medical Fund
AG	05/07/2025	1,125.00	0.20	225.00	Reviewing emails regarding amendments to the agreement and call with K. Spampinato regarding the zero-rating certificate
DJC	05/07/2025	635.00	0.80	508.00	Emails to A. Leung Lim and B. Bando re draft asset purchase agreement re Xynergy and NFL participation agreements re Medical Fund; Review Master Agreement with Xynergy re same; Emails to A. Nathan; Call with B. Bando
DJC	05/07/2025	635.00	0.20	127.00	Review email from B. Bando re estate of S. West and Pond realizations; Call with B. Bando; Emails to M. van Zandvoort and B. Bando re same
KSP	05/07/2025	610.00	0.50	305.00	Amendments to agreement; Correspondence with A. Gentile regarding proposed changes
MJVZ	05/07/2025	840.00	0.10	84.00	Various emails with A&B personnel and B. Bando regarding matters to finalize for report/motion
SRM	05/07/2025	510.00	0.10	51.00	Review certified PPSA searches
DJC	05/08/2025	635.00	1.30	825.50	Review email from K. Spampinato and revisions to draft asset purchase agreement re Xynergy and Medical Fund; Review and revise draft asset purchase and assignment agreements re same; Emails to K. Spampinato, B. Bando and D. Collins re same; Emails to A. Nathan re asset purchase agreement and certificate for tax exempt status
MJVZ	05/08/2025	840.00	0.10	84.00	Review various emails from A&B Team, Receiver and third parties in connection with matters to finalize for motion
SH	05/08/2025	490.00	0.40	196.00	Prepare notice of motion re discharge

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
SRM	05/08/2025	510.00	1.20	612.00	Review security and prepare receiver opinion
DJC	05/09/2025	635.00	0.20	127.00	Review email from A. Nathan; Email K. Spampinato re zero-rating certificate re Xynergy asset purchase agreement; Email A. Nathan re same
SH	05/09/2025	490.00	3.20	1,568.00	Prepare notice of motion and draft order re discharge; Email to M. Spence re same; Review draft of first report, prior motion materials and file background
DJC	05/12/2025	635.00	1.30	825.50	Review emails re estate of S. West; Emails to A. Bernicchia-Freeman and D. Collins re same
MES	05/12/2025	825.00	1.20	990.00	Review security opinion; Revise notice of motion; Revise discharge order; Revise First Report; Circulate to Grant Thornton team
MJVZ	05/12/2025	840.00	0.20	168.00	Review various emails from Receiver and A&B Team concerning initiatives to finalize matters for approval motion; Review file regarding S. West executor information
SH	05/12/2025	490.00	0.20	98.00	Review correspondence from client re updated report; Review clients revisions to same
SRM	05/12/2025	510.00	0.10	51.00	Telephone call with M. Spence re security opinion
DJC	05/13/2025	635.00	0.20	127.00	Email A. Bernicchia-Freeman re estate of S. West and probate search re executor of estate of S. West
MES	05/13/2025	825.00	1.30	1,072.50	Revise notice of motion, draft order; Review final report; Exchange emails with GT re finalizing report; Finalize motion record for discharge order
MJVZ	05/13/2025	840.00	0.20	168.00	Various emails with M. Spence, D. Collett, B. Bando and K. Spampinato concerning items to be finalized for Receiver's Report and review of file in connection with same
SH	05/13/2025	490.00	0.80	392.00	Review final report received from client; Emails to M. Spence re motion record; Review same
DJC	05/14/2025	635.00	0.20	127.00	Review email from K. Spampinato re draft tax certificate for asset purchase agreement with Xynergy; Emails to A. Nathan and K. Spampinato re same
DJC	05/14/2025	635.00	0.20	127.00	Review emails from D. Collins and M. Lelis re removal of appointment order re Pine Ridge Road, Thunder Bay; Email D. Collins re same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/14/2025	635.00	0.20	127.00	Review email from B. Bando re updated draft Sixth Report; Email B. Bando re same
MJVZ	05/14/2025	840.00	0.10	84.00	Review various emails from D. Collett, B. Bando, K. Spampinato and A. Nathan concerning matters to finalize in advance of concluding final report
PLW	05/14/2025	295.00	0.40	118.00	Submitted Motion Record for filing online with the court
AG	05/15/2025	1,125.00	0.40	450.00	Reviewing and editing the zero-rating certificate; Email to K. Spampinato regarding same
DJC	05/15/2025	635.00	0.10	63.50	Arrange for wire transfer to client re Kanwal mortgage payout
DJC	05/15/2025	635.00	0.40	254.00	Receive, review and revise draft tax certificate from K. Spampinato re draft asset purchase agreement with Xynergy; Emails to K. Spampinato, B. Bando and D. Collins re same
DJC	05/15/2025	635.00	0.30	190.50	Running searches for correspondence with MLT Aitkins re probate search results for estate executor of S. West
DJC	05/16/2025	635.00	1.50	952.50	Finalize asset purchase agreement, assignment and assumption agreement and zero rating certificate re Xynergy; Emails to A. Nathan, D. Collins and B. Bando re same; Compile fully executed copies of closing documents; Receive wire payment from Xynergy
DJC	05/16/2025	635.00	0.30	190.50	Review email from D. Collins re appendices to draft Sixth Report; Review file re July 18, 2022 dismissal order for the BDO class action and default judgment materials re US Real Estate LLP; Email D. Collins re same
MJVZ	05/16/2025	840.00	0.10	84.00	Email correspondence with D. Collett, D. Collins and A. Nathan concerning Xynergy closing
DJC	05/20/2025	635.00	1.00	635.00	Review email from A. Nathan re closing of Xynergy asset purchase transaction; Review asset purchase agreement re closing conditions; Email B. Bando and D. Collins re same; Prepare draft closing certificate; Emails to A. Nathan re closing certificate and completion of asset purchase by Xynergy
MJVZ	05/20/2025	840.00	0.10	84.00	Email correspondence with D. Collett, B. Bando and A. Nathan concerning Xynergy closing

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/21/2025	635.00	0.50	317.50	Review email from W. Lelis re removal of appointment order re Pine Ridge Road, Thunder Bay and; Review precedent mortgage and approval order discharge documentation; Email W. Lelis re same
DJC	05/21/2025	635.00	0.40	254.00	Review correspondence re estate of S. West and probate search re same; Email C. Webster re probate search results for executor contact information re same
MES	05/21/2025	825.00	1.00	825.00	Prepare for discharge motion, and exchange emails with B. Bando re same
MJVZ	05/21/2025	840.00	0.20	168.00	Review file regarding S. West; Emails with D. Collett and C. Webster regarding executor status
SH	05/21/2025	490.00	0.10	49.00	Confer with M. Spence re upcoming hearing; Review correspondence from the court re same
DJC	05/22/2025	635.00	0.10	63.50	Receive and review Endorsement and Order of Osborne J. from M. Spence re discharge of 2441472 Ontario Inc.
MES	05/22/2025	825.00	1.00	825.00	Prepare for and attend court re discharge of 244 receiver (Commercial Loans); Review order and endorsement
MJVZ	05/22/2025	840.00	0.10	84.00	Receive and review endorsement regarding 2441472 Ontario Inc. Receivership discharge; Review C. Webster email concerning S. West executor
SH	05/22/2025	490.00	1.70	833.00	Update draft order; Review and revise participant information form; Update Case Center; Prepare for and attend hearing; Review signed order and endorsement received from the court
DJC	05/23/2025	635.00	2.00	1,270.00	Review email from C. Webster re probate search results for estate of S. West; Email C. Webster; Review and revise draft Sixth Report
DJC	05/23/2025	635.00	0.10	63.50	Email J. Froese and J. Hornby re outstanding action against J. Froese and Frontline Factoring and statutory declaration confirming assets and liabilities of J. Froese
MES	05/23/2025	825.00	0.20	165.00	Arrange for service of order and endorsement
MJVZ	05/23/2025	840.00	0.10	84.00	Email from C. Webster regarding executor search

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/24/2025	635.00	5.90	3,746.50	Review and revise draft Sixth Report including updates to sections re off-book assets, outstanding action against Frontline Factoring and J. Froese, asset purchase agreement with Xynergy and 244 receivership discharge order; Consider comments and questions from B. Bando re draft Sixth Report; Prepare Notice of Motion, Motion Record and draft discharge order re proposed final distribution to investors
DJC	05/25/2025	635.00	0.80	508.00	Review and revise fee affidavits and review accounts re same; Prepare counsel slip, updated service list and motion materials for Sixth Report and discharge order
DJC	05/26/2025	635.00	2.00	1,270.00	Meeting with M. Spence re draft Sixth Report and discharge order; Review annotated accounts re discharge motion and consider redactions and allocation for final distribution; Review and revise fee affidavit
MES	05/26/2025	825.00	0.50	412.50	Discussion with D. Collett re discharge motion
DJC	05/27/2025	635.00	2.80	1,778.00	Review fee and disbursement summary re preparation of fee affidavit for Sixth Report and discharge motion; Review, redact and annotate accounts re same; Organize annotated accounts for final distribution; Email M. van Zandvoort re draft update to B. Bando and D. Collins re Sixth Report approval and discharge motion; Email financial services clerks re assistance with fee affidavit; Emails to B. Bando and D. Collins re updated draft Sixth Report, draft fee affidavits of the Receiver and A&B and remaining outstanding steps for completion of Sixth Report motion materials; Review email from B. Bando re same; Instruct R. Manea re preparation of draft fee affidavit materials including statement of responsible individuals and calculation of average hourly rate
MJVZ	05/27/2025	840.00	0.40	336.00	Review update and attachments from D. Collett regarding Sixth Report and motion; Email to D. Collett; Review further emails from B. Bando and D. Collett
ROM	05/27/2025	395.00	0.40	158.00	Emails and instructions re fee affidavit; Review documents available on receiver's website regarding first fee affidavit of counsel to the receiver approved in 2020
DJC	05/28/2025	635.00	0.20	127.00	Review email from D. Collins re transfer of NFL contract proceeds to trust account; Emails to D. Collins re same; Arrange for wire transfer to Receiver (Medical Fund)

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/28/2025	635.00	0.30	190.50	Emails to C. Webster re probate search results concerning S. West and potential asset investigator re J. Froese; Review email from C. Webster re same
DJC	05/28/2025	635.00	1.00	635.00	Meeting with M. van Zandvoort re outstanding steps for discharge motion; Call with D. McMillen re scheduling discharge motion; Review emails from M. Spence and Commercial List staff; Email Commercial List staff re available dates for Crystal Wealth Group discharge motion in July 2025; Email B. Bando re available motion dates; Review and revise motion materials
MJVZ	05/28/2025	840.00	0.40	336.00	Email from D. Collett regarding status of S. West executor inquiry and review results sent by C. Webster; Emails with D. Collett and Court concerning scheduling of motion; Email from B. Bando; Office conference with D. Collett to address approach to motion
ROM	05/28/2025	395.00	8.20	3,239.00	Review draft fee affidavit and 2020-2025 invoices; Work on Excel calculations of fees for fee affidavit; Prepare Exhibit B to fee affidavit (Statement of Responsible Individuals)
DJC	05/29/2025	635.00	1.40	889.00	Review email and draft fee affidavit materials from R. Manea for Sixth Report approval motion; Email R. Manea re corrections to fee affidavit; Email S. Graff re issuance of May 2025 account for fee affidavit; Review email from B. Bando re scheduling of Sixth Report approval and discharge motion; Prepare Hearing Request Form re same; Emails to M. van Zandvoort and B. Bando; Review email from Commercial List staff re scheduling of motion; Email Commercial List staff re revised Hearing Request Form
DJC	05/29/2025	635.00	0.20	127.00	Review probate search results from MLT Aitkins re estate executors of S. West; Email C. Finnerty and C. Webster re same
MJVZ	05/29/2025	840.00	0.50	420.00	Coordinate motion scheduling with B. Bando and D. Collett; Emails from Commercial List regarding motion scheduling; Review probate search results delivered by MLT
ROM	05/29/2025	395.00	0.50	197.50	Emails with D. Collett re draft fee affidavit and revise same

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	05/30/2025	635.00	0.70	444.50	Review emails from B. Bando and M. van Zandvoort; Revise Hearing Request Form for discharge motion; Emails to Commercial List staff re same; Schedule discharge motion for July 15, 2025; Emails to B. Bando and D. Collins re running additional searches for contact information of executors of estate of S. West and scheduling of discharge and approval motion for Sixth Report
MJVZ	05/30/2025	840.00	0.10	84.00	Emails with D. Collett, Court, and B. Bando coordinating motion scheduling
TOTAL:			56.40	\$34,652.00	

Name	Hours	Rate	Value
Collett, Dillon J.E. (DJC)	27.70	\$635.00	\$17,589.50
Gentile, Angelo (AG)	1.20	\$1,125.00	\$1,350.00
Hans, Samantha (SH)	6.50	\$490.00	\$3,185.00
Leung Lim, Adria (ALL)	0.20	\$840.00	\$168.00
Manea, Roxana (ROM)	9.10	\$395.00	\$3,594.50
Morris, Shannon R (SRM)	1.60	\$510.00	\$816.00
Spampinato, Kyle (KSP)	1.00	\$610.00	\$610.00
Spence, Miranda E. (MES)	5.80	\$825.00	\$4,785.00
van Zandvoort, Mark J. (MJVZ)	2.90	\$840.00	\$2,436.00
Williams, Patrick L. (PLW)	0.40	\$295.00	\$118.00

OUR FEE	\$34,652.00
HST @ 13%	4,504.76

DISBURSEMENTS**Non-Taxable Disbursements**

Due Diligence-Gov Fee	16.00	
Search Under P.P.S.A.	32.00	
Wire Charges	32.50	
Total Non-Taxable Disbursements		\$80.50

Taxable Disbursements

Due Diligence	20.00	
Service Provider Fee	20.60	
Total Taxable Disbursements		\$40.60
HST @ 13%		5.28

AMOUNT DUE**\$39,283.14 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP

Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com Bill.Com Payment Network ID: c114483219512158*** Aird & Berlis LLP does not accept interac/email transfers *****Payment is due on receipt.**

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

Account 1440209 - June 24, 2025



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 airdberlis.com

Grant Thornton Limited
 200 King Street West, 11th Floor
 Toronto, ON
 M5H 3T4 Canada

June 24, 2025

Attention: David Collins

Invoice No: 1440209

Re: Receivership of Crystal Wealth Management System Limited, et al

Client No: 025227
 Matter No: 137794

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ending June 20, 2025

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	06/02/2025	635.00	0.20	127.00	Email MLT Aitkins re additional searches for executors of estate of S. West and asset investigator contact information
MJVZ	06/02/2025	840.00	0.10	84.00	Review email regarding S. West executor
DJC	06/03/2025	635.00	0.10	63.50	Review email from B. Bando re mortgage discharge; Email B. Bando and C. Collins re same
DJC	06/03/2025	635.00	0.10	63.50	Review email from D. Collins re appendices to Sixth Report; Email D. Collins re same
MJVZ	06/03/2025	840.00	0.10	84.00	Review emails from D. Collins and D. Collett regarding approval motion
DJC	06/04/2025	635.00	0.20	127.00	Review correspondence with J. Hornby and J. Froese re statutory declaration; Email J. Froese and J. Hornby re outstanding action against J. Froese and Frontline Factoring Inc.
DJC	06/04/2025	635.00	0.20	127.00	Review searches from C. Webster re contact information for executors of the estate of S. West; Email C. Webster
MJVZ	06/04/2025	840.00	0.10	84.00	Receive and review deliverables from C. Webster regarding S. West
PLW	06/04/2025	295.00	0.40	118.00	Submitted Motion Record for filing online with the court
DJC	06/05/2025	635.00	0.20	127.00	Review additional searches received from C. Webster re contact information for executor of estate of S. West

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	06/05/2025	635.00	0.20	127.00	Email C. Webster re asset investigator and potential asset search re J. Froese; Voicemail to J. Froese
MJVZ	06/05/2025	840.00	0.10	84.00	Review email from C. Finnerty concerning demographic searches regarding S. West executors
PLW	06/05/2025	295.00	0.40	118.00	Submitted Order of May 22-25 for entry/filing online with the court
DJC	06/06/2025	635.00	0.30	190.50	Review email from B. Bando re mortgage discharge request re 870 Pinecrest Rd W, Ottawa; Call with Z. Shakar re same; Emails to B. Bando, D. Collins and Z. Shakar re mortgage discharge documentation
MJVZ	06/06/2025	840.00	0.10	84.00	Review email from C. Webster concerning investigator
DJC	06/09/2025	635.00	0.30	190.50	Call with J. Hornby re statutory declaration of J. Froese and potential resolution of action against J. Froese and Frontline Factoring; Receive and review statutory declaration
DJC	06/10/2025	635.00	0.90	571.50	Email D. Collins and B. Bando re statutory declaration from J. Froese and proposed next steps re asset investigator and additional information needed for potential resolution of action against J. Froese and Frontline Factoring; Review transcript from the examination of J. Froese re known assets; Email Consolidated Recovery Systems re potential asset search; Review and prepare request form re same
DJC	06/10/2025	635.00	0.20	127.00	Review updated May 2025 account re preparation of fee affidavit for Sixth Report
MJVZ	06/10/2025	840.00	0.20	168.00	Emails with D. Collett and B. Bando; Office conference with D. Collett
DJC	06/11/2025	635.00	1.00	635.00	Review email from R. Manea re fee affidavit; Emails to R. Manea re updates to fee affidavit to include May 2025 account; Engaged with M. Spence re proposed final distribution; Review emails from B. Bando; Email B. Bando re fee affidavit and service of Sixth Report; Review and organize appendices for Sixth Report
DJC	06/11/2025	635.00	0.30	190.50	Review emails from Consolidated Recovery Systems re asset search on J. Froese; Emails to Consolidated Recovery Systems re same
MJVZ	06/11/2025	840.00	0.10	84.00	Emails with B. Bando and D. Collett concerning approval motion

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
ROM	06/11/2025	395.00	0.80	316.00	Revise calculations for fee affidavit to include May fees and statement of timekeepers for same; Revise draft fee affidavit
DJC	06/12/2025	635.00	0.50	317.50	Review and organize tab appendices for Sixth Report; Review draft Sixth Report re same; Email B. Bando re same
DJC	06/12/2025	635.00	0.20	127.00	Review emails and mortgage document received from Z. Shakar re discharge of mortgage re 870 Pinecrest Road, Ottawa
MJVZ	06/12/2025	840.00	0.10	84.00	Emails with D. Collett and B. Bando
DJC	06/16/2025	635.00	0.70	444.50	Review email from Consolidated Recovery Systems re asset search on J. Froese; Review address information re J. Froese; Email Consolidated Recovery Systems re same; Call with J. Hornby re draft statutory declaration; Email J. Hornby and J. Froese
DJC	06/16/2025	635.00	0.40	254.00	Review mortgage and property documentation re discharge of mortgage re 870 Pinecrest Road; Email V. Eldridge at Spectrum re same; Email M. van Zandvoort; Review email from M. van Zandvoort
MJVZ	06/16/2025	840.00	0.10	84.00	Emails concerning mortgage discharge with D. Collett
DJC	06/17/2025	635.00	0.40	254.00	Review title search re 870 Pinecrest Road, Ottawa; Email real estate group re assistance with mortgage discharge re same; Review email from S. Radanovich
MJVZ	06/17/2025	840.00	0.10	84.00	Emails with D. Collett and real estate regarding mortgage discharge
SMR	06/17/2025	725.00	0.30	217.50	Initial correspondences with D. Collett re: mortgage discharge request; initial review of mortgage statement and title documentation; instruct T. Bennett re: document preparation;
DJC	06/18/2025	635.00	1.20	762.00	Review email from T. Bennett re parcel register for 870 Pinecrest Road, Ottawa and registration of appointment order to discharge mortgage; Review file re same; Emails to S. Radovanovich, M. van Zandvoort and T. Bennett; Email Z. Shakar re same; Call with T. Bennett; Review follow-up emails from T. Bennett and M. van Zandvoort
DJC	06/18/2025	635.00	0.40	254.00	Review email and consent from W. Lelis re removal of appointment order re Pine Ridge Road, Thunder Bay; Email D. Collins re same; Review email from D. Collins; Email W. Lelis

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
DJC	06/18/2025	635.00	1.40	889.00	Emails to J. Collie re preparation of motion record for Sixth Report and discharge of Receiver; Meeting with J. Collie; Instruct J. Collie re preparation of motion materials and outstanding items to address re executors of estate of S. West; Review file and correspondence with MLT Aitkins re same; Prepare factum for discharge motion
JC	06/18/2025	375.00	0.30	112.50	Call with D. Collett to receive instructions.
MJVZ	06/18/2025	840.00	0.20	168.00	Various emails with D. Collett and real estate regarding mortgage discharge
NIK	06/18/2025	920.00	0.50	460.00	Discussion with law clerk; Review Court Order appointing receiver
SMR	06/18/2025	725.00	1.00	725.00	Review receivership appointment order and ancillary materials; instruct T. Bennett re: preparation of discharge documentation;
TB	06/18/2025	395.00	2.60	1,027.00	Receipt and review of correspondence from S. Radovanovich and D. Collett and various materials re discharge of charge of mortgage from 870 Pinecrest Road, Ottawa; attend to document production re discharge of charge; telephone and correspondence with D. Collett re receivership documentation request and discharge of charge by a receivership on behalf of a mortgagee next steps; meeting with N. Khan re review of receivership court order and e-reg court order application next steps; and discussion with S. Radovanovich re potential court order registration authority discrepancy and discharge of charge next steps
DJC	06/19/2025	635.00	0.30	190.50	Instruct E. Sivalingam re preparation of accounts for fee affidavit
DJC	06/19/2025	635.00	1.60	1,016.00	Call with S. Radovanovich re discharge of mortgage re 870 Pinecrest Road and application to register appointment order; Emails to M. Melo and Z. Shakar re same; Voicemail to M. Melo; Call with Z. Shakar; Emails to S. Radovanovich and T. Bennett; Review draft application, discharge and consent materials; Emails to B. Bando and D. Collins re same; Review email from B. Bando; Compile executed acknowledgment and direction
DJC	06/19/2025	635.00	1.00	635.00	Engaged with J. Collie re appendices to Sixth Report and outstanding items re executors of estate of S. West; Review draft appendices; Running additional searches re executors of estate of S. West

MEMBER	DATE	RATE	HOURS	VALUE	DESCRIPTION
JC	06/19/2025	375.00	1.80	675.00	Compile Appendices to Sixth Report; reach out to stakeholders on receiver report update.
MJVZ	06/19/2025	840.00	0.20	168.00	Various emails with D. Collett, real estate and B. Bando regarding mortgage discharge
SMR	06/19/2025	725.00	1.60	1,160.00	Phone call with D. Collett re: registration of court order and mortgage discharge; call with A. Principe and T. Bennett to instruct re: document preparation; review draft documentation; revise owner's consent form; instruct T. Bennett re: attendances to documentation;
TB	06/19/2025	395.00	2.90	1,145.50	Discussion with S. Radovanovich and A. Principe re finalize applicable e-reg court order application statements, applicable receivership discharge of charge statements and law statements and registered owner consent; pull and review additional title documents; attend to document production re court order application, registered owner consent & finalize discharge of charge; correspondence with S. Radovanovich and D. Collett re discharge of charge documentation and signature next steps
DJC	06/20/2025	635.00	0.10	63.50	Review email from Consolidated Recovery Systems re asset search on J. Froese

TOTAL:	26.50	\$15,208.50
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Name	Hours	Rate	Value
Bennett, Travis (TB)	5.50	\$395.00	\$2,172.50
Collett, Dillon J.E. (DJC)	12.40	\$635.00	\$7,874.00
Collie, Jake (JC)	2.10	\$375.00	\$787.50
Kahn, Norman I. (NIK)	0.50	\$920.00	\$460.00
Manea, Roxana (ROM)	0.80	\$395.00	\$316.00
Radovanovich, Stefan M. (SMR)	2.90	\$725.00	\$2,102.50
van Zandvoort, Mark J. (MJVZ)	1.50	\$840.00	\$1,260.00
Williams, Patrick L. (PLW)	0.80	\$295.00	\$236.00

OUR FEE	\$15,208.50
HST @ 13%	1,977.10

DISBURSEMENTS**Non-Taxable Disbursements**

Wire Charges	23.57
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Total Non-Taxable Disbursements	\$23.57
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Taxable Disbursements

Teraview Search	53.50	
Total Taxable Disbursements		\$53.50
HST @ 13%		6.96

AMOUNT DUE**\$17,269.63 CAD**THIS IS OUR INVOICE HEREIN
AIRD & BERLIS LLP


Steven L. Graff

E.&O.E.

Payment by EFT / Wire Transfer:

Beneficiary Bank:	Beneficiary:	Aird & Berlis LLP
TD Canada Trust	Bank No.:	004
TD Centre	Transit No.:	10202
55 King Street West	Account:	5221521
Toronto, ON M5K 1A2	Swift Code:	TDOMCATTOR

Payment by Cheque:

Payable To:
Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Email notification for EFT and WIRE payments: accounting@airdberlis.com Bill.Com Payment Network ID: c114483219512158*** Aird & Berlis LLP does not accept interac/email transfers *****Payment is due on receipt.**

Please quote our Matter No. and the invoice number(s) to ensure correct allocation of payment.

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 12% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS INVOICE IS DELIVERED.

GST / HST Registration # 12184 6539 RT0001 | PST Registration #PST-1485-2365

* For legal services provided to clients residing in Quebec, Manitoba and Saskatchewan, clients are advised to self-assess provincial sales tax on fees and disbursements charged.

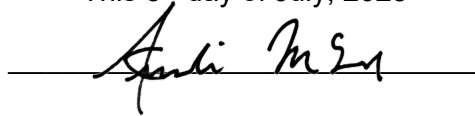
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF DILLON COLLETT

Sworn before me

This 3rd day of July, 2025



Commissioner for taking Affidavits, etc

STATEMENT OF RESPONSIBLE INDIVIDUALS

Aird & Berlis LLP's professional fees herein are made with respect to the following individuals:

Lawyer	Call to Bar	Year	Hourly Rate	Total Time	Value
Kahn, N.I.	1981	2025	\$920.00	0.5	\$460.00
Worndl, B.	1985	2022	\$1,095.00	0.3	\$328.50
Hooke, R. T.	1989	2020	\$725.00	0.2	\$145.00
		2021	\$750.00	0.3	\$225.00
Bass, N.	1990	2021	\$1,025.00	0.5	\$512.50
Graff, S. L.	1991	2020	\$850.00	19.4	\$16,490.00
		2021	\$875.00	22.4	\$19,600.00
		2022	\$895.00	4.7	\$4,206.50
		2023	\$925.00	1.0	\$925.00
		2024	\$1,095.00	3.9	\$4,270.50
		2025	\$1,150.00	0.0	\$0.00
Wainwright, J. A.	1992	2020	\$775.00	1.2	\$930.00
		2021	\$795.00	0.3	\$238.50
		2022	\$825.00	3.4	\$2,805.00
		2024	\$950.00	5.1	\$4,845.00
Kalvin, N.	1993	2022	\$750.00	0.4	\$300.00
Burns, C.J.	1994	2022	\$925.00	0.1	\$92.50
Reiter, D.S.	2000	2020	\$625.00	0.1	\$62.50
Clark, K.	2001	2022	\$725.00	5.4	\$3,915.00
Miehls, P.	2003	2024	\$750.00	0.4	\$300.00
Merk, J.	2004	2021	\$675.00	4.3	\$2,902.50
		2022	\$685.00	3.2	\$2,192.00
Braun, A.	2005	2022	\$650.00	4.0	\$2,600.00
Gentile, A.	2007	2022	\$795.00	2.6	\$2,067.00
		2025	\$1,125.00	1.2	\$1,350.00
Raponi, A.	2010	2023	\$515.00	0.6	\$309.00
Leung Lim, A.	2010	2025	\$840.00	6.5	\$5,460.00

van Zandvoort, M.	2010	2020	\$535.00	129.1	\$69,068.50
		2021	\$575.00	27.3	\$15,697.50
		2022	\$625.00	47.7	\$29,812.50
		2023	\$675.00	29.0	\$19,575.00
		2024	\$795.00	33.0	\$26,235.00
		2025	\$840.00	27.5	\$23,100.00
Crowley, T.*	2011	2023	\$730.00	0.9	\$657.00
Spence, M. E.	2011	2020	\$525.00	18.4	\$9,660.00
		2021	\$550.00	58.6	\$32,230.00
		2022	\$595.00	1.8	\$1,071.00
		2023	\$650.00	12.0	\$7,800.00
		2024	\$775.00	3.5	\$2,712.50
		2025	\$825.00	9.9	\$8,167.50
Dubelaar, J. B.	2012	2024	\$775.00	1.4	\$1,085.00
Nemers, J.	2014	2020	\$435.00	0.1	\$43.50
		2022	\$525.00	1.4	\$735.00
		2023	\$575.00	0.7	\$402.50
		2024	\$695.00	0.5	\$347.50
Nainifard, S.	2015	2022	\$550.00	0.4	\$220.00
		2025	\$765.00	1.4	\$1,071.00
Radovanovich, S.M.	2015	2025	\$725.00	2.9	\$2,102.50
John, S.	2017	2020	\$370.00	99.5	\$36,815.00
Sanders, R.	2017	2021	\$395.00	0.7	\$276.50
		2022	\$450.00	0.4	\$180.00
Collett, D.	2018	2023	\$450.00	19.2	\$8,640.00
		2024	\$560.00	69.2	\$38,752.00
		2025	\$635.00	120.3	\$76,390.50
Yantzi, J.	2019	2021	\$350.00	0.1	\$35.00
Lakhani, K.	2019	2022	\$375.00	24.7	\$9,262.50
Wong, H.	2019	2022	\$450.00	36.2	\$16,290.00
Lu, D. Y.	2020	2020	\$325.00	13.3	\$4,322.50
		2021	\$325.00	111.2	\$36,140.00
Lici, M.	2020	2023	\$395.00	1.2	\$474.00
Spampinato, K. M.	2020	2025	\$610.00	2.7	\$1,647.00

Lepage-Chouinard, M.	2021	2023	\$615.00	0.2	\$123.00
Arciaga, K.	2022	2023	\$515.00	1.6	\$824.00
Hans, S.	2022	2024	\$425.00	16.7	\$7,097.50
		2025	\$490.00	8.6	\$4,214.00
Dugas, S.	2022	2024	\$425.00	0.3	\$127.50
Delfino, C.	2023	2025	\$395.00	0.1	\$39.50
Clerk/Student/ Librarian	Call to Bar	Year	Hourly Rate	Total Time	Value
Bennett, T.	N/A	2025	\$395.00	5.5	\$2,172.50
Casasola, C.	N/A	2021	\$315.00	0.9	\$283.50
		2024	\$375.00	1.2	\$450.00
Clayton, V.	N/A	2020	\$390.00	0.3	\$117.00
Hodgson, D.	N/A	2022	\$325.00	0.4	\$130.00
		2024	\$375.00	0.3	\$112.50
Lu, D.	N/A	2020	\$295.00	2.5	\$737.50
Manea, R.	N/A	2025	\$395.00	9.9	\$3,910.50
McLean, J.	N/A	2020	\$240.00	0.1	\$24.00
		2021	\$265.00	0.4	\$106.00
		2022	\$295.00	2.9	\$855.50
		2024	\$395.00	0.3	\$118.50
Morris, S. R.	N/A	2020	\$385.00	4.1	\$1,578.50
		2021	\$395.00	3.2	\$1,264.00
		2022	\$425.00	12.2	\$5,185.00
		2023	\$440.00	2.9	\$1,276.00
		2024	\$485.00	2.1	\$1,018.50
		2025	\$510.00	2.0	\$1,020.00
Nguyen, L.	N/A	2020	\$225.00	0.2	\$45.00
		2024	\$310.00	0.1	\$31.00
Pietropaolo, G.	N/A	2021	\$250.00	3.0	\$750.00
Scarpelli, J.	N/A	2024	\$290.00	1.0	\$290.00
Vieira, I.	N/A	2023	\$255.00	0.1	\$25.50
		2024	\$275.00	0.5	\$137.50

Windle, D.	N/A	2020	\$365.00	0.9	\$328.50
		2021	\$375.00	0.5	\$187.50
		2022	\$395.00	1.9	\$750.50
		2023	\$410.00	2.5	\$1,025.00
		2024	\$450.00	0.6	\$270.00
		2025	\$450.00	0.8	\$360.00
Williams, P.	N/A	2020	\$200.00	1.2	\$240.00
		2021	\$225.00	2.1	\$472.50
		2022	\$240.00	0.3	\$72.00
		2024	\$280.00	1.2	\$336.00
		2025	\$295.00	1.9	\$560.50
Biswas, P.	N/A	2021	\$295.00	1.9	\$560.50
Dugas, S.	N/A	2022	\$295.00	0.6	\$177.00
Hans, S.	N/A	2022	\$295.00	1.6	\$472.00
Bernicchia-Freeman, A.	N/A	2025	\$375.00	38.4	\$14,400.00
Collie, J.	N/A	2025	\$375.00	2.1	\$787.50
Walwyn, Z.	N/A	2024	\$350.00	20.2	\$7,070.00
		2025	\$375.00	12.9	\$4,837.50
Chow, E.	N/A	2024	\$42.00	5.0	\$210.00

****Standard hourly rates listed. However, in certain circumstances adjustments to the account were made.***

Applicant

Respondents

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

AFFIDAVIT OF DILLON COLLETT

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

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Dillon Collett (LSO No. 74961J)
E-mail : dcollett@airdberlis.com

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

TAB C

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE	)	FRIDAY, THE 1 st
	)	
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

DISCHARGE 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, 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.

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.

DISCHARGE

10. **THIS COURT ORDERS** that upon the Receiver filing a certificate substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Discharge Certificate**") certifying that it has

completed the other activities described in the Sixth Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Crystal Wealth Group and the Chrysalis Account, provided however that notwithstanding its discharge herein (i) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (ii) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of GTL in its capacity as Receiver.

11. **THIS COURT ORDERS** that, effective upon filing of the Receiver's Discharge Certificate pursuant to paragraph 10 of this Order, GTL is hereby released and discharged from any and all liability that GTL now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of GTL while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, GTL is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

12. **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.

13. **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.

SCHEDULE “A”

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

RECEIVER’S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Newbould of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated April 26, 2017, Grant Thornton Limited (“**GTL**”) was appointed as receiver (in such capacity, the “**Receiver**”), without security, of the Chrysalis Account and of all the assets, undertakings and properties of the Crystal Wealth Group;

B. Pursuant to an Order of the Court dated July 15, 2025 (the “**Discharge Order**”), GTL was discharged as Receiver effective upon the filing by the Receiver with the Court of a certificate confirming that the Receiver has completed the activities described in the Sixth Report, and all

remaining matters to be attended to in connection with these receivership proceedings have been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER CERTIFIES that the Receiver has completed all activities described in the Sixth Report and all remaining matters to be attended to in connection with these receivership proceedings have been completed to the satisfaction of the Receiver.

GRANT THORNTON LIMITED, solely in its capacity as court-appointed receiver and manager of the assets, undertaking and property of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited, and not in its personal or corporate capacity

Per: _____
 Name:
 Title:

ONTARIO SECURITIES COMMISSION
Applicant

1575
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

DISCHARGE 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*

TAB D

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

FRIDAY, THE 1st

)

~~THE HONOURABLE~~

)

~~WEEKDAY, THE #~~

}

JUSTICE ~~—~~STEELE

}

DAY OF ~~MONTH~~AUGUST, ~~20YR~~2025

B E T W E E N:

~~PLAINTIFF~~~~Plaintiff~~ONTARIO SECURITIES COMMISSIONApplicant

- and -

~~DEFENDANT~~

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.

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

Defendant**DISCHARGE 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.

~~THIS MOTION, made by [RECEIVER'S NAME] in its capacity as the Court appointed receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor"), for an order:-~~

- ~~1. approving the activities of the Receiver as set out in the report of the Receiver dated [DATE] (the "Report");~~
- ~~2. approving the fees and disbursements of the Receiver and its counsel;~~
- ~~3. approving the distribution of the remaining proceeds available in the estate of the Debtor;~~
~~{and}~~
- ~~4. discharging [RECEIVER'S NAME] as Receiver of the undertaking, property and assets of the Debtor[; and~~

~~5. releasing [RECEIVER'S NAME] from any and all liability, as set out in paragraph 5 of this Order]¹;~~

~~was heard this day at 330 University Avenue, Toronto, Ontario.~~

ON READING the Sixth Report, ~~the affidavits of the Receiver and its counsel as to fees~~ ~~(the "Fee Affidavits")~~ including the appendices thereto, and on hearing the submissions of counsel for the Receiver, ~~no one else~~ 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 ~~evidenced by the Affidavit of [NAME] sworn [DATE]~~ appears from the affidavit of service of Esther Sivalingam, filed²;₁

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

¹~~If this relief is being sought, stakeholders should be specifically advised, and given ample notice. See also Note 4, below.~~

²~~This model order assumes that the time for service does not need to be abridged.~~

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.

6. ~~1.~~ THIS COURT ORDERS that the ~~activities of the Receiver~~ Receiver's methodology and proposal to make a final distribution to investors of certain Crystal Wealth Funds, as set out in the Sixth Report, ~~are~~ 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. ~~2.~~ **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 ~~the Fee Affidavits~~, are hereby approved.

RETURN OF RECORDS

9. ~~3.~~ **THIS COURT ORDERS** that, ~~after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to [NAME OF PARTY]³.~~ 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.

DISCHARGE

10. ~~4.~~ **THIS COURT ORDERS** that upon ~~payment of the amounts set out in paragraph 3 hereof [and upon~~ the Receiver filing a certificate substantially in the form attached as Schedule "A" hereto (the "Receiver's Discharge Certificate") certifying that it has completed the other activities described in the Sixth Report], the Receiver shall be discharged as Receiver of the undertaking, property and assets of the ~~Debtor~~ Crystal Wealth Group and the Chrysalis Account, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals,

³ ~~This model order assumes that the material filed supports a distribution to a specific secured creditor or other party.~~

protections and stays of proceedings in favour of ~~[RECEIVER'S NAME]~~GTL in its capacity as Receiver.

11. ~~5. THIS COURT ORDERS AND DECLARES that [RECEIVER'S NAME] that,~~
~~effective upon filing of the Receiver's Discharge Certificate pursuant to paragraph 10 of this~~
~~Order, GTL~~ is hereby released and discharged from any and all liability that ~~[RECEIVER'S~~
~~NAME]~~GTL now has or may hereafter have by reason of, or in any way arising out of, the acts
or omissions of ~~[RECEIVER'S NAME]~~GTL while acting in its capacity as Receiver herein,
save and except for any gross negligence or wilful misconduct on the ~~Receiver's~~Receiver's
part. Without limiting the generality of the foregoing, ~~[RECEIVER'S NAME] is~~GTL is hereby
forever released and discharged from any and all liability relating to matters that were raised, or
which could have been raised, in the within receivership proceedings, save and except for any
gross negligence or wilful misconduct on the ~~Receiver's~~Receiver's part.⁴

12. 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.

⁴~~The model order subcommittee was divided as to whether a general release might be appropriate. On the one hand, the Receiver has presumably reported its activities to the Court, and presumably the reported activities have been approved in prior Orders. Moreover, the Order that appointed the Receiver likely has protections in favour of the Receiver. These factors tend to indicate that a general release of the Receiver is not necessary. On the other hand, the Receiver has acted only in a representative capacity, as the Court's officer, so the Court may find that it is appropriate to insulate the Receiver from all liability, by way of a general release. Some members of the subcommittee felt that, absent a general release, Receivers might hold back funds and/or wish to conduct a claims bar process, which would unnecessarily add time and cost to the receivership. The general release language has been added to this form of model order as an option only, to be considered by the presiding Judge in each specific case. See also Note 1, above.~~

13. **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.

64461905.1

SCHEDULE "A"

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Newbould of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated April 26, 2017, Grant Thornton Limited ("**GTL**") was appointed as receiver (in such capacity, the "**Receiver**"), without security, of the Chrysalis Account and of all the assets, undertakings and properties of the Crystal Wealth Group;

B. Pursuant to an Order of the Court dated July 15, 2025 (the "**Discharge Order**"), GTL was discharged as Receiver effective upon the filing by the Receiver with the Court of a certificate confirming that the Receiver has completed the activities described in the Sixth

Report, and all remaining matters to be attended to in connection with these receivership proceedings have been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER CERTIFIES that the Receiver has completed all activities described in the Sixth Report and all remaining matters to be attended to in connection with these receivership proceedings have been completed to the satisfaction of the Receiver.

GRANT THORNTON LIMITED, solely in its capacity as court-appointed receiver and manager of the assets, undertaking and property of Crystal Wealth Management System Limited, Clayton Smith, 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, CLJ Everest Ltd., and 1150752 Ontario Limited, and not in its personal or corporate capacity

Per:

Name:

Title:

TAB E

SERVICE LIST
(Current as of July 23, 2025)

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Respondent

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Respondents

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US Lawyers for Bron Studios Inc., Bron Animation Inc., and Bron Releasing Inc.

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BCSC Enforcement representative

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ONTARIO SECURITIES COMMISSION
Applicant

and

CRYSTAL WEALTH MANAGEMENT SYSTEM LIMITED et al.
Respondents

Court File No. 17-11779-00CL

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

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