

## **CRYSTAL RIVER CAPITAL, INC.**

### **COMPLAINT PROCEDURES FOR ACCOUNTING AND AUDITING MATTERS**

The procedures set forth below have been adopted by and will be administered under the supervision of the Audit Committee of Crystal River Capital, Inc. (the “Company”). The Company encourages any employee of Hyperion Brookfield Asset Management, Inc. (“Hyperion Brookfield”), the parent of Hyperion Brookfield Crystal River Capital Advisors, LLC (or any successor manager, the “Manager”, the Company’s external manager pursuant to a management agreement, as amended, by and between the Company and the Manager), its affiliates who are involved in the business and affairs of the Company or the Manager, officer of the Company or other interested party (collectively, “Covered Persons”) to submit a good faith complaint regarding accounting or auditing matters to the Company without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices.

In order to facilitate the report of complaints and concerns, the Audit Committee has established the following procedures for (i) the receipt, retention and treatment of complaints and allegations regarding accounting, internal accounting controls or auditing matters (“Accounting Matters”) and (ii) the confidential, anonymous submission by Covered Persons of concerns regarding Accounting Matters.

These procedures are subject to modification from time to time by the Audit Committee as the Audit Committee may deem appropriate in the best interests of the Company or as required by applicable laws.

#### **A. RECEIPT OF EMPLOYEE COMPLAINTS**

1. Covered Persons or others with concerns regarding Accounting Matters may, as applicable, report their concerns to their supervisor or to the Manager’s General Counsel, Daniel S. Kim.
2. In the case where it may not be appropriate to discuss any concerns regarding an Accounting Matter with your supervisor, or where you do not feel comfortable approaching your supervisor with your question, discuss such matter with the Manager’s General Counsel. You may contact Daniel S. Kim at the following address and telephone number:

Hyperion Brookfield Crystal River Capital Advisors, LLC  
Three World Financial Center  
200 Vesey Street, 10th Floor  
New York, New York 10281  
(212) 549-8400

If you are not comfortable personally contacting the Manager’s General Counsel, you may submit your question or complaint in writing anonymously to the Manager’s General Counsel at the above address or address your question or complaint to the Chairperson of the Audit Committee, Louis

Salvatore, at Crystal River Capital, Inc., at the following address and telephone number:

Crystal River Capital, Inc.  
Three World Financial Center  
200 Vesey Street, 10th Floor  
New York, New York 10281  
(212) 549-8400

You can also call the Crystal River Capital, Inc. Ethics Hotline at (800) 665-0831 (in North America). The Company's ethics hotline is managed by an independent third party called the Network and provides a toll-free number, available 24 hours a day, seven days a week, that any Covered Person can call anonymously to report suspected unethical, illegal or unsafe behavior.

3. Supervisors are obligated to report each question raised with them regarding Accounting Matters to the Manager's General Counsel.

**B. TREATMENT OF ACCOUNTING MATTER COMPLAINTS**

1. Upon receipt of a complaint, the Manager's General Counsel will: (i) review and determine whether the complaint actually pertains to Accounting Matters; (ii) when so determined, investigate the complaint; and (iii) report the complaint to the Chairman of the Audit Committee.
2. When possible, the Manager's General Counsel will acknowledge receipt of the complaint to the sender.
3. Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Manager's General Counsel or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
4. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
5. The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

**C. REPORTING AND RETENTION OF COMPLAINTS AND INVESTIGATIONS**

The Manager's General Counsel will maintain a log that tracks the receipt of all complaints, indicating the substance thereof, whether they involve Accounting Matters and the status or results of any investigation and resolution thereof, and shall prepare and submit

to the Audit Committee a quarterly summary of the complaints logged, investigated and resolved. Copies of complaints, the complaint log and summaries will be maintained by the Company in accordance with the Company's document retention policy.