

**J.S.N. JEWELLERY INC., J.S.N. JEWELLERY UK LIMITED, GMJ CORP.,
2373138 ONTARIO INC., ALWAYS & FOREVER FAMILY COLLECTION
INCORPORATED, AND P.M.R. INC.**

**FOURTH REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS RECEIVER OF
J.S.N. JEWELLERY INC., J.S.N. JEWELLERY UK LIMITED, GMJ CORP.,
2373138 ONTARIO INC., ALWAYS & FOREVER FAMILY COLLECTION
INCORPORATED, AND P.M.R. INC.**

April 13, 2017

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

BETWEEN:

SALUS CAPITAL PARTNERS LLC

Applicant

- and -

**J.S.N. JEWELLERY INC., J.S.N. JEWELLERY UK LIMITED, GMJ CORP., 2373138 ONTARIO
INC., ALWAYS & FOREVER FAMILY COLLECTION INCORPORATED, AND P.M.R. INC.**

Respondents

**APPLICATION UNDER section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended, and under section 101 of the
Courts of Justice Act, R.S.O. 1990, c. C.43**

**FOURTH REPORT OF RICHTER ADVISORY GROUP INC.
IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
J.S.N. JEWELLERY INC., J.S.N. JEWELLERY UK LIMITED, GMJ CORP., 2373138 ONTARIO INC., ALWAYS &
FOREVER FAMILY COLLECTION INCORPORATED, AND P.M.R. INC.**

April 13, 2017

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I. INTRODUCTION

1. Richter Advisory Group Inc. ("**Richter**"), was appointed as receiver (the "**Receiver**"), without security, of all of the assets, properties and undertakings (the "**Property**") of J.S.N. Jewellery Inc. ("**JSN Jewellery**"), 2373138 Ontario Inc. ("**237**"), Always & Forever Family Collection Inc. ("**A&F**" or "**Always and Forever**"), and P.M.R. Inc. ("**PMR**"), (collectively, the "**Canadian Debtors**"), GMJ Corp. ("**GMJ**", "**JSN US**" or "**U.S. Debtor**"), and J.S.N. Jewellery UK Limited ("**JSN UK**" or the "**UK Debtor**", and together with the Canadian Debtors and the U.S. Debtor, "**JSN**", the "**Company**" or the "**Debtor Companies**") pursuant to an order (the "**Receivership Order**") of the Honourable Mr. Justice Newbould of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated August 16, 2016 (the "**Date of Appointment**"). A copy of the Receivership Order is attached hereto as **Appendix "A"**.
2. The Receivership Order also ratified the appointment by JSN of FAAN Advisors Group Inc. ("**FAAN**") as its Chief Restructuring Officer ("**CRO**") and directed that the CRO act in accordance with instructions from the Receiver for such time as the Receiver determines it appropriate. The Court authorized and redirected the Receiver to transfer the amount of \$191,635.05 (the "**Holdback Amount**") to be held in trust by JSN's counsel to satisfy the Holdback Obligations (as defined in the Receivership Order) to be returned to the Receiver at such time as the CRO and the Receiver mutually agreed. In January 2017, the CRO released the Holdback Amount to the Receiver.
3. Pursuant to an Approval and Vesting Order issued by the Honourable Justice Newbould, also dated August 16, 2016 (the "**AVO**"), the Receiver was authorized and directed to execute the Sale Agreement (as defined in the AVO) and, on closing of the transaction, the purchased assets vested in the purchaser, Unique Designs, Inc. ("**Unique**" or the "**Purchaser**"), free and clear of all claims but subject to the determination of the Sharon Stone Claim¹ (the "**Unique Transaction**"). The report of Richter, in its capacity as proposed receiver of JSN dated August 8, 2016 (the "**Proposed Receiver's Report**"), addresses the Unique Transaction.
4. Pursuant to a Notice of Motion dated August 22, 2016, Utopia Jewellery Ltd. ("**Utopia**") and Sharon Stone Inc. ("**Sharon Stone**")² commenced a motion in the receivership proceedings seeking, inter alia, a declaration that the assets defined as "Molds" in the affidavits of Shmuel (Samuel) Cohen and Carla Eisnor, each dated August 15, 2016, are the property of Sharon Stone and do not form any part of the assets purchased by Unique pursuant to the Unique Transaction. The first report of Richter, in its capacity as Receiver dated September 22, 2016 (the "**First Report**"), addresses the Sharon Stone Claim.

¹ As defined in the AVO.

² The Notice of Motion describes the Sharon Stone corporate entity as "Sharon Stone Inc." The affidavit of Shmuel Cohen describes the entity as "Sharon Stone Co. Ltd." As set out in the first report of the Receiver, the Receiver believes that the description in the affidavit is accurate.

5. Pursuant to two (2) Approval and Vesting Orders issued by the Honourable Justice Newbould, both dated October 6, 2016, the Receiver was authorized and directed to execute the Sundry Assets Sale Agreements³ and, on closing of the transactions (the “**Sundry Assets Transactions**”), the purchased jewellery assets vested in the purchasers, Sparkle Gems Inc. and Simplex⁴, respectively, free and clear of all claims. The second report of Richter, in its capacity as Receiver dated September 29, 2016 (the “**Second Report**”), addresses the Sundry Assets Transactions.
6. An additional order dated October 6, 2016 (the “**Distribution and Auction Order**”) authorized and directed the Receiver to, among other things, make an interim distribution to Salus Capital Partners, LLC as lender and agent for other lenders (“**Salus**” or the “**Lender**”), execute the Auction Agreement and implement the Monetization Plan (each as defined in the Second Report), liquidate the Company’s furniture, fixtures, and equipment, and monetize and dispose of the Company’s scrap jewellery and other remaining assets. The Second Report also addresses the Auction Agreement and the Monetization Plan.
7. Pursuant to an order dated December 1, 2016 (the “**Summary Judgment and Distribution Order**”), the Receiver was authorized and directed to, among other things, make additional distributions to Salus. In the Summary Judgment and Distribution Order, the Court further ordered that the Sharon Stone Claim was dismissed as a result of a settlement (the “**Terms of Settlement**”) agreed to between the parties⁵. A copy of the Summary Judgment and Distribution Order is attached hereto as **Appendix “B”**. The Receiver’s third report dated November 25, 2016 (the “**Third Report**”) provides information in connection with the settlement of the Sharon Stone Claim.
8. The prior reports of the Receiver, the orders of the Court and other materials relevant to these proceedings are posted on the Receiver’s website at <http://www.richter.ca/en/folder/insolvency-cases/j/jsn-jewellery-inc>.

II. PURPOSE OF REPORT

9. The purpose of this fourth report of the Receiver (the “**Fourth Report**”) is to:
 - a) Provide this Court with certain information pertaining to:
 - (i) The status of the Unique Transaction;
 - (ii) The termination of a letter agreement between the Receiver and [REDACTED] (the “**Consulting Agreement**”), resulting from a violation of the terms of the agreement;
 - (iii) The activities of the Receiver since the date of the Third Report;

³ As defined in the Second Report (as hereinafter defined).

⁴ Simplex refers to Simplex Diam Inc. and Sparkling Jewelry Inc., jointly.

⁵ The Receiver, Unique, Sharon Stone, Salus, and Utopia Jewellery Ltd (a party affiliated with JSN and Sharon Stone).

- (iv) The Receiver's receipts and disbursements for the period from the Date of Appointment to and including March 31, 2017; and
 - (v) The Receiver's estimate of accrued and unpaid obligations as of the date of this Fourth Report (the "**Accrued Obligations**"), and the Receiver's estimate of professional fees and disbursements, including those of its counsel, and administrative costs required to complete these receivership proceedings (the "**Remaining Costs**", and together with the Accrued Obligations, the "**Outstanding Disbursements**").
- b) Recommend that this Court make an order(s):
- (i) Approving this Fourth Report including the actions and activities of the Receiver set out herein;
 - (ii) Approving the Receiver's statement of receipts and disbursements from the Date of Appointment to and including March 31, 2017;
 - (iii) Approving the accounts of the Receiver and its counsel, as set out in this Fourth Report, and authorizing the Receiver to pay the accounts of the Receiver and its counsel;
 - (iv) Authorizing and directing the Receiver to make an interim distribution to Salus in the amount of \$100,000, and to make subsequent distributions to Salus as the Receiver determines are available for distribution up to the amount of Salus' secured claim, without further order of the Court;
 - (v) Authorizing and directing the Receiver to assign the Company's remaining accounts receivable (the "**Accounts Receivable**") to Salus, as a distribution in kind, in partial payment of its secured claim against the Property;
 - (vi) Discharging Richter as Receiver upon completion of the Remaining Matters (as hereinafter defined), including terminating the Receiver's Charge and the Receiver's Borrowing Charge, as provided for in the Receivership Order, and subject to the Receiver filing a discharge certificate (the "**Discharge Certificate**") confirming the same with the Court;
 - (vii) Ordering and declaring that, effective upon its discharge as Receiver, Richter has duly and properly discharged its duties, responsibilities and obligations as the Receiver of JSN and discharging and releasing the Receiver from any and all further obligations as Receiver of JSN and any and all liability relating in any way to the acts or omissions of Richter while acting as Receiver, save and except for the Receiver's gross negligence or willful misconduct; and
 - (viii) Declaring that, effective upon the discharge of the Receiver, FAAN be released from any and all liability relating in any way to the acts or omissions of FAAN while acting as CRO, save and except for FAAN's gross negligence or willful misconduct.

III. QUALIFICATIONS

10. In preparing this Fourth Report, Richter has relied upon unaudited financial information, the Company's books and records, financial information prepared by the Company and discussions with management (including the CRO) (collectively, the "**Information**"). Richter has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided, and in consideration of the nature of the evidence provided to this Court, in relation to the relief sought therein. Richter has not, however, audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Auditing Standards ("**GAAS**") pursuant to the Canadian Institute of Chartered Accountants Handbook and, as such, Richter expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information. An examination of the Company's financial forecasts in accordance with the Canadian Institute of Chartered Accountants Handbook has not been performed. Future-oriented financial information reported on or relied upon in this Fourth Report is based on management's assumptions regarding future events; actual results achieved may vary from forecast and such variations may be material.
11. Unless otherwise noted, all monetary amounts contained in this Fourth Report are expressed in Canadian dollars ("**CAD**").

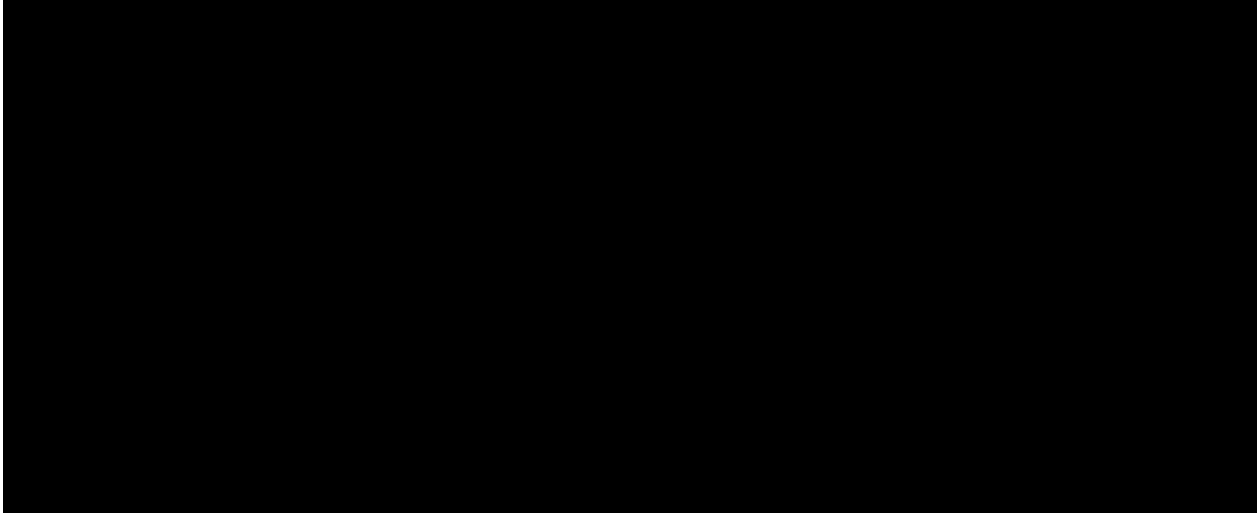
IV. UNIQUE TRANSACTION

12. As described in greater detail in the Second Report, the Receiver entered into the Sale Agreement with Unique, and the Unique Transaction closed upon the delivery of a Receiver's Certificate on August 18, 2016. The Sale Agreement provided for the payment of part of the balance of purchase price into escrow, including but not limited to an amount relating to:
 - a) the outcome of the Sharon Stone Claim (the "**Designs Escrow Fund**"). Pursuant to the Summary Judgment and Distribution Order, the Designs Escrow Fund was released to the Receiver and a portion was distributed to Salus while the balance was refunded to Unique, respectively. Also as directed by the Court, the Receiver withheld an amount for Transfer Taxes (as defined in the Sale Agreement) owing and unpaid by Unique in connection with Unique Transaction that would otherwise have been refunded to Unique. The Receiver subsequently paid such amount on account of Transfer Taxes owing to the respective government agencies; and
 - b) any legal action brought by an unsecured trade creditor of either JSN UK or GMJ that was five (5) months after the Closing Date (the "**Escrow Termination Date**"), being January 18, 2017, which was to compensate Unique to the extent of any losses suffered. As at the Escrow Termination Date, no legal action had been

brought to the Receiver's attention. As such, upon notification to Unique's counsel, the Receiver released the escrow funds for the benefit of the receivership estate.

V. CONSULTING AGREEMENT

13.



VI. ACTIVITIES OF THE RECEIVER

14. The activities of the Receiver from the Date of Appointment to November 25, 2016 are detailed in the Second Report and the Third Report. Subsequent to the filing of the Third Report, the Receiver's activities have included:
- a) Collecting the Company's accounts receivable, and engaging a third party collections agency to assist with same;
 - b) Arranging for the shipment to Unique of all assets remaining in the Receiver's possession that were subject to the Sharon Stone Claim, pursuant to the Terms of Settlement;
 - c) Recording receipts and disbursements, including the preparation of the Receiver's statement of receipts and disbursements from the Date of Appointment to and including March 31, 2017;
 - d) Arranging for payments related to the receivership proceedings, including final utilities payments for the Receiver's occupation of the Company's premises, and other services;
 - e) Paying the Transfer Taxes in connection with Unique Transaction;
 - f) Facilitating the release of the Holdback Amount from the CRO to the Receiver;
 - g) Communicating with the CRO regarding the JSN UK Wind-down (as defined in the Third Report). The Receiver did not go into possession or control of JSN UK at any time. The CRO remained in possession and control of JSN UK and its property, as CRO of JSN, including the JSN UK bank accounts. The CRO facilitated the JSN UK Wind-down on an informal basis, including the closure of the entity's bank accounts, and has

transferred all remaining funds to the Receiver. The Receiver understands that no further proceeds will be forthcoming from JSN UK;

- h) Facilitating the completion of income tax returns of the Canadian and U.S. entities to the best of the Receiver's ability, based on the pre-receivership information available, to satisfy administrative requirements;
- i) Preparing and filing excise tax returns for the receivership period;
- j) Preparing and filing an interim report with the Office of the Superintendent of Bankruptcy, as required under section 246(2) of the *Bankruptcy and Insolvency Act* (the "**BIA**");
- k) Preparing this Fourth Report; and
- l) Corresponding and communicating with Salus and its counsel in connection with various aspects of the receivership proceedings.

VII. RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

15. The Receiver's statement of receipts and disbursements for the period from the Date of Appointment to and including March 31, 2017 (the "R&D") is reported on a consolidated basis, and is summarized as follows:

JSN		
Statement of Receipts and Disbursements		
For the period August 16, 2016 to March 31, 2017		
Receipts		Notes
Unique Transaction	\$ 4,666,515.80	
Sundry Asset Transactions	4,450,330.37	
Net Proceeds received from JSN UK	3,739,749.32	a
Accounts receivable collections (net of collections agency fee)	1,220,391.37	
Cash in bank at the receivership date	415,303.97	
Asset realizations - scrap precious metal	221,230.33	
Release of Holdback Amount	191,636.05	
Pre-receivership GST/HST refund	155,197.82	
Asset realizations - Fixed Assets	76,198.00	
GST/HST refund in receivership	61,082.48	
Refund of insurance premium	18,832.98	
Refund of pre-receivership overpayment	3,772.45	
Interest earned (net of bank charges)	1,423.68	
GST/HST collected on sales	258.05	
Total Receipts	<u>\$ 15,221,922.67</u>	
Disbursements		
Professional fees - Receiver (Aug. 16/16 - Feb. 3/17)	530,798.84	
Other legal and tax preparation costs	259,084.54	b
Consultant fees	214,985.29	c
Holdback Amount	191,636.05	
Professional fees - Receiver's counsel (Aug. 16/16 - Dec. 31/16)	185,700.96	
Provincial sales taxes paid on disbursements	134,694.81	
Independent contractor services	75,983.49	
Pre-receivership company payroll	28,954.65	
IT consulting services	24,457.61	
Occupation rent	21,240.16	
Other occupation costs	17,021.05	
Insurance	16,013.05	
Freight & utilities	8,132.74	
Security & storage	6,820.84	
Receivership filing fees	70.00	
Total Disbursements	<u>\$ 1,715,594.08</u>	
Excess of Receipts over Disbursements	<u>\$ 13,506,328.59</u>	
Interim Distributions to Secured Lender	(13,315,787.64)	d
Foreign exchange loss on conversion of cash on hand	(9,074.87)	
Cash on Hand ⁽¹⁾	<u>\$ 181,466.08</u>	
Note:		
¹ USD-denominated cash on hand has been converted to CAD at the Bank of Canada March 31, 2017 daily noon rate (1.3322) for presentation purposes.		

Notes:

- a) Approximately US\$3,280,000 in net proceeds from JSN UK was paid to the Receiver by the CRO, reflecting net realizations on the JSN UK assets;
 - b) Other legal and tax preparation costs include the services of foreign legal counsel engaged by the Receiver to provide independent legal opinions on Salus' security under foreign jurisdictions, and legal advice with respect to the foreign entities, GMJ and JSN UK, for the Unique Transaction and the receivership proceedings generally, and with respect to investigation of the Sharon Stone Claim. Also included in these costs are the fees paid to date for the preparation of income tax returns to satisfy administrative requirements;
 - c) Consultant fees comprise fees paid to Consensus and the Jewellery Consultant (each as defined in the Second Report) engaged by the Receiver in connection with the Sundry Assets Transactions; and
 - d) As per the terms of the Distribution and Auction Order and the Summary Judgment and Distribution Order, the Receiver has made interim distributions to Salus in the aggregate amount of approximately \$13,300,000.
16. As detailed in the table above, the Receiver had total receipts of approximately \$15,220,000 between the Date of Appointment and March 31, 2017, the majority of which relate to proceeds from the Unique Transaction, the Sundry Assets Transactions, and accounts receivable collections. Total disbursements over the same period were approximately \$1,720,000, and as at March 31, 2017, cash on hand was approximately \$180,000.
17. The Receiver estimates there remains approximately \$35,000 in Accrued Obligations relating primarily to professional fees and disbursements incurred up to the date of this Fourth Report as part of these receivership proceedings. In addition, the Receiver estimates Remaining Costs in the amount of approximately \$85,000, including remaining professional fees and disbursements of the Receiver and its counsel (the "**Remaining Fees and Disbursements**") in the amount of approximately \$65,000 (all excluding HST).
18. The Receiver seeks authority to pay the Remaining Fees and Disbursements from cash on hand without further order of this Court.

19. Furthermore, as authorized and directed in the Summary Judgment and Distribution Order, the Receiver plans to make an interim distribution to Salus in the amount of \$100,000 and to make subsequent distributions to Salus as the Receiver determines are available for distribution to Salus up to the amount of Salus' secured claim. The table below details the estimated net cash reserve available to cover the Outstanding Disbursements after the proposed interim distribution, as at the date of this Fourth Report:

JSN Funds Available for Interim Distribution As at the date of the Fourth Report	
Cash on Hand as at March 31, 2017	\$ 181,466.08
Further net proceeds received (approx.)	60,000.00
Proposed Interim Distribution	(100,000.00)
Net Reserve	\$ 141,466.08

VIII. PRIORITY CLAIMS

20. As detailed in the Third Report, approximately \$152,800 in HST input tax credits claimed by the Canadian Debtors relating to the pre-receivership period, have been paid by the Canada Revenue Agency (“**CRA**”) to the Receiver. Prior to issuing these refunds, the CRA had completed an HST review and highlighted no material items to the Receiver. Additionally, the Receiver understands that the Canadian Debtors made normal course remittances to CRA in connection with source deductions withheld from employees. As such, the Receiver is not aware of any amounts that would be subject to a deemed trust in favour of CRA and the Receiver has not been contacted by CRA in connection with same.
21. The Receiver is not aware of any amounts owing to the former employees of the Canadian Debtors (the “**Former Employees**”) that would have priority pursuant to section 81.4 of the BIA, as the Receiver paid all outstanding wages and vacation pay owing at the Date of Appointment, as detailed in the Second Report. Similarly, the Receiver understands that the Company did not provide a registered pension plan for its employees. Accordingly, the Receiver is not aware of any amounts owing to the Former Employees pursuant to section 81.6 of the BIA.

IX. REMAINING MATTERS TO BE COMPLETED IN THESE PROCEEDINGS

22. If this Court grants the order requested herein, the Receiver will have completed its duties, statutory or otherwise, except for the following (the “**Remaining Matters**”):
- a) Assisting Salus in collecting the Company's remaining accounts receivable. In consultation with Salus, the Receiver recommends that the remaining Accounts Receivable, which amount to approximately \$200,000 (book value) be assigned to Salus as a distribution in kind in partial reduction of the JSN indebtedness rather than collected by the Receiver;

- b) Paying the Outstanding Disbursements;
 - c) Completing and filing the Company's remaining 2016 and 2017 corporate tax returns with CRA and the Internal Revenue Service ("IRS");
 - d) Pursuing the potential recovery of any unclaimed HST paid during these proceedings;
 - e) Making a final distribution to the Lender in respect of its secured claim. Based on the estimated realizations for the Property, Salus is the only creditor with an economic interest in the Property; and
 - f) Attending to other administrative matters incidental to these proceedings such as filing the Receiver's report pursuant to section 246(3) of the BIA.
23. Upon the completion of the Remaining Matters, the Receiver will have realized on the Property and completed its statutory duties as well as those duties set out in the Receivership Order or subsequent orders of this Court. Accordingly, the Receiver is of the view that it is appropriate to seek an order of the Court discharging the Receiver upon the filing of the Discharge Certificate with this Court certifying that all of the Remaining Matters have been completed.

Request for Approval of Fees

24. The Receiver and its counsel, Fasken Martineau DuMoulin LLP ("**Fasken**"), have maintained detailed records of their professional time and disbursements since the Date of Appointment.
25. The Receiver's professional fees incurred for services rendered from November 14, 2016 to March 31, 2017 amount to \$84,617.25, plus disbursements in the amount of \$968.86 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by the Receiver's professionals is described in the affidavit of Clark Lonergan attached hereto as **Appendix "D"**.
26. The fees of the Receiver's counsel, Fasken, for services rendered from November 1, 2016 to April 10, 2017 total \$27,572.00, plus disbursements in the amount of \$939.62 (all excluding HST). These amounts represent professional fees and disbursements not yet approved by the Court. The time spent by the Fasken professionals is described in the affidavit of Stuart Brotman attached hereto as **Appendix "E"**.
27. The Receiver has reviewed Fasken's accounts and has determined that the services have been duly authorized and duly rendered and that the charges are reasonable given the circumstances.
28. In addition to the fees incurred by the Receiver and its counsel noted above, and on the assumption that there are no delays, disputes or unforeseen developments in connection with these proceedings, including the within motion, and the performance of the Remaining Matters, the Receiver has estimated Remaining Fees and Disbursements in

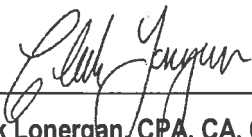
the amount of \$65,000 for the Receiver and its counsel (all amounts excluding HST). These amounts represent the Receiver's best estimate of the reasonable professional and legal fees required to complete the administration of these proceedings up to the effective date of discharge.

X. RECOMMENDATIONS

29. To the best of the Receiver's knowledge and belief, all duties of the Receiver, as set out in the Receivership Order and subsequent orders of this Court, will be completed upon completion of the Remaining Matters.
30. Based on the foregoing, the Receiver respectfully recommends that the Court issue an order(s):
 - a) Approving this Fourth Report and the actions, activities and conduct of the Receiver set out herein;
 - b) Approving the Receiver's R&D;
 - c) Approving the accounts of the Receiver and its counsel, including the Remaining Fees and Disbursements, as set out in this Fourth Report;
 - d) Authorizing and directing the Receiver to make an interim distribution in the amount of \$100,000, and to make subsequent distributions to Salus as the Receiver determines are available for distribution up to the amount of Salus' secured claim, without further order of the Court;
 - e) Authorizing and directing the Receiver to assign the Accounts Receivable to Salus as a distribution in kind in partial payment of its secured claim against the Property;
 - f) Discharging the Receiver upon completion of the Remaining Matters, including terminating the Receiver's Charge and the Receiver's Borrowing Charge, as provided for in the Receivership Order, and subject to the Receiver filing the Discharge Certificate confirming the same with the Court;
 - g) Ordering and declaring that, effective upon its discharge as Receiver, Richter has duly and properly discharged its duties, responsibilities and obligations as the Receiver of the Company and discharging and releasing Richter from any and all further obligations as Receiver of the Company and any and all liability that Richter now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Richter while acting as Receiver, save and except for the Receiver's gross negligence or willful misconduct; and
 - h) Declaring that, effective upon the discharge of the Receiver, FAAN be released from any and all liability relating in any way to the acts or omissions of FAAN, save and except for FAAN's gross negligence or willful misconduct.

All of which is respectfully submitted on the 13th day of April, 2017.

**Richter Advisory Group Inc.
in its capacity as Receiver of
J.S.N. Jewellery Inc., J.S.N. Jewellery UK Limited, GMJ Corp.,
2373138 Ontario Inc., Always & Forever Family Collection Incorporated,
and P.M.R. Inc. and not in its personal capacity**



Clark Lonergan, CPA, CA, CIRP
Senior Vice-President



Katherine Forbes, CPA, CA
Vice-President