



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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Toronto ON M5H 3S8

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20, rue queen ouest
Toronto ON M5H 3S8

**IN THE MATTER OF THE *SECURITIES ACT*,
RSO 1990, c S.5**

- and -

**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**

**TEMPORARY ORDER
(Subsections 127(7) and 127(8))**

WHEREAS:

1. the Ontario Securities Commission (the “Commission”) issued temporary orders on April 6 and April 7, 2017 pursuant to sections 127(1) and 127(5) of the *Securities Act*, RSO 1990, c S.5 (the “Act”);
2. the April 7, 2017 temporary order was requested to add clarification to the April 6, 2017 temporary order;
3. the April 7, 2017 temporary order provided that:
 - a. pursuant to paragraphs 2 and 2.1 of subsection 127(1), all trading, including redemptions and distributions, or acquisitions of the securities of the following funds shall cease:

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”);

- b. 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 Management System Limited (“Crystal Wealth”) on behalf of the Crystal Wealth Funds shall cease;
- c. pursuant to paragraphs 2 and 2.1 of subsection 127(1), the trading in or the acquisition of any securities or derivatives by Clayton Smith (“Smith”), CLJ Everest Ltd (“CLJ Everest”) and 1150752 Ontario Limited (“115 Limited”) shall cease;
- d. 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;

- e. 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;
- f. pursuant to subsection 127(2), the following terms and conditions apply to the registration of Crystal Wealth as an exempt market dealer:
 - i. 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;
- g. 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:
 - i. 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;
 - ii. 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;

(the “Temporary Order”)

- h. the Commission further ordered that pursuant to subsection 127(6) of the Act, the Temporary Order shall take effect immediately and shall expire on the 15th day after its making unless extended by the Commission;
4. Smith, Crystal Wealth, CLJ Everest, 115 Limited and the Crystal Wealth Funds (collectively, the “Respondents”), through their counsel, consented to an extension of the Temporary Order until May 1, 2017, without prejudice to any position that might be advanced by the Respondents in the future with respect to the Temporary Order or the matters raised in the Notice of Hearing;
5. on April 13, 2017, the Commission ordered that the Temporary Order was extended until May 1, 2017, and that the hearing to extend the Temporary Order would occur on April 28, 2017 at 10:00 a.m.;
6. on April 13, 2017, the Commission issued a Notice of Hearing providing notice that it will hold a hearing on April 28, 2017 to consider whether, pursuant to subsections 127(7) and 127(8) of the Act, it is in the public interest for the Commission to extend the Temporary Order until the conclusion of the hearing or until such further time as considered necessary by the Commission, and to make such further orders as the Commission considered appropriate;
7. on April 26, 2017, upon application by the Commission pursuant to section 129 of the Act, the Ontario Superior Court of Justice (Commercial List) made an order (the “Appointment Order”) appointing Grant Thornton Limited as: (i) receiver and manager (the “Receiver”) without security, of all of the assets, undertakings and properties of the Respondents; and (ii) receiver of the account of Chrysalis Yoga Inc. at the Bank of Nova Scotia (the “Chrysalis Account”), and of all contents, including funds, contained in the Chrysalis Account;
8. on April 28, 2017, Staff attended at the Hearing, tendered evidence and made submissions;

9. despite having notice, neither the Respondents nor their counsel attended the hearing on April 28, 2017; and
10. the Commission is of the opinion that it is in the public interest to make this Order.

IT IS ORDERED that:

1. the Temporary Order is extended until October 3, 2017, 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 October 2, 2017 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 28th day of April, 2017.

“Janet Leiper”

Janet Leiper