



CRYSTAL WEALTH

# CRYSTAL WEALTH MEDICAL STRATEGY

## 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.

## PROCESS

- Xynergy Medical Capital sources, initially underwrites and establishes medical receivables factoring contracts
- Crystal Wealth does secondary underwriting and analyzes portfolio fit
- The Strategy buys the pre-existing factoring contract from Xynergy Medical Capital and all rights are assigned to the Strategy
- Crystal Wealth hires Xynergy Medical Capital to administer the factoring contract

## WHAT IS A MEDICAL RECEIVABLES FACTORING CONTRACT?

A Medical Receivables Factoring Contract acts like an operating line of credit. Doctors, clinics, small regional hospitals and other medical service providers (MSPs) in the United States often have to wait 3-12 months before being reimbursed for their services by insurance companies.

Xynergy Medical Capital analyzes the MSPs' receivables and determines which ones are guaranteed to pay. Xynergy then buys those receivables at a discount. Xynergy continuously buys new receivables as others are paid out, providing the MSP with needed cash flow while charging the MSP a fee for this service.

## WHAT IS THE EXPECTED RETURN?

The Strategy is expected to return 7 – 10% annually, although this is not guaranteed.

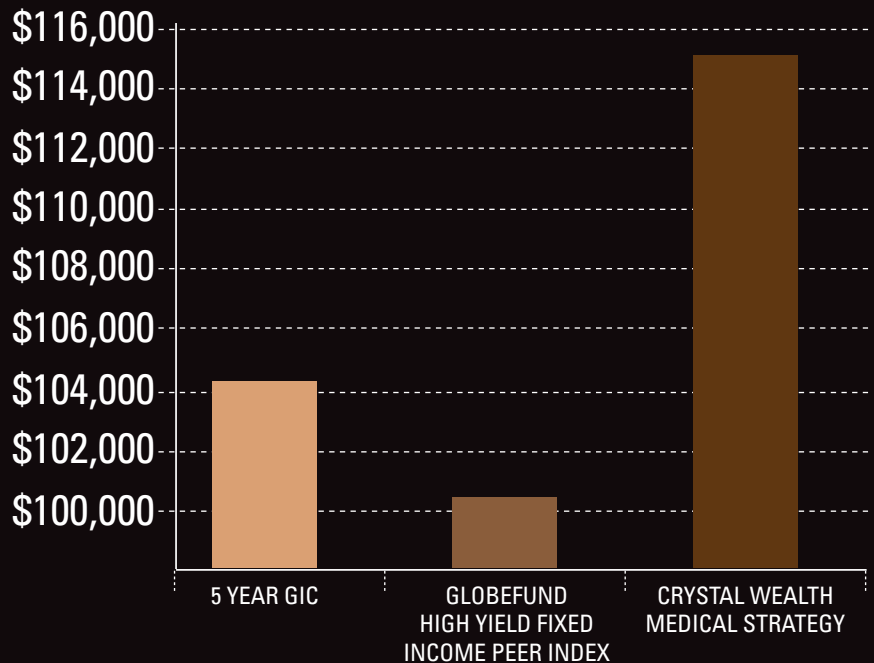
## IS THE STRATEGY RISKY?

No. We believe the risks to investors are very minimal. The receivables that the Strategy purchases are for services that have already been provided so even if the MSP goes out of business, the receivable will still be paid. The obligors (insurance companies) of the medical receivables possess very high credit ratings. Examples of such insurance companies are Medicare, Blue Cross and Aetna.

## Why are you settling for a lower rate of return?

Growth of \$100,000  
(October 2013 - December 2015)

Crystal Wealth Medical Strategy vs. 5 Year GIC and Globefund High Yield Fixed Income Peer Index



## WHY IS THIS STRATEGY THE IDEAL INVESTMENT?

Attribute	Ideal Investment	GICs	Bonds	Stocks	Crystal Wealth Medical Strategy
Return	Consistent & high				✓
Risk of loss/volatility	Low	✓			✓
Liquidity/access to money	Immediate		✓	✓	✓
Correlation to other traditional investments	Low	✓			✓
Diversification	High				✓

## WHY IS THIS THE ONLY SUCH STRATEGY IN CANADA?

The medical receivables factoring business is a highly specialized field of business and there are only a handful of companies in the United States who specialize in this type of cash flow assistance. Crystal Wealth has established an exclusive relationship with one of those companies – Xynergy Medical Capital. The Strategy is a unique investment opportunity managed by Crystal Wealth, whose specialty is alternative fixed income investments.

Disclaimer: Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the offering documents before investing. Mutual funds and other securities are not guaranteed, their value may change frequently and past performance may not be repeated. Mutual funds are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer.