

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

**MOTION RECORD
(Returnable March 21, 2018)**

March 12, 2018

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Lawyers for Richter Advisory Group Inc.,
in its capacity as Court-appointed Receiver of
the Respondents

TO: THE ATTACHED SERVICE LIST

**ONTARIO
SUPERIOR COURT OF JUSTICE
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MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

I N D E X

TAB

DOCUMENT

1. Notice of Motion returnable March 21, 2018
2. Second Report of the Receiver with Exhibits therein, dated March 9, 2018
3. Draft Order

1

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

BETWEEN:

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Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

**NOTICE OF MOTION
(Returnable March 21, 2018)**

RICHTER ADVISORY GROUP INC. (“**Richter**”), in its capacity as court-appointed receiver of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc. (the “**Receiver**”) will make a motion to a Judge presiding over the Commercial List on March 21, 2018, at 10:00 a.m. or as soon after that time as the motion can be heard at the Courthouse located at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: This Motion is to be heard orally via Court Call.

THE MOTION IS FOR:

1. An Order, substantially in the form attached as Schedule “A” hereto, *inter alia*:
 - a. abridging the time for service of the Notice of Motion and the Motion Record and directing that any further service of the Notice of Motion and the Motion Record be dispensed with such that this motion is properly returnable on March 21, 2018;
 - b. approving the Second Report of the Receiver dated March 9, 2018 (the “**Second Report**”) and the actions, activities and conduct of the Receiver as set out therein;
 - c. approving the Receiver’s statement of receipts and disbursements from October 23, 2015 to March 9, 2018;
 - d. authorizing and directing the Receiver to make a distribution to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct, in the amount of \$300,000.00 in connection with the tax refund received by 3244585 Nova Scotia Company;
 - e. approving the accounts of the Receiver and its counsel, including the Remaining Fees and Disbursements (as defined in the Second Report);
 - f. directing that any surplus cash proceeds held by the Receiver following payment of all fees, disbursements and applicable taxes of the Receiver, U.S. Counsel and BLG shall be paid or caused to be paid by the Receiver to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct, without further order of the Court and in the event that the fees, disbursements and applicable taxes of the Receiver, U.S. Counsel and BLG exceed the estimates to completion, such additional amounts may be paid without further order of the Court, subject to the consent of 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc.;
 - g. declaring that the Receiver shall continue to benefit from the provisions of the order of Madam Justice Conway dated April 3, 2017 and the protections provided for therein in favour of the Receiver; and
 - h. such further and other relief as the Receiver may request and this Court may deem just.

THE GROUNDS FOR THE MOTION are as follows:

Background

2. Pursuant to an Order of this Court dated October 23, 2015 (the “**Appointment Order**”), Richter was appointed as Receiver, without security, over the assets, undertakings and properties of the Respondents pursuant to section 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;
3. Pursuant to an Order of this Court dated October 23, 2015 (the “**Approval and Vesting Order**”), the “Transaction” (as defined in the Approval and Vesting Order) (the “**Transaction**”) was approved and the Receiver was authorized to enter into the sale agreement in respect of the Transaction;
4. Pursuant to an Order of the United States Bankruptcy Court for the District of Delaware (the “**U.S. Court**”) dated December 1, 2015, the receivership proceedings of Thane in this Court were recognized as a foreign main proceeding pursuant to Chapter 15 of title 11 of the United States Code, as amended, and Richter was recognized as the foreign representative of Thane (the “**U.S. Proceedings**”);
5. The Receiver previously filed a Receiver’s Certificate with this Court, certifying that the Transaction was completed to the satisfaction of the Receiver;

Tax Refund

6. On December 12, 2017, the Canada Revenue Agency issued a Notice of Assessment for 3244585 Nova Scotia Company, which indicated that 3244585 Nova Scotia Company was entitled to an income tax refund of \$337,319 (the “**324 Tax Refund**”);
7. The accounts receivable under the Transaction was sold to the Purchasers (as defined in the Second Report);

Approval of Fees and Activities

8. The Receiver has performed a variety of activities in furtherance of its responsibilities under the Appointment Order, as set out in the Second Report;

9. The Receiver seeks approval of the Second Report and the activities of the Receiver as described therein;
10. In performing the activities outlined in the Second Report, the Receiver and the Receiver's legal counsel, BLG and U.S. Counsel, have provided professional services and incurred fees and disbursements;
11. The Receiver seeks approval of the fees and disbursements of the Receiver, including the disbursements of the Receiver relating to the services rendered by U.S. counsel, and BLG;
12. The Receiver also seeks approval of the reasonable fees and disbursements of the Receiver, BLG and U.S. Counsel in connection with the continuation of the administration of these proceedings to the date of the Receiver's discharge;

Other Grounds

13. Rules 1.04, 2.01, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure* (Ontario); and
14. Such further and other grounds as counsel may advise and this Court may permit.

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

15. the Receiver's Second Report to the Court dated March 9, 2018;
16. the affidavit of Pritesh Patel, sworn March 9, 2018;
17. the affidavit of Gordon Raman, sworn March 8, 2018; and
18. such further and other evidence as counsel may submit and this Court may permit.

Date: March 12, 2018

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BANK OF MONTREAL

- and -
Applicant

THANE INTERNATIONAL, INC., et. al.
Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

**NOTICE OF MOTION
(Returnable March 21, 2018)**

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2

Court File No. CV-15-11146-00CL

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND
TDG, INC.**

SECOND REPORT OF THE RECEIVER

March 9, 2018

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

BETWEEN:

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Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT COMPANY, THANE DIRECT
MARKETING INC., WEST COAST DIRECT MARKETING, INC., THANE DIRECT CANADA INC. AND
TDG, 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**

**SECOND REPORT OF RICHTER ADVISORY GROUP INC.
IN ITS CAPACITY AS RECEIVER OF
2657874, INC. (FORMERLY THANE INTERNATIONAL INC.), 2804906, INC. (FORMERLY THANE DIRECT,
INC.), 3244585 NOVA SCOTIA COMPANY (FORMERLY THANE DIRECT COMPANY), 2194124 ONTARIO
INC. (FORMERLY THANE DIRECT MARKETING INC.), WEST COAST DIRECT MARKETING, INC., 1262775
ONTARIO INC. (FORMERLY THANE DIRECT CANADA INC.) AND TDG, INC.**

March 9, 2018

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APPENDICIES

APPENDIX "A" – Receivership Order dated October 23, 2015

APPENDIX "B" – Approval, Vesting and Distribution Order October 23, 2015

APPENDIX "C" – Distribution and Discharge Order dated April 3, 2017

APPENDIX "D" – First Report of the Receiver dated March 14, 2017 (without Appendices)

APPENDIX "E" – U.S. Case Closing Order dated May 15, 2017

APPENDIX "F" – Affidavit of Pritesh Patel, sworn March 9, 2018 re: Fees of Receiver and its U.S. Counsel

APPENDIX "G" – Affidavit of Gordon Raman, sworn March 8, 2018 re: Fees of Borden Ladner Gervais LLP

I. INTRODUCTION

1. On October 23, 2015, pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), Richter Advisory Group Inc. (“**Richter**”), was appointed as receiver (the “**Receiver**”) to exercise specific powers and duties as set out in the Receivership Order, in respect of the assets, properties and undertakings (the “**Property**”) of Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc., Thane International, Inc., West Coast Direct Marketing, Inc., TDG, Inc. and Thane Direct, Inc. (collectively, “**Thane**” or the “**Debtors**”).
2. The Receivership Order was granted pursuant to an application made by Bank of Montreal as agent (the “**Agent**”) for the syndicate of lenders including, the Bank of Montreal (“**BMO**”), HSBC Bank Canada (“**HSBC**”) and the National Bank of Canada (“**NBC**” and collectively with BMO and HSBC, the “**Lenders**”), pursuant to security held by the Lenders in the assets, property and undertaking of the Debtors, including a general security agreement, representing a charge over all the assets of Thane. A copy of the Receivership Order is attached hereto as **Appendix “A”**.
3. Subsequent to the granting of the Receivership Order, the Court issued an order (the “**Approval, Vesting and Distribution Order**”) approving the asset and share transaction (the “**Asset/Share Transaction**”) contemplated by the offer to purchase (the “**Sale Agreement**”) between 9472541 Canada Inc. (now Thane Inc.), 9472550 Canada Inc. (now Thane Direct Inc.), 635427, Inc. (now Thane America, Inc.) and 652134 Limited (now Thane IP Limited) (collectively, the “**Purchasers**”), and the Receiver, to purchase substantially all of the business of Thane and certain of its affiliates. The Asset/Share Transaction closed on December 18, 2015. A copy of the Approval, Vesting and Distribution Order is attached hereto as **Appendix “B”**.
4. As contemplated by the Asset/Share Transaction, articles of amendment were filed by the Debtors changing the names of certain of the Thane entities as follows:
 - a) Thane International Inc. to 2657874, Inc.;
 - b) Thane Direct, Inc. to 2804906, Inc.;
 - c) Thane Direct Company to 3244585 Nova Scotia Company (“**324Co**”);
 - d) Thane Direct Marketing Inc. to 2194124 Ontario Inc.; and
 - e) Thane Direct Canada Inc. to 1262775 Ontario Inc.
5. On April 3, 2017, the Court issued an order (the “**Distribution and Discharge Order**”) that, among other things, (i) authorized and directed the Receiver to make a distribution to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct, in connection with certain corporate tax refunds collected from the

Canada Revenue Agency (“**CRA**”) by the Receiver on behalf of the Debtors, and (ii) discharged the Receiver subject to the Receiver filing a certificate (the “**Certificate of Discharge**”) with the Court certifying that any remaining matters have been completed. A copy of the Distribution and Discharge Order is attached hereto as **Appendix “C”**.

6. This report is the Receiver’s second report (the “**Second Report**”) to this Court. The Receiver’s first report dated March 14, 2017 (the “**First Report**”) outlined, among other things, an update regarding the closing of the Asset/Share Transaction, the activities of the Receiver, the Receiver’s receipts and disbursements, details on the amounts collected by the Receiver on behalf of the Debtors, details on the surplus cash proceeds held by the Receiver on account of the Transaction Costs Fund (as defined therein), and the accounts of the Receiver and its counsel in Canada and the U.S. Richter, in its capacity as proposed Receiver, previously filed with this Court a report (the “**Pre-Filing Report**”) dated October 19, 2015 and a subsequent supplement to the Pre-Filing Report dated October 22, 2015, to provide this Court with information relating to, among other things, an overview of the Debtors’ corporate structure and historical financial background along with details involving the Asset/Share Transaction. A copy of the First Report, excluding appendices, is attached hereto as **Appendix “D”**.

II. PURPOSE OF REPORT

7. The purpose of the Second Report is to provide this Court with information pertaining to:
 - a) the activities of the Receiver since the First Report;
 - b) the Receivers’ statement of receipts and disbursements from October 23, 2015 (the “**Date of Appointment**”) to March 8, 2018;
 - c) the amounts collected by the Receiver on behalf of the Debtors in respect of certain income tax refunds received from CRA since the First Report;
 - d) the accounts of the Receiver, U.S. counsel to the Receiver, and those of its legal counsel in Canada, Borden Ladner Gervais LLP (“**BLG**”), to date;
 - e) the Receiver’s estimate of professional fees and disbursements, including that of its counsel, required to complete the administration of these receivership proceedings (the “**Remaining Fees and Disbursements**”).
8. The Receiver seeks an order of the Court:
 - a) approving the Second Report and the actions, activities and conduct of the Receiver as set out therein;
 - b) approving the Receivers’ statement of receipts and disbursements from the Date of Appointment to March 8, 2018;

- c) authorizing and directing the Receiver to make a distribution to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc. (collectively the “**Tax Refund Purchasers**”), or as each of them may direct, in the amount of \$300,000 in connection with the 324Co Tax Refund (as defined herein);
- d) approving the accounts of the Receiver and its counsel, including the Remaining Fees and Disbursements, as set out in this Second Report; and
- e) declaring that the Receiver shall continue to benefit from the provisions of the Distribution and Discharge Order and the protections provided for therein in favour of the Receiver.

III. DISCLAIMER AND QUALIFICATIONS

- 9. Richter has prepared this Second Report for the use of the Court in consideration of the motion seeking the above noted relief.
- 10. In preparing this Second Report, Richter has relied upon unaudited financial information, the Company’s books and records, financial information prepared by the Company and discussions with former management and legal counsel to the Company (collectively the “**Information**”).
- 11. In accordance with industry practice, except as described in this Second Report, Richter has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, Richter has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards (“**GAAS**”) pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly Richter expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
- 12. Unless otherwise noted, all monetary amounts contained in this Second Report are expressed in Canadian dollars.

IV. BACKGROUND

U.S. Proceedings

- 13. As noted in the First Report, the Asset/Share Transaction was conditional upon, among other things, the Receiver, as the duly appointed foreign representative of the Debtors, obtaining ancillary relief from the United States Bankruptcy Court for the District of Delaware (the “**Delaware Bankruptcy Court**”) exercising its powers of recognition under Chapter 15 of the U.S. Bankruptcy Code with regard to the Property owned by the Debtors (the “**U.S. Proceedings**”).
- 14. Subsequent to the granting of the Distribution and Discharge Order, on April 3, 2017, the Receiver, through its U.S. counsel, Womble Bond Dickinson (US) LLP (“**Womble**”), filed a motion with the Delaware Bankruptcy Court

seeking an order recognizing and enforcing the Distribution and Discharge Order in the U.S., discharging the Receiver as the foreign representative and closing the U.S. Proceedings.

15. Prior to the hearing with the Delaware Bankruptcy Court, Womble advised the Receiver of a matter involving the Purchasers that was transferred to the Delaware Bankruptcy Court on May 1, 2017. An action was commenced in the District Court of the Central District of California in August 2016 by Stanley Jacobs Productions, Ltd. (the “**Plaintiff**”) against the Purchasers (the “**Adversary Proceeding**”) seeking the payment of alleged outstanding royalties under a production agreement between the Debtors and the Plaintiff that, in the Plaintiff’s view, was assigned and assumed by the Purchasers pursuant to the Asset/Share Transaction. While counsel to the Plaintiff filed a notice of appearance, no formal objection was filed prior to the deadline in connection with the U.S. Case Closing Order (as defined below).
16. On May 15, 2017, the Delaware Bankruptcy Court granted an order (the “**U.S. Case Closing Order**”) recognizing the Distribution and Discharge Order, discharging the Receiver as the foreign representative of the Debtors, and closing the Chapter 15 cases in the U.S. A copy of the U.S. Case Closing Order is attached here to as **Appendix “E”**.
17. The Delaware Bankruptcy Court also retained jurisdiction over the Adversary Proceeding. While neither the Debtors nor the Receiver were parties to the Adversary Proceeding, counsel to the Plaintiff noted to the Delaware Bankruptcy Court that the Receiver was the vendor under the Asset/Share Transaction and therefore indirectly involved in the Adversary Proceeding. As such, the Receiver instructed Womble to monitor the Adversary Proceeding.
18. On February 21, 2018, the Delaware Bankruptcy Court issued an order (the “**Stanley Jacobs Order**”) in connection with the Adversary Proceeding, ruling that the Purchasers were not liable for the alleged pre-filing royalties, which in the Receiver’s view, closed this matter with respect to the U.S. Proceedings. On March 2, 2018, Womble advised the Receiver that the Plaintiff filed a Notice of Appeal in respect of the Stanley Jacobs Order, which is a matter that is between the litigants in the Adversary Proceeding.

V. ACTIVITIES OF THE RECEIVER

19. Since the date of the First Report, the Receiver’s activities have included:
 - a) attending before this Court for the Distribution and Discharge Order;
 - b) working with Womble to prepare materials for the Delaware Bankruptcy Court in connection with the U.S. Case Closing Order;
 - c) monitoring the Adversary Proceeding and corresponding with Womble on same;

- d) corresponding with the Purchasers and the Agent to administer distributions in accordance with the Distribution and Discharge Order;
 - e) preparing periodic interim reports on the status of the receivership proceedings as required under Section 246(2) of the *Bankruptcy and Insolvency Act* (“**BIA**”);
 - f) corresponding with CRA in connection with the 324Co Tax Refund (as defined herein);
 - g) responding to numerous enquiries from Canadian, U.S. and international stakeholders ranging from creditors, customers and various government entities;
 - h) communicating with each of the Agent, the Purchasers, and their respective advisors, in connection with various aspects of the receivership; and
 - i) preparing this Second Report.
20. To the best of its knowledge and belief, the Receiver has complied with all of its statutory duties and obligations pursuant to the BIA as at the date of this Second Report. Prior to filing its Certificate of Discharge, the Receiver will complete its statutory duties, including preparing and filing its final report pursuant to section 246(3) of the BIA.

VI. RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS

21. Pursuant to the Sale Agreement, the Purchasers and the Lenders agreed to fund the outstanding and unpaid fees and expenses of various advisors (the “**Transaction Costs**”), including the fees of the Receiver and that of its counsel, BLG and Womble, incurred in connection with the Sale Agreement and closing of the Asset/Share Transaction.
22. As noted in the First Report, the Agent deposited approximately USD\$0.9 million and \$2.9 million (collectively, the “**Professional Fees Fund**”) with the Receiver on December 18, 2015, and the Receiver, the Agent and the Purchasers jointly entered into a direction regarding the payment of the Transaction Costs (the “**Transaction Costs Direction**”).
23. In order to administer payments pursuant to the Transaction Costs Direction, the Receiver established Canadian Dollar (“**CAD**”) and U.S. Dollar (“**USD**”) denominated bank accounts.
24. The Receiver’s CAD statement of receipts and disbursements for the period from the Date of Appointment to March 8, 2018 is summarized as follows:

Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc., Thane International, Inc., West Coast Direct Marketing, Inc., TDG, Inc., and Thane Direct, Inc.

Statement of receipts and disbursements (CAD\$ Account)

For the period October 23, 2015 to March 8, 2018

Receipts		Notes
Direction re Transaction Costs	2,867,217	1
Income Tax Refunds	3,708,263	2
Post-Filing HST Refunds	325,342	
Transfer from USD\$ Account	140,944	
Miscellaneous	1,672	3
Interest	18,458	
Total Receipts	<u>\$ 7,061,896</u>	
Disbursements		
Professional fees		1
Receiver	400,855	
Receiver's Canadian Counsel	290,113	4
Receiver's U.S. Counsel	4,725	5
Other Professional Fees per Transaction Costs Direction	2,019,628	
Post-Filing HST Paid	329,584	
Bank Charges	517	
Payments to Purchasers	3,372,619	6
Total disbursements	<u>\$ 6,418,040</u>	
Excess Receipts over Disbursements	<u>\$ 643,856</u>	
Repayment to Purchasers	(211,899)	7
Repayment to Agent	(114,100)	7
Cash on Hand	<u>\$ 317,857</u>	

Notes:

1. On December 18, 2016, the Purchasers and Agent funded the Receiver with approximately CAD\$2.9 million and USD\$0.9 million to pay the fees of various professionals involved in the transaction, including the Receiver, its Canadian counsel and its U.S. counsel, pursuant to the terms of the Transaction Costs Direction. At the completion of its administration, any amounts remaining with the Receiver will be returned to the Purchasers and Agent pursuant to the terms of the Transaction Costs Direction.
2. Represents corporate tax refunds received for Thane Direct Company and Thane Direct Marketing Inc. relating to pre-filing periods.
3. Relates to WSIB refunds for the Debtors received for pre-filing period.
4. Excludes two BLG invoices dated July 6, 2015 and August 5, 2015 that were paid by the Debtors directly and not pursuant to the Transaction Costs Direction.
5. Relates to payments made to Womble after the closure of the USD bank account. Amount shown is in CAD after foreign exchange costs.
6. Represents payments made to the Purchasers relating to miscellaneous receipts and/or pursuant to the Distribution and Discharge Order issued by the Court on April 3, 2017.
7. Pursuant to the Distribution and Discharge Order issued by the Court on April 3, 2017 and in accordance with the directions received from each of the Purchasers and the Agent.

25. As detailed above, the Receiver had total CAD receipts of approximately \$7.0 million between the Date of Appointment and March 8, 2018, the majority of which relates to the Professional Fees Fund and corporate

income tax refunds received for the Debtors relating to pre-filing periods. Total CAD disbursements over the same period were approximately \$6.4 million, the majority of which relate to professional fees paid pursuant to the Transaction Costs Direction and payment of certain income tax refunds to the Purchasers pursuant to the Distribution and Discharge Order.

26. The Receiver's USD statement of receipts and disbursements for the period from the Date of Appointment to March 8, 2018 is summarized as follows:

Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc., Thane International, Inc., West Coast Direct Marketing, Inc., TDG, Inc., and Thane Direct, Inc.		
Statement of receipts and disbursements (USD\$ Account)		
For the period October 23, 2015 to March 8, 2018		
Receipts		Notes
Direction re Transaction Costs	936,520	1
Interest	841	
Total Receipts	\$ 937,361	
Disbursements		
Professional fees		1
Receiver's U.S. Counsel	126,299	
Other Professional Fees per Transaction Costs Direction	659,136	
Transfers to CDN\$ Account	103,412	2
Bank Charges	117	
Total Disbursements	\$ 888,964	
Excess Receipts over Disbursements	\$ 48,397	
Repayment to Purchasers	(31,458)	3
Repayment to Agent	(16,939)	3
Cash on Hand	\$ 0	
Notes:		
1. On December 18, 2016, the Purchasers and Agent funded the Receiver with approximately CAD\$2.9 million and USD\$0.9 million to pay the fees of various professionals involved in the transaction, including the Receiver, its Canadian counsel and its U.S. counsel, pursuant to the terms of the Transaction Costs Direction. At the completion of its administration, any amounts remaining with the Receiver will be returned to the Purchasers and Agent pursuant to the terms of the Transaction Costs Direction.		
2. The USD bank account was closed on or about August 31, 2017 and any residual funds were transferred to the CAD account.		
3. Pursuant to the Distribution and Discharge Order issued by the Court on April 3, 2017 and in accordance with the directions received from each of the Purchasers and the Agent.		

27. As detailed above, the Receiver had total USD receipts of USD\$937,361 between the Date of Appointment and March 8, 2018, primarily related to the Professional Fees Fund. Total USD disbursements over the same period were USD\$888,964, substantially all of which relate to professional fees paid pursuant to the Transaction Costs Direction.

28. Pursuant to the Distribution and Discharge Order, any amounts held by the Receiver that were not necessary for the administration of the receivership were repaid by the Receiver to the Purchasers and the Agent on a 65/35 allocation basis. As noted in the tables above, the Receiver distributed a total of \$325,999 and USD\$48,397 to the Purchasers and the Agent in connection with the Professional Fees Fund. As at March 8, 2018, the Receiver had total cash on hand of \$317,857.
29. As at the date of this Second Report, the Receiver does not anticipate any additional material realizations, other than those detailed in the Remaining Matters.

VII. PROPOSED PAYMENT TO THE PURCHASERS

30. On December 5, 2017, the CRA issued a letter to the Receiver to advise that the CRA had completed its review of a requested adjustment to the 2014 income tax return for 324Co. The Receiver understands that prior to the Date of Appointment, Thane Direct Company (now 324Co) filed an amended tax return for the 2014 taxation year to account for, among other things, changes to foreign exchange losses incurred and deemed interest on amounts outstanding to non-resident related corporations.
31. On December 12, 2017, the CRA issued a Notice of Assessment for 324Co which indicated that 324Co was entitled to an income tax refund of approximately \$337,317 (the “**324Co Tax Refund**”) resulting from the requested adjustments to the 2014 taxation year. The Receiver subsequently received the 324Co Tax Refund and deposited the funds to its CAD estate account.
32. Pursuant to Sale Agreement, the Purchasers purchased the right, title and interest of the Debtors in all accounts receivable outstanding as of the Closing Date or thereafter, including tax instalments paid by the Debtors and the right to receive any refund of taxes paid by, received by or to be received by any of the Debtors. Accordingly, the Receiver is of the view that the 324Co Tax Refund is an asset purchased by the Purchasers pursuant to the Asset/Share Transaction, subject to the Receiver’s Charge.
33. As noted above, the Receiver had cash on hand of approximately \$317,857 as at March 8, 2018. The Receiver is seeking approval to make a payment of \$300,000 to the Tax Refund Purchasers, or as each of them may direct, in connection with the 324Co Tax Refund, and Tax Refund Purchasers are agreeable to the Receiver retaining \$17,857 in the estate for performance of the Remaining Matters.
34. As noted in the CAD statement of receipt and disbursements above, and as authorized pursuant to the Distribution and Discharge Order, the Receiver previously made payment in the amount of approximately \$3.4 million to the Tax Refund Purchasers on account of pre-filing income tax refunds received from the CRA for 2194124 Ontario Inc. and 324Co.

VIII. REMAINING MATTERS TO BE COMPLETED IN THESE PROCEEDINGS

35. If this Court grants the order requested herein, the Receiver will have completed its statutory duties, except for the following (the “**Remaining Matters**”):
- a) distributing \$300,000 to the Tax Refund Purchasers, or as each of them may direct, in connection with the 324Co Tax Refund;
 - b) preparing and filing corporate tax returns for the reporting period ending March 31, 2018 for the Debtors, if required;
 - c) paying the Remaining Fees and Disbursements;
 - d) pursuing the potential recovery of any unclaimed HST input tax credits paid during these proceedings; and
 - e) attending to other administrative matters incidental to these proceedings such as filing the Receiver’s report pursuant to section 246(3) of the BIA.
36. Upon the completion of the Remaining Matters, the Receiver will file the Certificate of Discharge with this Court.

IX. REQUEST FOR APPROVAL OF FEES

37. The Receiver, its counsel, BLG, and the Receiver’s U.S. counsel, Womble, have maintained detailed records of their professional time and disbursements since the Date of Appointment.
38. In accordance with the Receivership Order, the Receiver has been authorized to periodically pay its fees and disbursements, and that of its counsel, subject to approval by the Court.
39. The Receiver’s professional fees incurred for services rendered from March 6, 2017 to March 6, 2018 amount to \$61,174.50, plus disbursements in the amount of \$ \$1,835.24, each excluding applicable taxes. These amounts represent professional fees and disbursements not yet approved by the Court. Attached as **Appendix “F”** to this Second Report is the affidavit of Pritesh Patel in respect of the fees and disbursements of the Receiver and its U.S. counsel, Womble, in the amount of USD\$23,827.66.
40. The actual fees of the Receiver and Womble both exceeded the estimates provided by the Receiver in the First Report, namely \$52,600 for Richter and USD\$8,900 for Womble, due to the Adversary Proceeding and the within motion, both of which were unforeseen developments in connection with these proceedings. In accordance with the Distribution and Discharge Order, the Receiver sought and obtained the consent of the Agent and the Purchasers to pay such additional fees.
41. The fees of the Receiver’s counsel, BLG, for services rendered from January 9, 2018 to March 6, 2018 total \$5,357.66, plus disbursements in the amount of \$76.50, each excluding applicable taxes. These amounts represent professional fees and disbursements not yet approved by the Court. In addition, the professional fees

and disbursements for services rendered by BLG from March 3, 2017 to May 31, 2017 amount to \$23,353.26 (exclusive of applicable taxes), which amounts were previously approved by the Court pursuant to the Distribution and Discharge Order as part of BLG's initial fee estimate to completion. Attached as **Appendix "G"** to this Second Report is the affidavit of Gordon Raman in respect of the fees and disbursements of the Receiver's counsel.

42. The Receiver has reviewed the accounts of its counsel and confirms that the services reflected therein have been duly authorized and duly rendered and that, in the Receiver's opinion, the charges are reasonable.
43. 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 \$15,000 (excluding disbursements and applicable taxes) as follows:
 - a) Richter (including Womble) - \$10,000; and
 - b) BLG - \$5,000.
44. These estimates take into consideration the reasonable professional and legal fees required to complete the Remaining Matters up to the effective date of discharge. If the Remaining Fees and Disbursements come in below the above estimates, the Receiver will refund these amounts to the Tax Refund Purchasers. If the Remaining Fees and Disbursements exceed the estimates, the Receiver will seek the consent of the Tax Refund Purchasers to pay same, without further Order of the Court.
45. The fees and disbursements of the Receiver and its counsel, including the Remaining Fees and Disbursements, have been reviewed by the Agent and the Purchasers. The Receiver has been advised that the Agent and the Purchasers do not oppose these fees and disbursements.

X. RECOMMENDATION

46. The Receiver respectfully requests that this Court grant an order in respect of the relief set out at paragraph 8 of this Second Report.

All of which is respectfully submitted on the 9th day of March, 2018.

Richter Advisory Group Inc.

as the Receiver of

2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc. and not in its personal capacity



Paul van Eyk, CA·CIRP, CA·IFA, LIT
Senior Vice-President



Pritesh Patel, CIRP, CFA, MBA, LIT
Vice-President

APPENDIX A

ONTARIO
 SUPERIOR COURT OF JUSTICE
 (COMMERCIAL LIST)

THE HONOURABLE)	FRIDAY, THE 23 rd DAY
)	
JUSTICE PENNY)	OF OCTOBER, 2015

BETWEEN:



BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
 COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
 MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, 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**

APPOINTMENT ORDER

THIS APPLICATION made by Bank of Montreal ("BMO" or the "Applicant") for an Order pursuant to section 243(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, as amended (the "CJA") appointing Richter Advisory Group Inc. as receiver (the "Receiver"), without security, to exercise the powers and duties specifically set out in this Order with respect to the assets, undertakings and properties of the Respondents (collectively, the "Debtors") held

for, or used in relation to, a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Paul Findlay sworn October 16, 2015, and the Exhibits thereto, and the Report of Richter Advisory Group Inc. ("**Richter Report**") dated October 19, 2015 in its capacity as proposed Receiver (the "**Pre-Appointment Report**") and on hearing the submissions of counsel for the Applicant, counsel for the Receiver and counsel for New Thane Holdco, no one appearing for any other party although duly served as appears from the Affidavit of Service of Haddon Murray and on reading the Consent of Richter Advisory Group Inc. to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application, the Application Record herein and the Pre-Appointment Report is hereby abridged, if necessary, and that this application is properly returnable today and that service, including the form, manner and time that such service was actually effected on all parties, is hereby validated, and where such service was not effected such service is hereby dispensed with.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA Richter is hereby appointed Receiver, without security, to exercise the powers and duties specifically set out in this Order with respect to the assets, undertakings and properties of the Debtors held for, and used in relation to, a business carried on by the Debtors (the "**Property**") and all proceeds thereof.

3. **THIS COURT ORDERS** that subject to further Order of this Court, the Debtors shall remain in possession and control of the Property and the Receiver shall not be or be deemed to be in possession and control of the Property.

4. **THIS COURT ORDERS** that subject to further Order of this Court, the Debtors shall carry on their business in the normal course and shall pay the expenses arising from their

business as they fall due and except to the extent that the Receiver exercises the powers granted pursuant to paragraph 5 hereof the Receiver shall not interfere with the carrying on of the business of the Debtors.

RECEIVER'S POWERS

5. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over any and all proceeds or receipts arising out of or from the Property;
- (b) 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 Receiver's powers and duties, including without limitation those conferred by this Order;
- (c) 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 Debtors, for any purpose pursuant to this Order;
- (d) to sell, convey, transfer or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court and in 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, and in each case the Ontario *Bulk Sales Act* shall not apply;
- (e) 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;
- (f) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the

receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (g) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (h) 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 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 Debtors, and without interference from any other Person.

NO PROCEEDINGS AGAINST THE 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 Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

7. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or any one of them 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 Debtors or any one of them 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 Debtors, 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 BIA, and further provided that nothing in this paragraph shall (i) empower the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Debtors 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 CONTRACTS

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 Debtors or any one of them, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

10. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or any one of them, 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 Debtors or any one of them, 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 Debtors or any one of them, and that the Debtors shall be entitled to the continued use of their 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 Debtors in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Debtors, or as may be ordered by this Court.

EMPLOYEES

11. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Debtors 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.

LIMITATION ON ENVIRONMENTAL LIABILITIES

12. 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

13. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment, the carrying out of the provisions of this Order, or arising from the business carried on by the Debtors, including liabilities or obligations in respect of taxes, withholdings, interest, penalties or other like claims, 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 section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

14. 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, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

15. 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.

SERVICE AND NOTICE

16. 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 <http://www.richter.ca/en/folder/insolvency-cases/t/thane-direct-company-et-al>.

17. 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, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

BANKRUPTCY OF THE DEBTORS

18. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

19. THIS COURT ORDERS that the Receiver is hereby authorized and empowered but not obligated to make assignments in bankruptcy and act as trustee in bankruptcy (in such capacity the "Trustee") in respect of those Debtors that reside, carry on business or have property in Canada. In respect of any of the Debtors that do not reside, carry on business or have property in Canada, the Receiver is authorized and empowered but not obligated to take like steps under the laws of the United States, to the extent permitted by applicable law.

GENERAL

20. 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.

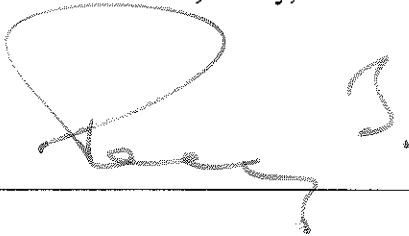
21. THIS COURT ORDERS that the Receiver is hereby appointed as the authorized foreign representative of the Debtors for the purposes of taking proceedings pursuant to Chapter 15 of the United States Bankruptcy Code in respect of the Debtors and is authorized to take such proceedings.

22. 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.


23. 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.

24. 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 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.:

 OCT 23 2015

Court File No.: CV-15-11146-00CL

BANK OF MONTREAL - and - **THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Applicant

Respondents

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

(PROCEEDING COMMENCED AT TORONTO)

APPOINTMENT ORDER

Gowling Lafleur Henderson LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, Ontario M5X 1G5

Clifton P. Prophet (LSUC No.: 34845K)
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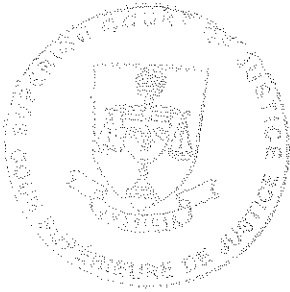
Solicitors for Bank of Montreal

APPENDIX B

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE)
)
JUSTICE PENNY) FRIDAY, THE 23rd DAY
) OF OCTOBER, 2015

BETWEEN:



BANK OF MONTREAL

Applicant

- and -

THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, 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**

APPROVAL, VESTING AND DISTRIBUTION ORDER

THIS APPLICATION made by Bank of Montreal, in its capacity as agent (“**BMO**” or the “**Applicant**”) for certain lenders, including Bank of Montreal, forming a syndicate (the “**Lenders**”) pursuant to a Credit Agreement dated September 28, 2012 between BMO and the Lenders and the Respondents and certain other related entities, as amended from time to time (the “**Credit Agreement**”), for an Order:

- (a) approving the sale transaction (the “**Transaction**”) contemplated by an offer to purchase (the “**Sale Agreement**”) made to Richter Advisory Group Inc. in its capacity as receiver of the Respondents (the “**Receiver**” or the “**Seller**”) by 9472541 Canada Inc., 9472550 Canada Inc., 635427, Inc. and 652134 Limited as purchasers. (together, the “**New Thane Purchasers**”) dated October 16, 2015 and appended to the Affidavit of Paul Findlay sworn October 16, 2015 (the “**Findlay Affidavit**”);
- (b) authorizing and directing the Receiver to enter into the Sale Agreement and vesting in the New Thane Purchasers the right, title and interest in and to the assets of the Debtors (defined below) to be sold pursuant to and as described in the Sale Agreement (the “**Assets**”);
- (c) providing for distribution to the Lenders of the cash purchase price for the Assets; and,
- (d) for related relief,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Findlay Affidavit and the Exhibits thereto, and the Report of Richter Advisory Group Inc. (“**Richter**”) dated October 19, 2015 (the “**Richter Report**”) in its capacity as proposed Receiver (the “**Pre-Appointment Report**”) and on hearing the submissions of counsel for BMO, counsel for the Receiver, counsel for the Respondents Thane International, Inc., Thane Direct, Inc., Thane Direct Company, Thane Direct Marketing Inc., West Coast Direct Marketing, Inc., Thane Direct Canada Inc. and TDG, Inc. (together, the “**Debtors**”) and counsel for the New Thane Purchasers, no one appearing for any other party although duly served as appears from the Affidavit of Service of Haddon Murray,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application, the Application Record herein and the Pre-Appointment Report is hereby abridged, if necessary, and that this application is properly returnable today and that service, including the form, manner and

time that such service was actually effected on all parties, is hereby validated, and where such service was not effected such service is hereby dispensed with.

APPROVAL

2. **THIS COURT ORDERS AND DECLARES** that the Transaction and the Sale Agreement are hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of the Debtors and their stakeholders. The Receiver is hereby authorized and directed to execute the Sale Agreement, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby further 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 Assets to the New Thane Purchasers, including, without limitation, taking proceedings pursuant to Chapter 15 of the United States Bankruptcy Code in respect of the Transaction and the Sale Agreement.

3. **THIS COURT ORDERS** that the Pre-Appointment Report and the activities and conduct of Richter described therein be and the same are hereby approved.

VESTING AND DISTRIBUTION

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the New Thane Purchasers substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Assets described in the Sale Agreement and described in summary form in **Schedule "B"** hereto shall vest absolutely in each of the New Thane Purchasers as set out in **Schedule "B"**, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Penny dated October 23, 2015; (ii) 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

(iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**" which term shall not include the permitted encumbrances listed on **Schedule "D"** hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Assets are hereby expunged and discharged as against the Assets.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that all cash proceeds of sale of the Assets as provided for under the Sale Agreement shall, as part of the closing of the Transactions, be immediately paid or caused to be paid by the Receiver to the Agent for the benefit of the Lenders (the "**Distribution**") to be applied on account of and in partial payment of the obligations due and owing by the Debtors or any of them to the Lenders pursuant to the Credit Agreement and the Distribution may be effected by way of direction.

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver and the Debtors are authorized and permitted to disclose and transfer to the New Thane Purchasers all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees to be hired by the New Thane Purchasers pursuant to the Sale Agreement. The New Thane Purchasers shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

8. **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 Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

the vesting of the Assets in the New Thane Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, 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.

9. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

SEALING

10. **THIS COURT ORDERS AND DECLARES** that Confidential Appendices “1” and “2” to the Richter Report, being the Thane Confidential Information Memorandum dated August 24, 2014 and the Report on Valuation of Thane International dated October 16, 2015 prepared by Ernst & Young LLP (the “**Valuation Report**”), and paragraph 53 of the Findlay Affidavit, which references information in the Valuation Report, shall be treated as confidential and shall be sealed and segregated from the public record, pending the closing of the Transaction contemplated by the Sale Agreement.

GENERAL

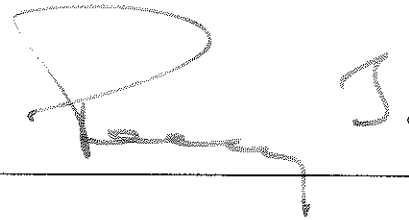
11. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

12. **THIS COURT ORDERS** that the Receiver is hereby exempted from the requirements of section 245(1)b of the BIA in respect of all creditors of the Debtors whose claims are not Excluded Obligations as defined in the Sale Agreement.


13. **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.

14. **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.



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

OCT 23 2015 

SCHEDULE "A"

Form of Receiver's Certificate

Court File No.: CV-15-11146-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, 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**

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Penny of the Ontario Superior Court of Justice (the "**Court**") dated October 23, 2015, Richter Advisory Group Inc. was appointed as the receiver (the "**Receiver**") of the assets, undertakings and properties of the Respondents (the "**Debtors**").

B. Pursuant to an Order of the Court dated October 23, 2015, the Court approved the sale transaction (the “**Transaction**”) contemplated by an offer to purchase made to the Receiver by 9472541 Canada Inc., 9472550 Canada Inc., 635427, Inc. and 652134 Limited (together, the “**New Thane Purchasers**”) made as of October 16, 2015 (the “**Sale Agreement**”) and provided for the vesting in the New Thane Purchasers of the Debtors’ right, title and interest in and to the assets of the Debtors to be sold pursuant to and as described in the Sale Agreement, (the “**Assets**”), which vesting is to be effective with respect to the Assets upon the delivery by the Receiver to the New Thane Purchasers of a certificate confirming (i) the payment by the New Thane Purchasers of the Purchase Price (as defined in the Sale Agreement) for the Assets; (ii) that the conditions to Closing as set out in Article 4 of the Sale Agreement have been satisfied or waived by the Receiver and the New Thane Purchasers; 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 New Thane Purchasers have paid the Purchase Price for the Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 4 of the Sale Agreement have been satisfied or waived by the Receiver and the New Thane Purchasers; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at ● on ●.

Richter Advisory Group Inc., in its capacity as Receiver of the assets, undertakings and properties of the Debtors, and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "B"

Vesting of Assets

<u>Thane Receivership Company</u>	<u>Assets/Shares Being Sold</u>	<u>Purchaser</u>
Thane International, Inc.	IP Assets	652134 Limited ("New Thane IPCO (UK)")
	Other Assets	635427, Inc. ("New Thane US")
Thane Direct, Inc.	Shares – 80% equity interest in Grupo Mejor Compra SAPI de CV	9472541 Canada Inc. ("New Thane Holdco")
	Other Assets	New Thane Holdco
Thane Direct Company	Shares: <ul style="list-style-type: none"> • Danoz Direct Pty Ltd. • TVNS Scandanavia AB • Thane Direct UK Ltd. 	New Thane Holdco
	IP Assets	New Thane IPCO (UK)
	Other Assets	9472550 Canada Inc. ("New Thane Canada")
	IP Licence with New Thane IPCO(UK)	New Thane Canada
Thane Direct Marketing Inc.	Shares: <ul style="list-style-type: none"> • Medio Latino Inc. • Thane USA, Inc. 	New Thane U.S.
	Other Assets	New Thane Canada
West Coast Direct Marketing, Inc.	Other Assets	New Thane U.S.
TDG, Inc.	Other Assets	New Thane U.S.
Thane Direct Canada Inc.	IP Assets	New Thane IPCO (UK)
	IP Licence with New Thane IPCO (UK)	New Thane Canada
	Other Assets	New Thane Canada

Note that in the foregoing chart "Other Assets" refers to any asset owned by a Thane Receivership Company except intellectual property assets, intellectual property licence rights pursuant to licences given to certain of the Thane Receivership Companies by New Thane IPCO (UK) as a closing step and Excluded Assets described in the Offer. Other Assets can include Thane Group contractual rights, equipment, inventory and accounts receivable, as applicable.

SCHEDULE "C"

Encumbrances

A. Personal Property Security Act						
1.	Bank of Montreal, as Agent	666420336	20101207 1700 1590 3006 (6 years)	December 7, 2010	Thane Direct Company	I, E, A, O, MV
2.	Bank of Montreal, as Agent	666420327	20101207 1659 1590 3005 (6 years)	December 7, 2010	Thane Direct Canada Inc.	I, E, A, O, MV
3.	Bank of Montreal, as Agent	710681778	20151007 1623 1862 9770 (2 years)	October 7, 2015	Thane Direct Marketing Inc.	I, E, A, O, MV
4.	Bank of Montreal, as Agent	666420354	20101207 1700 1590 3007 (6 years)	December 7, 2010	Thane Direct, Inc.	I, E, A, O, MV
B. Uniform Commercial Code						

SCHEDULE "D"

Permitted Encumbrances

BMW Canada Inc.	703790991	20150224 1039 1529 9581 (4 years)	February 24, 2015	Thane Direct Canada Inc.	E, O, MV Amount: \$75149 2015 BMW Model X6 xDrive 35I
BMW Canada Inc.	701504037	20141112 1442 1530 2922 (5 years)	November 12, 2014	Thane Direct Canada Inc.	CG, E, O, MV Amount: \$69169 2015 BMW, Model X4 xDrive 35I
Mercedes-Benz Financial Services Canada Corporation and Mercedes-Benz Financial	692119602	20131125 1942 1531 4299 (3 years)	November 25, 2013	Thane Direct Canada Inc.	E, O, MV 2014 Mercedes-Benz, Model GLK3504M
Mercedes-Benz Financial Services Canada Corporation and Mercedes-Benz Financial	691288407	20131023 1937 1531 9932 (3 years)	October 23, 2013	Thane Direct Canada Inc.	CG, E, O, MV Amount: \$73612 2014 Mercedes-Benz, Model E350C4M

Mercedes-Benz Financial Services Canada Corporation and Mercedes-Benz Financial	687481461	20130604 1937 1531 9933 (3 years)	June 4, 2013	Thane Direct Canada Inc.	E, O, MV 2014 Mercedes-Benz Model E550W4M
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BANK OF MONTREAL - and - **THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Applicant

Respondents

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

(PROCEEDING COMMENCED AT TORONTO)

**APPROVAL, VESTING AND DISTRIBUTION
ORDER**

Gowling Lafleur Henderson LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, Ontario M5X 1G5

Clifton P. Prophet (LSUC No.: 34845K)
Telephone: (416) 862-3509
Facsimile: (416) 862-7661

Solicitors for Bank of Montreal

APPENDIX C

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

THE HONOURABLE)
)
MR. JUSTICE ~~PATILLO~~)
 CONWAY)
 MONDAY, THE 3rd DAY
 OF APRIL, 2017

BETWEEN:



BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

**ORDER
(Discharge of Receiver and Distribution)**

THIS MOTION, made by Richter Advisory Group Inc. ("**Richter**"), in its capacity as the court-appointed receiver of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc. (in such capacity, the "**Receiver**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Receiver; the First Report of the Receiver dated March 14, 2017 (the "**First Report**"); the Affidavit of Paul van Eyk sworn March 9, 2017 (the "**Van Eyk Affidavit**"); the Affidavit of Gordon Raman sworn March 10, 2017 (the "**Raman Affidavit**"); and on hearing the submissions of counsel for the Receiver and such other counsel

as may be present, and upon reading the affidavit of service of Rachael Belanger sworn March 16, 2017, filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record be and is hereby is abridged so that the motion is properly returnable today, and that any further service thereof be and is hereby dispensed with.

CAPITALIZED TERMS

2. **THIS COURT ORDERS** that capitalized terms not defined herein shall have the meaning ascribed thereto in the First Report.

APPROVAL OF ACTIVITIES

3. **THIS COURT ORDERS** that the First Report and the Supplemental Report to the Report of the Proposed Receiver dated October 22, 2015 (the "**Supplemental Report**"), and the activities of the Receiver set out in the First Report and Supplemental Report, be and are hereby approved.

APPROVAL OF STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the Receiver's Statement of Cash Receipts and Disbursements to March 9, 2017, as attached to the First Report, be and is hereby approved.

APPROVAL OF FEES

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver, and that of U.S. counsel to the Receiver, namely, Womble Carlyle Sandridge & Rice, LLP (the "**U.S. Counsel**"), as described in the First Report and as set out in the Van Eyk Affidavit, including the estimated fees, inclusive of disbursements and applicable taxes, of the Receiver and U.S. Counsel up to its date of discharge, be and are hereby approved.

6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's legal counsel, Borden Ladner Gervais LLP ("**BLG**"), as described in the First Report and as set out in

the Raman Affidavit, including the estimated fees, inclusive of disbursements and applicable taxes, of BLG in connection with services to be provided to the Receiver up to its date of discharge, be and are hereby approved.

7. **THIS COURT ORDERS** that in the event that the fees and disbursements of the Receiver, U.S. Counsel or BLG exceed the estimates, such additional amounts may be paid without further order of the Court, subject to the consent of BMO and the Purchasers.

DISCHARGE OF THE COURT-ORDERED CHARGES

8. **THIS COURT ORDERS** that, upon the Receiver filing the Certificate, as defined in paragraph 11 of this Order, the Receiver's Charge, as defined in and created by the Order of the Honourable Mr. Justice Penny dated October 23, 2015, shall be fully and finally terminated, discharged and released.

DISTRIBUTIONS

9. **THIS COURT ORDERS** that the Receiver is authorized and directed to distribute the amount of \$3,370,947, in respect of the cash proceeds held by the Receiver, in respect of the Tax Refunds to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct.

10. **THIS COURT ORDERS** that any surplus cash proceeds held by the Receiver following the payment of all fees and disbursements of the Receiver, U.S. Counsel and BLG, up to and including all such fees and disbursements incurred up to the filing of the Certificate with the Court, shall be paid or caused to be paid by the Receiver to BMO and to the Purchasers (as defined in the First Report, consisting of 9472541 Canada Inc., 9472550 Canada Inc., 635427, Inc. and 652134 Limited, or as each of them may direct, in accordance with the formula described in the First Report.

DISCHARGE OF THE RECEIVER

11. **THIS COURT ORDERS** that upon the Receiver filing a certificate with the Court in substantially the form attached hereto as Schedule "A" (the "**Certificate**") certifying that it has completed the Remaining Matters, as defined and described in the First Report, the Receiver

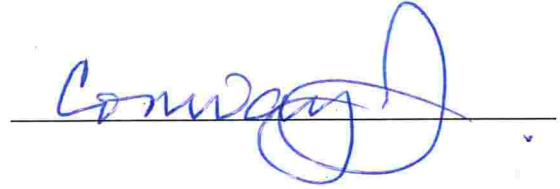
shall be discharged as Receiver of the undertakings, property and assets of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc., 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, protections and stays of proceedings in favour of Richter in its capacity as Receiver.

12. **THIS COURT ORDERS AND DECLARES** that Richter is hereby released and discharged from 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 in its capacity as Receiver herein, save and except for any gross negligence or willful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Richter 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 willful misconduct on the Receiver's part.

AID AND RECOGNITION

13. **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, including, without limitation, the United States Bankruptcy Court for the District of Delaware, to give effect to this Order and assist the Receiver, and its respective 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 respective agents, in carrying out the terms of this Order.

14. **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, including, without limitation, the United States Bankruptcy Court for the District of Delaware, for the recognition of this Order and for assistance in carrying out the terms of this Order.



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

APR 03 2017

PER / PAR:



SCHEDULE "A": FORM OF RECEIVER'S DISCHARGE CERTIFICATE

Court File No.: CV-15-11146-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

RECEIVER'S DISCHARGE CERTIFICATE

- A. Pursuant to an Order of The Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated October 23, 2015, Richter Advisory Group Inc. was appointed receiver (the "**Receiver**") of the Respondents pursuant to section 243 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.
- B. Pursuant to an Order of the Court dated April 3, 2017 (the "**Discharge Order**"), the Court ordered, *inter alia*, that the Receiver be discharged, effective upon the filing by the Receiver of a certificate certifying the matters set out herein.
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Receiver is satisfied, in its discretion, that it has completed the Remaining Matters as set out in the Receiver's First Report to the Court dated March 14, 2017.

2. This Certificate was delivered by the Receiver at _____(time) on _____(date).

RICHTER ADVISORY GROUP INC.,
solely in its capacity as court-appointed receiver of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc.

Per: _____
Name:
Title:

BANK OF MONTREAL - and - **THANE INTERNATIONAL, INC., et. al.**

Applicant

Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

RECEIVER'S DISCHARGE CERTIFICATE

BORDEN LADNER GERVAIS LLP

Barristers and Solicitors
Bay Adelaide Centre, East Tower
22 Adelaide St. W.
Toronto, ON
M5H 4E3

Roger Jaipargas

Tel: (416) 367-6266

Fax: (416) 367-6749

(LSUC #43275C)

Rachael Belanger

Tel: (416) 367-6485

Fax: (416) 367-6749

(LSUC #67674B)

Lawyers for Richter Advisory Group Inc., in its capacity as
Court-appointed Receiver of the Respondents

BANK OF MONTREAL - and - **THANE INTERNATIONAL, INC., et. al.**

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDINGS COMMENCED AT TORONTO

ORDER
(Discharge of Receiver and Distribution)

BORDEN LADNER GERVAIS LLP
Barristers and Solicitors
Bay Adelaide Centre, East Tower
22 Adelaide St. W.
Toronto, ON
M5H 4E3

Roger Jaipargas
Tel: (416) 367-6266
Fax: (416) 367-6749
(LSUC #43275C)

Rachael Belanger
Tel: (416) 367-6485
Fax: (416) 367-6749
(LSUC #67674B)

Lawyers for Richter Advisory Group Inc., in its capacity as
Court-appointed Receiver of the Respondents

APPENDIX D

Court File No. CV-15-11146-00CL

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND
TDG, INC.**

FIRST REPORT OF THE RECEIVER

March 14, 2017

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT COMPANY, THANE DIRECT
MARKETING INC., WEST COAST DIRECT MARKETING, INC., THANE DIRECT CANADA INC. AND
TDG, 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**

**FIRST REPORT OF RICHTER ADVISORY GROUP INC.
IN ITS CAPACITY AS RECEIVER OF
2657874, INC. (FORMERLY THANE INTERNATIONAL INC.), 2804906, INC. (FORMERLY THANE DIRECT,
INC.), 3244585 NOVA SCOTIA COMPANY (FORMERLY THANE DIRECT COMPANY), 2194124 ONTARIO
INC. (FORMERLY THANE DIRECT MARKETING INC.), WEST COAST DIRECT MARKETING, INC., 1262775
ONTARIO INC. (FORMERLY THANE DIRECT CANADA INC.) AND TDG, INC.**

March 14, 2017

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APPENDICIES

APPENDIX "A" – Receivership Order dated October 23, 2015

APPENDIX "B" – Approval, Vesting and Distribution Order October 23, 2015

APPENDIX "C" – Report of the Proposed Receiver dated October 19, 2015

APPENDIX "D" – Supplemental Report to the Report of the Proposed Receiver dated October 22, 2015

APPENDIX "E" – Provisional Order dated October 27, 2015

APPENDIX "F" – Joint Administration Order dated October 27, 2015

APPENDIX "G" – US Bankruptcy Court Recognition Order dated December 1, 2015

APPENDIX "H" – US Bankruptcy Court Approval Order dated December 1, 2015

APPENDIX "I" – Affidavit of Paul van Eyk, sworn March 9, 2017 re: Fees of Receiver and its U.S. Counsel

APPENDIX "J" – Affidavit of Gordon Raman, sworn March 10, 2017 re: Fees of Borden Ladner Gervais LLP

I. INTRODUCTION

1. On October 23, 2015, pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), Richter Advisory Group Inc. (“**Richter**”), was appointed as receiver (the “**Receiver**”) to exercise specific powers and duties as set out in the Receivership Order, in respect of the assets, properties and undertakings (the “**Property**”) of Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc., Thane International, Inc., West Coast Direct Marketing, Inc., TDG, Inc. and Thane Direct, Inc. (collectively, “**Thane**” or the “**Debtors**”).
2. The Receivership Order was granted pursuant to an application made by Bank of Montreal as agent (the “**Agent**”) for the syndicate of lenders including, the Bank of Montreal (“**BMO**”), HSBC Bank Canada (“**HSBC**”) and the National Bank of Canada (“**NBC**” and collectively with BMO and HSBC, the “**Lenders**”), pursuant to security held by the Lenders in the assets, property and undertaking of the Debtors, including a general security agreement, representing a charge over all the assets of Thane. A copy of the Receivership Order is attached hereto as **Appendix “A”**.
3. Subsequent to the granting of the Receivership Order, the Court issued an order (the “**Approval, Vesting and Distribution Order**”) approving the asset and share transaction (the “**Asset/Share Transaction**”) contemplated by the offer to purchase (the “**Sale Agreement**”) between 9472541 Canada Inc. (now Thane Inc.), 9472550 Canada Inc. (now Thane Direct Inc.), 635427, Inc. (now Thane America, Inc.) and 652134 Limited (now Thane IP Limited) (collectively, the “**Purchasers**”), and the Receiver, to purchase substantially all of the business of Thane and certain of its affiliates. A copy of the Approval, Vesting and Distribution Order is attached hereto as **Appendix “B”**.
4. Richter, in its capacity as proposed Receiver, previously filed with this Court a report (the “**Pre-Filing Report**”) dated October 19, 2015 and a subsequent supplement to the Pre-Filing Report dated October 22, 2015 (the “**Supplement Report**”), to provide this Court with information relating to, among other things, an overview of the Debtors’ corporate structure and historical financial background along with details involving the Asset/Share Transaction. A copy of the Pre-Filing Report (without appendices) and the Supplement Report are attached hereto as **Appendix “C”** and **Appendix “D”**, respectively.

II. PURPOSE OF REPORT

5. The purpose of this report (the “**First Report**”) is to provide this Court with information pertaining to:
 - a) the activities of the Receiver since the Pre-Filing Report;

- b) the Receivers' statement of receipts and disbursements from October 23, 2015 (the "**Date of Appointment**") to March 9, 2017;
- c) amounts collected by the Receiver on behalf of the Debtors since the Date of Appointment, including certain income tax refunds received from Canada Revenue Agency ("**CRA**");
- d) the accounts of the Receiver, U.S. Counsel to the Receiver, and those of its legal counsel, Borden Ladner Gervais LLP ("**BLG**") to date;
- e) the Receiver's estimate of professional fees and disbursements, including that of its counsel, required to complete the administration of these receivership proceedings and the U.S. Proceedings (as defined herein) (the "**Remaining Fees and Disbursements**"); and
- f) to seek an order of the Court:
 - (i) approving the Supplement Report, and the First Report, and the actions, activities and conduct of the Receiver set out therein;
 - (ii) approving the Receivers' statement of receipts and disbursements from the Date of Appointment to March 9, 2017;
 - (iii) authorizing and directing the Receiver to make a distribution to the Purchasers, or as the Purchasers may direct, in the amounts of CAD\$169,000 and USD\$32,500, and to make a distribution to the Agent in the amounts of CAD\$91,000 and USD\$17,500, pursuant to Transaction Costs Direction (as defined herein);
 - (iv) authorizing and directing the Receiver to make a distribution to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct, in the amount of \$3,370,947 in connection with the Tax Refunds (as defined herein);
 - (v) approving the accounts of the Receiver and its counsel, including the Remaining Fees and Disbursements, as set out in this First Report;
 - (vi) discharging the Receiver upon completion of the Remaining Matters (as defined herein), and authorizing the Receiver to distribute any residual amounts remaining in its possession to the Agent and to the Purchasers in accordance with the terms set out in Transaction Costs Direction (as defined herein), subject to the Receiver filing a certificate evidencing the same with the Court; and
 - (vii) ordering and declaring that effective upon its discharge as Receiver, Richter is released and discharged from 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 in its capacity as Receiver, save and except for any gross negligence or wilful misconduct on the part of Richter.

III. DISCLAIMER AND QUALIFICATIONS

6. Richter has prepared this First Report for the use of the Court in consideration of the motion seeking the above noted relief.
7. In preparing this First Report, Richter has relied upon unaudited financial information, the Company's books and records, financial information prepared by the Company and discussions with management and legal counsel to the Company (collectively the "**Information**").
8. In accordance with industry practice, except as described in this First Report:
 - a) Richter has not audited, reviewed or otherwise attempted to verify the accuracy of completeness of the Information in a manner that would comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountant Canada Handbook;
 - b) Richter has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Canadian Institute of Chartered Accountants Handbook; and
 - c) future-oriented financial information reported or relied on in preparing this First Report is based on assumptions regarding future events. Actual results may vary from forecast, even if the assumptions materialize, and such variations may be material.
9. Unless otherwise noted, all monetary amounts contained in this First Report are expressed in Canadian dollars.

IV. COMPLETION OF THE ASSET/SHARE TRANSACTION

U.S. Proceedings

10. As noted in the Pre-Filing Report, the Asset/Share Transaction was conditional upon, among other things, the Receiver, as the duly appointed foreign representative of Thane, obtaining ancillary relief from the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**") exercising its powers of recognition under Chapter 15 of the U.S. Bankruptcy Code with regard to the Property owned by the Debtors (the "**U.S. Proceedings**").
11. On October 25, 2015 the Receiver, through its U.S. counsel, Womble Carlyle Sandridge & Rice LLP ("**Womble**") commenced the U.S. Proceedings by filing, among other things, petitions on behalf of Thane pursuant to sections 1504 and 1515 of the U.S. Bankruptcy Code seeking recognition by the U.S. Court of the Canadian proceeding as a foreign main proceeding.

12. On October 27, 2015 the U.S. Court granted a provisional order recognizing Richter as the Foreign Representative (the “**Provisional Order**”) along with an order directing joint administration of the related Chapter 15 cases (the “**Joint Administrative Order**”). A copy of the Provisional Order and Joint Administrative Order are attached hereto as **Appendix “E”** and **Appendix “F”**, respectively.
13. On December 1, 2015 the U.S. Court granted an order recognizing the foreign main proceeding (the “**U.S. Recognition Order**”) and an order recognizing the Approval, Vesting and Distribution Order made by the Canadian Court (collectively the “**U.S. Approval Order**”). A copy of the U.S. Recognition Order and U.S. Approval Order are attached here to as **Appendix “G”** and **Appendix “H”**, respectively.
14. As described below, it is the intention of the Receiver, upon seeking the approval to be discharged as Receiver by this Court, to seek an order from the U.S. Court closing the U.S. Proceedings and discharging the Receiver as the foreign representative of Thane.

Closing of the Asset/Share Transaction

15. As noted above, the U.S. Court entered orders recognizing and enforcing the Approval, Vesting, and Distribution Order, and authorizing the Asset/Share Transaction on December 1, 2015.
16. The Asset/Share Transaction contemplated that the Purchasers would all assume all priority payables associated with related sales taxes and employee source deductions and furthermore, the Purchasers assumed all costs associated with employees. The Receiver understands from speaking with the Purchasers that all of these costs were paid in ordinary course, subsequent to the date of the Receivership Order.
17. The Asset/Share Transaction also contemplated that the Purchasers assume substantially all of the trade payables of Thane and the Receiver understands from speaking with the Purchasers that these payments were made, as outlined in the Sale Agreement that was approved by this Court.
18. As contemplated by the Asset/Share Transaction, articles of amendment were filed by the Debtors changing the names of certain of the Thane entities as follows:
 - a) Thane International Inc. to 2657874, Inc.;
 - b) Thane Direct, Inc. to 2804906, Inc.;
 - c) Thane Direct Company to 3244585 Nova Scotia Company (“**324Co**”);
 - d) Thane Direct Marketing Inc. to 2194124 Ontario Inc.(“**219Co**”); and
 - e) Thane Direct Canada Inc. to 1262775 Ontario Inc. (“**126Co**”).

19. The Asset/Share Transaction closed on December 18, 2015 (the “**Closing Date**”) and the Receiver’s certificate attesting to the waiver or satisfaction of the conditions precedent was issued to the Purchasers’ counsel and filed with the Court.

Payment of Transaction Costs

20. Pursuant to the Sale Agreement, the Purchasers and the Lenders agreed to fund the outstanding and unpaid fees and expenses of various advisors (the “**Transaction Costs**”), including the fees of the Receiver and that of its counsel, BLG and Womble, incurred in connection with the Sale Agreement and closing of the Asset/Share Transaction.
21. On December 18, 2015 the Agent deposited approximately USD\$0.9 million and \$2.9 million (collectively, the “**Professional Fees Fund**”) with the Receiver, and the Receiver, the Agent and the Purchasers jointly entered into a direction regarding the payment of the Transaction Costs (the “**Transaction Costs Direction**”).
22. Prior to the filing of the receivership, all of the professionals agreed to fee caps in relation to the completion of their activities related to the receivership. The understanding with all professionals was that their respective fees were capped in the Professional Fees Fund, and if their fees were to exceed this cap, there were to seek payment from their respective clients.
23. Pursuant to the Transaction Costs Direction, on the discharge of the Receiver, any amounts held by the Receiver that were not necessary for the administration of the receivership would be paid by the Receiver as jointly directed by the Purchasers and the Agent, and failing receipt of such joint direction, to the Purchasers and the Agent on a 65/35 allocation basis.
24. It is anticipated that the Receiver will be in receipt of excess funds associated with the Professional Fees Fund. As at the date of this First Report, the Receiver has not received a joint direction from the Purchasers and the Agent, and proposes to remit these surplus funds to the Purchasers and the Agent on a 65/35 basis.

V. ACTIVITIES OF THE RECEIVER

25. Since the date of the Pre-Filing Report, the Receiver’s activities have included:
 - a) preparing the Supplement Report and attending before this Court for the Receivership Order and the Approval, Vesting and Distribution Order;
 - b) sending to those creditors whose claims were not assumed by the Purchasers, a copy of the Notice and Statement of Receiver required under Section 245(1) and 246(1) of the BIA;
 - c) discussions with the landlord for the Debtors’ leased head office premises at 5255 Orbitor Drive, Suite 500, Mississauga, Ontario in connection with negotiating a lease termination agreement;

- d) commencing the U.S. Proceedings by filing, among other things, petitions on behalf of the Debtors pursuant to sections 1504 and 1515 of the U.S. Bankruptcy Code seeking recognition by the U.S. Court of the Canadian proceeding as a foreign main proceeding;
 - e) working with Womble to prepare materials for the U.S. Court in connection with the U.S. Proceedings, as well as attending before the U.S. Court for the Provisional Order, the Joint Administration Order and the U.S. Recognition Order;
 - f) closing the Asset/Share Transaction with the Purchasers;
 - g) corresponding with various advisors and administering payments pursuant to the Transaction Costs Direction;
 - h) corresponding with CRA in connection with its audit on the Company's payroll remittance account, and in respect of the Receiver's sales tax account;
 - i) engaging Richter LLP to assist the Receiver with preparing and filing federal and provincial tax returns for the reporting period ending March 31, 2016 (the "**2016 Taxation Year**") for each of 324Co, 219Co, and 126Co, as well as preparing and filing any outstanding NR4 and foreign reporting forms;
 - j) engaging Richter LLP to assist the Receiver with preparing and filing the consolidated U.S. federal and state income and franchise tax returns for the 2016 Taxation Year for Direct Marketing Holdings, Inc. and its subsidiaries in the U.S., including Thane International, Inc., West Coast Direct Marketing, Inc., TDG, Inc. and Thane Direct, Inc.;
 - k) responding to numerous enquiries from Canadian, U.S. and international stakeholders ranging from creditors, customers and various government entities; and
 - l) communicating with each of the Agent, the Purchasers, and their respective advisors, in connection with various aspects of the receivership.
26. To the best of its knowledge and belief, the Receiver has complied with all of its statutory duties and obligations pursuant to the BIA as at the date of this First Report. Prior to filing its Certificate of Discharge (as defined herein), the Receiver will complete its statutory duties, including preparing and filing its final report pursuant to section 246(3) of the BIA.

VI. RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

27. In order to administer payments pursuant to the Transaction Costs Direction, the Receiver established Canadian Dollar ("**CAD**") and U.S. Dollar ("**USD**") denominated bank accounts.
28. The Receiver's CAD statement of receipts and disbursements for the period from the Date of Appointment to March 9, 2017 is summarized as follows:

**Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc., Thane International, Inc.,
West Coast Direct Marketing, Inc., TDG, Inc., and Thane Direct, Inc.**

Statement of receipts and disbursements (CAD\$ Account)

For the period October 23, 2015 to March 9, 2017

Receipts		Notes
Direction re Transaction Costs	2,867,217	1
Income Tax Refunds	3,370,947	2
Post-Filing HST Refunds	296,062	
Transfer from USD\$ Account	140,896	
Miscellaneous	1,672	3
Interest	11,955	
Total Receipts	\$ 6,688,749	
Disbursements		
Professional fees		1
Receiver	337,845	
Receiver's Canadian Counsel	261,325	4
Other Professional Fees per Transaction Costs Direction	2,019,628	
Post-Filing HST Paid	317,676	
Bank Charges	442	
Payment to Purchasers of Miscellaneous Receipts	1,672	3
Total disbursements	\$ 2,938,588	
Excess Receipts over Disbursements / Cash on Hand	\$ 3,750,160	

Notes:

1. On December 18, 2016, the Purchasers and Agent funded the Receiver with approximately CAD\$2.9 million and USD\$0.9 million to pay the fees of various professionals involved in the transaction, including the Receiver, its Canadian counsel and its U.S. counsel, pursuant to the terms of the Transaction Costs Direction. At the completion of its administration, any amounts remaining with the Receiver will be returned to the Purchasers and Agent pursuant to the terms of the Transaction Costs Direction.
2. Represents corporate tax refunds received for Thane Direct Company (\$1.0 million) and Thane Direct Marketing Inc. (\$2.4 million).
3. Relates to WSIB refunds for the Debtors received for pre-filing period.
4. Excludes two BLG invoices dated July 6, 2015 and August 5, 2015 that were paid by the Debtors directly and not pursuant to the Transaction Costs Direction.

29. As detailed above, the Receiver had total CAD receipts of approximately \$6.7 million between the Date of Appointment and March 9, 2017, the majority of which relates to the Professional Fees Fund and the Tax Refunds (as defined herein). Total CAD disbursements over the same period were approximately \$2.9 million, the majority of which relate to professional fees paid pursuant to the Transaction Costs Direction. As at March 9, 2017, CAD cash on hand was approximately \$3.75 million.

30. The Receiver's USD statement of receipts and disbursements for the period from the Date of Appointment to March 9, 2017 is summarized as follows:

**Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc., Thane International, Inc.,
West Coast Direct Marketing, Inc., TDG, Inc., and Thane Direct, Inc.**

Statement of receipts and disbursements (USD\$ Account)

For the period October 23, 2015 to March 9, 2017

Receipts		Notes
Direction re Transaction Costs	936,520	1
Interest	610	
Total Receipts	\$ 937,130	
Disbursements		
Professional fees		1
Receiver's U.S. Counsel	106,083	
Other Professional Fees per Transaction Costs Direction	659,136	
Transfers to CDN\$ Account	103,372	
Bank Charges	90	
Total disbursements	\$ 868,681	
Excess Receipts over Disbursements / Cash on Hand	\$ 68,450	

Notes:

1. On December 18, 2016, the Purchasers and Agent funded the Receiver with approximately CAD\$2.9 million and USD\$0.9 million to pay the fees of various professionals involved in the transaction, including the Receiver, its Canadian counsel and its U.S. counsel, pursuant to the terms of the Transaction Costs Direction. At the completion of its administration, any amounts remaining with the Receiver will be returned to the Purchasers and Agent pursuant to the terms of the Transaction Costs Direction.

31. As detailed above, the Receiver had total USD receipts of approximately USD\$0.94 million between the Date of Appointment and March 9, 2017, primarily related to the Professional Fees Fund. Total USD disbursements over the same period were approximately USD\$0.87 million, substantially all of which relate to professional fees paid pursuant to the Transaction Costs Direction. As at March 9, 2017, USD cash on hand was USD\$68,450.
32. As discussed below, after payment of the Tax Refunds (as defined herein), the Receiver will have cash on hand of CAD\$379,213 and USD\$68,450, which relate to amounts remaining from the Professional Fees Fund (including accrued interest). The Receiver proposes to retain CAD\$119,213 and USD\$18,450 (collectively, the "**Holdback**") and distribute the balance of CAD\$260,000 and USD\$50,000 pursuant to the Transaction Costs Direction, as follows: (i) CAD\$169,000 and USD\$32,500 (collectively, the "**Purchasers Distribution**") to the Purchasers and (ii) CAD\$91,000 and USD\$17,500 (collectively, the "**Agent Distribution**") to the Agent. Accordingly, upon satisfying the Remaining Matters (as defined herein), the Receiver shall distribute any residual amounts remaining in the Holdback, or subsequently collected by the Receiver, to the Purchasers and the Agent in accordance with the Transaction Costs Direction, without further order of this Court.
33. As at the date of this First Report, the Receiver does not anticipate any additional material realizations, other than those detailed in the Remaining Matters.

VII. PROPOSED PAYMENT TO THE PURCHASERS

34. As noted above, the Receiver filed the income tax returns for 126Co, 219Co and 324Co on September 27, 2016 in respect of the 2016 Taxation Year.

126Co

35. As filed, the 126Co income tax return reported no Part I income tax liability for the 2016 Taxation Year. CRA confirmed the nil balance owed for the 2016 Taxation Year in its corporation notice of assessment issued to the Receiver on September 30, 2016.

219Co

36. The 219Co income tax return reported available non-capital losses of approximately \$23.3 million for the 2016 Taxation Year. Upon the Receiver's request, the aforementioned non-capital losses were carried back to reduce taxable income from prior taxation years as follows: (i) \$3.5 million in 2015, (ii) \$8.3 million in 2014, and (iii) \$3.8 million in 2013. After application of the approximately \$15.6 million in loss carrybacks, 219Co's available non-capital losses were reduced to approximately \$7.7 million as at the end of the 2016 Taxation Year.

37. As illustrated by the CRA notice of assessment issued on November 24, 2016 (the "**219Co Notice of Assessment**"), 219Co was entitled to an income tax refund of approximately \$3.8 million resulting from the application of the loss carrybacks, as follows: (i) \$0.9 million for 2015, (ii) \$2.0 million for 2014, and (iii) \$0.9 million for 2013. As noted in the 219Co Notice of Assessment, CRA offset approximately \$1.5 million owing to CRA from 219Co against the \$3.8 million refund, for a net refund position of approximately \$2.4 million (the "**219Co Tax Refund**").

324Co

38. The 324Co income tax return reported available non-capital losses of approximately \$3.8 million for the 2016 Taxation Year. Upon the Receiver's request, all of the aforementioned losses were carried back to reduce taxable income for the 2013 taxation year.

39. As illustrated by the CRA Notice of assessment issued on December 2, 2016 (the "**324Co Notice of Assessment**"), 324Co was entitled to an income tax refund of approximately \$1.0 million resulting from the application of the loss carrybacks. As noted in the 324Co Notice of Assessment, CRA offset approximately \$98 owing to CRA against the refund, for a net refund position of approximately \$1.0 million (the "**324Co Tax Refund**").

40. To date, the Receiver has received total cash proceeds of \$3,370,947 from CRA on account of the 219Co Tax Refund and the 324Co Tax Refund (collectively, the "**Tax Refunds**").

41. Pursuant to Sale Agreement, the Purchasers purchased the right, title and interest of the Debtors in all accounts receivable outstanding as of the Closing Date or thereafter, including tax instalments paid by the Debtors and the right to receive any refund of taxes paid by, received by or to be received by any of the Debtors.
42. Accordingly, the Receiver is of the view that the Tax Refunds are assets purchased by the Purchasers pursuant to the Asset/Share Transaction. The Receiver has discussed this matter with the Agent and it is the Receiver's intention to pay the Tax Refunds to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct, subject to this Court's approval.
43. As noted in the CAD statement of receipt and disbursements above, the Receiver previously made payment in the amount of \$1,672 to the Purchasers on account of pre-filing refunds received from the Workplace Safety and Insurance Board for 219Co and 126Co.

VIII. REMAINING MATTERS TO BE COMPLETED IN THESE PROCEEDINGS

44. If this Court grants the order requested herein, the Receiver will have completed its statutory duties, except for the following (the "**Remaining Matters**"):
 - a) distributing the Tax Refunds to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct;
 - b) closing the U.S. Proceedings and discharging the Receiver as the foreign representative of Thane;
 - c) paying the Remaining Fees and Disbursements from the Holdback;
 - d) distributing the Purchasers Distribution and the Agent Distribution;
 - e) preparing and filing corporate tax returns for the reporting period ending March 31, 2017 for the Debtors, if required;
 - f) pursuing the potential recovery of any unclaimed HST input tax credits paid during these proceedings; and
 - g) attending to other administrative matters incidental to these proceedings such as filing the Receiver's report pursuant to section 246(3) of the BIA.
45. Upon the completion of the Remaining Matters, the Receiver will have completed its statutory duties as well as those duties set out in the Receivership Order. 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 a certificate (the "**Certificate of Discharge**") with this Court certifying that all of the Remaining Matters have been completed.

IX. REQUEST FOR APPROVAL OF FEES

46. The Receiver, its counsel, BLG, and the Receiver's U.S. counsel, Womble, have maintained detailed records of their professional time and disbursements since the Date of Appointment.
47. In accordance with the Receivership Order, the Receiver has been authorized to periodically pay its fees and disbursements, and that of its counsel, subject to approval by the Court.
48. The Receiver's professional fees incurred for services rendered from August 9, 2015 to March 3, 2017 amount to \$315,353.50, plus disbursements in the amount of \$23,494.36, each excluding applicable taxes. These amounts represent professional fees and disbursements not yet approved by the Court. Attached as **Appendix "I"** to this First Report is the affidavit of Paul van Eyk in respect of the fees and disbursements of the Receiver and its U.S. counsel in the amount of USD\$106,082.82.
49. The fees of the Receiver's counsel, BLG, for services rendered from June 22, 2015 to March 3, 2017 total \$271,181.91, plus disbursements in the amount of \$3,692.96, each excluding applicable taxes. These amounts represent professional fees and disbursements not yet approved by the Court. Attached as **Appendix "J"** to this First Report is the affidavit of Gordon Raman in respect of the fees and disbursements of the Receiver's counsel.
50. The Receiver has reviewed the accounts of its legal counsel and confirms that the services reflected therein have been duly authorized and duly rendered and that, in the Receiver's opinion, the charges are reasonable.
51. 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 CAD\$91,500 and USD\$8,900 (including applicable sales taxes) as follows:
 - a) Richter - \$52,600;
 - b) BLG - \$38,900; and
 - c) Womble – USD\$8,900.
52. These estimates represent the amounts remaining under each firm's respective fee caps under the Professional Fees Fund, and taking into consideration the reasonable professional and legal fees required to complete the administration of these receivership proceedings and the Remaining Matters up to the effective date of discharge. If the Remaining Fees and Disbursements come in below the above estimates, the Receiver will refund these amounts pursuant to the Transaction Costs Direction. If the Remaining Fees and Disbursements exceed the estimates, the Receiver will seek the consent of the Agent and the Purchasers to pay same, without further Order of the Court.

53. The fees and disbursements of the Receiver and its counsel, including the Remaining Fees and Disbursements, have been reviewed by the Lenders. The Receiver has been advised that the Lenders do not oppose these fees and disbursements.

X. RECOMMENDATION

54. The Receiver respectfully requests that this Court grant an order:

- a) approving the Supplement Report, and the First Report, and the actions, activities and conduct of the Receiver set out therein;
- b) approving the Receivers' statement of receipts and disbursements from the Date of Appointment to March 9, 2017;
- c) authorizing and directing the Receiver to make a distribution to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct, in connection with the Tax Refunds;
- d) authorizing and directing the Receiver to make a distribution to the Purchasers, or as the Purchasers may direct, in the amounts of CAD\$169,000 and USD\$32,500, and to make a distribution to the Agent in the amounts of CAD\$91,000 and USD\$17,500, pursuant to Transaction Costs Direction;
- e) approving the accounts of the Receiver and its counsel, including the Remaining Fees and Disbursements, as set out in this First Report;
- f) discharging the Receiver upon completion of the Remaining Matters, and authorizing the Receiver to distribute any residual amounts remaining in its possession to the Agent and to the Purchasers in accordance with the terms set out in Transaction Costs Direction, subject to the Receiver filing a certificate evidencing the same with the Court; and
- g) ordering and declaring that effective upon its discharge as Receiver, Richter is released and discharged from 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 in its capacity as Receiver, save and except for any gross negligence or willful misconduct on the part of Richter.

All of which is respectfully submitted on the 14th day of March, 2017.

Richter Advisory Group Inc.

as the Receiver of

2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc. and not in its personal capacity



Paul van Eyk, CA·CIRP, CA·IFA
Senior Vice-President



Pritesh Patel, CIRP, CFA, MBA
Vice-President

B E T W E E N:

BANK OF MONTREAL
Plaintiff

- and -

THANE INTERNATIONAL INC., et. al.
Defendant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

FIRST REPORT OF THE RECEIVER,
RICHTER ADVISORY GROUP INC.

BORDEN LADNER GERVAIS LLP

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Lawyers for Richter Advisory Group Inc.

APPENDIX E

In re: Thane Direct Marketing, Inc., Debtor.)))))))	Chapter 15 Case No. 15-12192 (KG) (Jointly Administered)
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**FINAL DECREE AND ORDER PURSUANT TO
11 U.S.C. §§ 105, 350, AND 1517 CLOSING CHAPTER 15 CASES
AND DISCHARGING THE FOREIGN REPRESENTATIVE**

Upon the motion (the “Motion”)¹ of Richter Advisory Group Inc., the court-appointed receiver and duly authorized foreign representative for Thane Debtors in Canadian Proceeding for entry of the Closing Order pursuant to sections 105(a), 350 and 1517(d) of the Bankruptcy Code, Bankruptcy Rule 5009, and Local Rule 5009-2, discharging the Foreign Representative and closing the Chapter 15 Cases; and it appearing that this Court has jurisdiction to consider the Motion pursuant to sections 157 and 1334 of title 28 of the United States Code; and it appearing that the Motion is a core proceeding pursuant to section 157 of title 28 of the United States Code; and due and sufficient notice of the Motion having been given; and it appearing that no other or further notice need be provided; and it appearing that the relief requested by the Motion is in the best interest of the Debtors, their creditors, and other parties in interest; and the Court having considered the Final Report and the Motion and the relief requested therein and any responses to the Motion; and after due deliberation thereon and sufficient cause appearing therefor; it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted.

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

2. The Discharge Order attached as Exhibit 1 to this Closing Order is hereby given full force and effect in the United States.

3. The Foreign Representative is discharged and shall be afforded all of the rights and benefits of the Discharge Order terminating the Receivership in Toronto, Ontario, Canada, which is hereby recognized, including, but not limited to, that the Foreign Representative is hereby released and discharged from any and all liability that the Foreign Representative now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Foreign Representative herein, save and except for any gross negligence or willful misconduct on the Receiver's part.

4. The Chapter 15 Cases set forth below are hereby closed (the "Completed Cases"):

<u>Case Number</u>	<u>Debtor Name</u>
15-12186 (KG)	Thane International, Inc.
15-12187 (KG)	Thane Direct, Inc.
15-12188 (KG)	TDG, Inc.
15-12189 (KG)	West Coast Direct Marketing, Inc.
15-12190 (KG)	Thane Direct Company
15-12191 (KG)	Thane Direct Canada Inc.
15-12192 (KG)	Thane Direct Marketing, Inc.

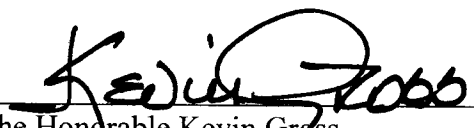
5. The Clerk of the Court shall enter this Closing Order on the docket of each of the Completed Cases and such case thereafter shall be marked as closed.

6. The Debtors are authorized to take the following actions: (i) destroy all business records, (ii) file its final tax return, and (iii) dissolve its corporate structure.

7. The terms and conditions of this Closing Order shall be immediately effective and enforceable upon its entry.

8. This Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Closing Order.

Dated: May 15, 2017
Wilmington, Delaware



The Honorable Kevin Gross
United States Bankruptcy Judge

Exhibit 1

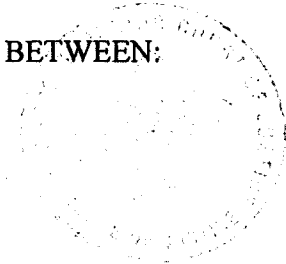
Discharge Order

Court File No. CV-15-11146-00CL

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

THE HONOURABLE)
)
MR. JUSTICE ~~PATILLO~~)
 CONWAY)
 MONDAY, THE 3rd DAY
 OF APRIL, 2017

BETWEEN:



BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

**ORDER
(Discharge of Receiver and Distribution)**

THIS MOTION, made by Richter Advisory Group Inc. ("**Richter**"), in its capacity as the court-appointed receiver of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc. (in such capacity, the "**Receiver**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Receiver; the First Report of the Receiver dated March 14, 2017 (the "**First Report**"); the Affidavit of Paul van Eyk sworn March 9, 2017 (the "**Van Eyk Affidavit**"); the Affidavit of Gordon Raman sworn March 10, 2017 (the "**Raman Affidavit**"); and on hearing the submissions of counsel for the Receiver and such other counsel

as may be present, and upon reading the affidavit of service of Rachael Belanger sworn March 16, 2017, filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record be and is hereby is abridged so that the motion is properly returnable today, and that any further service thereof be and is hereby dispensed with.

CAPITALIZED TERMS

2. **THIS COURT ORDERS** that capitalized terms not defined herein shall have the meaning ascribed thereto in the First Report.

APPROVAL OF ACTIVITIES

3. **THIS COURT ORDERS** that the First Report and the Supplemental Report to the Report of the Proposed Receiver dated October 22, 2015 (the "**Supplemental Report**"), and the activities of the Receiver set out in the First Report and Supplemental Report, be and are hereby approved.

APPROVAL OF STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the Receiver's Statement of Cash Receipts and Disbursements to March 9, 2017, as attached to the First Report, be and is hereby approved.

APPROVAL OF FEES

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver, and that of U.S. counsel to the Receiver, namely, Womble Carlyle Sandridge & Rice, LLP (the "**U.S. Counsel**"), as described in the First Report and as set out in the Van Eyk Affidavit, including the estimated fees, inclusive of disbursements and applicable taxes, of the Receiver and U.S. Counsel up to its date of discharge, be and are hereby approved.

6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's legal counsel, Borden Ladner Gervais LLP ("**BLG**"), as described in the First Report and as set out in

the Raman Affidavit, including the estimated fees, inclusive of disbursements and applicable taxes, of BLG in connection with services to be provided to the Receiver up to its date of discharge, be and are hereby approved.

7. **THIS COURT ORDERS** that in the event that the fees and disbursements of the Receiver, U.S. Counsel or BLG exceed the estimates, such additional amounts may be paid without further order of the Court, subject to the consent of BMO and the Purchasers.

DISCHARGE OF THE COURT-ORDERED CHARGES

8. **THIS COURT ORDERS** that, upon the Receiver filing the Certificate, as defined in paragraph 11 of this Order, the Receiver's Charge, as defined in and created by the Order of the Honourable Mr. Justice Penny dated October 23, 2015, shall be fully and finally terminated, discharged and released.

DISTRIBUTIONS

9. **THIS COURT ORDERS** that the Receiver is authorized and directed to distribute the amount of \$3,370,947, in respect of the cash proceeds held by the Receiver, in respect of the Tax Refunds to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct.

10. **THIS COURT ORDERS** that any surplus cash proceeds held by the Receiver following the payment of all fees and disbursements of the Receiver, U.S. Counsel and BLG, up to and including all such fees and disbursements incurred up to the filing of the Certificate with the Court, shall be paid or caused to be paid by the Receiver to BMO and to the Purchasers (as defined in the First Report, consisting of 9472541 Canada Inc., 9472550 Canada Inc., 635427, Inc. and 652134 Limited, or as each of them may direct, in accordance with the formula described in the First Report.

DISCHARGE OF THE RECEIVER

11. **THIS COURT ORDERS** that upon the Receiver filing a certificate with the Court in substantially the form attached hereto as Schedule "A" (the "**Certificate**") certifying that it has completed the Remaining Matters, as defined and described in the First Report, the Receiver

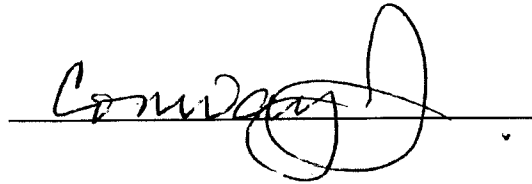
shall be discharged as Receiver of the undertakings, property and assets of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc., 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, protections and stays of proceedings in favour of Richter in its capacity as Receiver.

12. **THIS COURT ORDERS AND DECLARES** that Richter is hereby released and discharged from 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 in its capacity as Receiver herein, save and except for any gross negligence or willful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Richter 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 willful misconduct on the Receiver's part.

AID AND RECOGNITION

13. **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, including, without limitation, the United States Bankruptcy Court for the District of Delaware, to give effect to this Order and assist the Receiver, and its respective 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 respective agents, in carrying out the terms of this Order.

14. **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, including, without limitation, the United States Bankruptcy Court for the District of Delaware, for the recognition of this Order and for assistance in carrying out the terms of this Order.

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

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

APR 03 2017

PER / PAR:

A small, stylized handwritten mark or signature, possibly initials, written in black ink.

SCHEDULE "A": FORM OF RECEIVER'S DISCHARGE CERTIFICATE

Court File No.: CV-15-11146-00CL

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

RECEIVER'S DISCHARGE CERTIFICATE

A. Pursuant to an Order of The Honourable Mr. Justice Penny of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated October 23, 2015, Richter Advisory Group Inc. was appointed receiver (the "**Receiver**") of the Respondents pursuant to section 243 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.

B. Pursuant to an Order of the Court dated April 3, 2017 (the "**Discharge Order**"), the Court ordered, *inter alia*, that the Receiver be discharged, effective upon the filing by the Receiver of a certificate certifying the matters set out herein.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Discharge Order.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Receiver is satisfied, in its discretion, that it has completed the Remaining Matters as set out in the Receiver's First Report to the Court dated March 14, 2017.

2. This Certificate was delivered by the Receiver at _____(time) on _____(date).

RICHTER ADVISORY GROUP INC.,
solely in its capacity as court-appointed
receiver of 2657874, Inc. (formerly Thane
International Inc.), 2804906, Inc. (formerly
Thane Direct, Inc.), 3244585 Nova Scotia
Company (formerly Thane Direct
Company), 2194124 Ontario Inc. (formerly
Thane Direct Marketing Inc.), West Coast
Direct Marketing, Inc., 1262775 Ontario Inc.
(formerly Thane Direct Canada Inc.) and
TDG, Inc.

Per: _____
Name:
Title:

Court File No. CV-15-11146-00CL

BANK OF MONTREAL - and - **THANE INTERNATIONAL, INC., et. al.**

Applicant

Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

RECEIVER'S DISCHARGE CERTIFICATE

BORDEN LADNER GERVAIS LLP

Barristers and Solicitors
Bay Adelaide Centre, East Tower
22 Adelaide St. W.
Toronto, ON
M5H 4E3

Roger Jaipargas

Tel: (416) 367-6266
Fax: (416) 367-6749
(LSUC #43275C)

Rachael Belanger

Tel: (416) 367-6485
Fax: (416) 367-6749
(LSUC #67674B)

Lawyers for Richter Advisory Group Inc., in its capacity as
Court-appointed Receiver of the Respondents

Court File No. CV-15-11146-00CL

BANK OF MONTREAL - and - THANE INTERNATIONAL, INC., et. al.

Applicant

Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

ORDER
(Discharge of Receiver and Distribution)

BORDEN LADNER GERVAIS LLP
Barristers and Solicitors
Bay Adelaide Centre, East Tower
22 Adelaide St. W.
Toronto, ON
M5H 4E3

Roger Jaipargas
Tel: (416) 367-6266
Fax: (416) 367-6749
(LSUC #43275C)

Rachael Belanger
Tel: (416) 367-6485
Fax: (416) 367-6749
(LSUC #67674B)

Lawyers for Richter Advisory Group Inc., in its capacity as
Court-appointed Receiver of the Respondents

TOR01: 6668510: v6

APPENDIX F

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

**AFFIDAVIT OF PRITESH PATEL
(Sworn March 9, 2018)**

I, Pritesh Patel, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND
SAY** that:

1. I am a Vice President of Richter Advisory Group Inc. ("**Richter**") and, as such, I have knowledge of the matters hereinafter deposed to except where stated to be based on information and belief, in which case I have stated the source of my information and verily believe it to be true.
2. On October 23, 2015, pursuant to an order of the Court (the "**Appointment Order**"), Richter was appointed as receiver (the "**Receiver**"), without security, of all of the current and future assets, undertakings and properties of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia

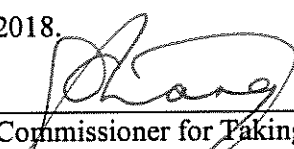
Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc., pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended and section 101 of the *Courts of Justice Act*, R.S.O.1990, C. C.43, as amended (the “**Receivership Proceedings**”).

3. By order dated April 3, 2017 (the "**First Interim Fee Approval Order**"), the Court approved the fees and disbursements of Richter, in its capacity as Proposed Receiver and Receiver, in the total amount of \$338,847.86 (excluding taxes) for the period from August 9, 2015 to March 3, 2017 (the “**First Fee Approval Period**”), as well as the Receiver’s estimated fees and disbursements up to its date of discharge in the amount of \$52,600. In addition to the Receiver’s disbursements were the fees and disbursements charged by the Receiver’s U.S. legal counsel, Womble Bond Dickinson (US) LLP (“**U.S. Legal Counsel**”), who assisted the Receiver with matters relating to the Receivership Proceedings in the United States. The accounts of U.S. Legal Counsel were also approved in the total amount USD\$106,082.82 for the First Fee Approval Period, as well as the estimated fees and disbursements up to the date of the Receiver’s discharge in the amount of USD\$8,900.
4. For the period from March 6, 2017 to March 6, 2018 (the “**Period**”), Richter has provided services pursuant to the provisions of the Appointment Order.
5. During the Period, Richter has provided services and incurred disbursements, in the amount of \$61,174.50 and \$1,835.24, respectively, excluding applicable taxes.
6. True copies of the Richter accounts for the Period (the “**Accounts**”), which include a fair and accurate description of the services provided along with the hours and applicable rates claimed by Richter, are attached as Exhibit “**A**” to this my Affidavit.
7. In the course of performing its duties pursuant to the Appointment Order, Richter’s staff has expended a total of 123.7 hours during the Period. Attached as Exhibit “**B**” to this my Affidavit is a schedule setting out a summary of the individual staff involved in the administration of these proceedings and the hours and applicable rates claimed by Richter for the Period. The average hourly rate billed by Richter during the Period is \$494.54.

8. The total amount of professional fees and disbursements being claimed for work performed by Richter, in its capacity as Receiver, during the Period is \$63,009.74 (excluding applicable taxes).
9. In addition to the Receiver's disbursements of \$1,835.24 (excluding applicable taxes) for the Period are the fees and disbursements charged by U.S. Legal Counsel, which amounted to a total of USD\$23,827.66. The Receiver has reviewed these accounts and is of the view that the activities of U.S. Legal Counsel during the Period were consistent with the instructions of the Receiver. A copy of the invoices rendered by U.S. Legal Counsel for the Period are attached as Exhibit "C" to this my Affidavit.
10. The Receiver requests that this Court approve its Accounts for the Period, including disbursements relating to the services rendered by U.S. Legal Counsel, in the total amounts of \$63,009.74 (excluding applicable taxes) and USD\$23,827.66 for services rendered and recorded during the Period.
11. The Receiver's fees and disbursements for the period from March 3, 2017 to completion of all work relating to the Receivership Proceedings, including disbursements relating to services to be rendered by U.S. Legal Counsel, will be calculated and billed at the standard rates currently in effect. Barring unforeseen circumstances, I estimate that those fees will not exceed \$10,000 (excluding disbursements and applicable taxes), excluding the fees and disbursements of Borden Ladner Gervais LLP ("**BLG**"), legal counsel to the Receiver.
12. BLG, the Receiver's independent legal counsel, have also rendered services and incurred disbursements during the Period and have prepared an affidavit with respect to their accounts. The Receiver has reviewed the accounts of BLG for the Period and is satisfied that their activities were consistent with the instructions of the Receiver.
13. To the best of my knowledge, the rates charged by the Receiver, BLG and U.S. Legal Counsel are comparable to the rates charged for the provision of similar services by other accounting and law firms.
14. I verily believe that the fees and disbursements incurred by the Receiver, BLG and U.S. Legal Counsel are fair and reasonable in the circumstances.

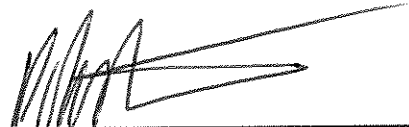
15. This Affidavit is sworn in connection with a motion for an Order of this Court to, among other things, approve the fees and disbursements of Richter, in its capacity as Receiver, and those of its Canadian and U.S. legal counsel and for no other or improper purpose.

SWORN BEFORE ME at the City
of Toronto, in the Province of)
Ontario, this 9th day of March,)
2018.)




Commissioner for Taking)
Affidavits, etc.)

**Yun Cindy Zhang, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires March 30, 2019.**



PRITESH PATEL

This is Exhibit "A" referred to in the Affidavit of
Pritesh Patel, sworn before me this
9th day of March, 2018



Commissioner for Taking Affidavits, etc
Yun Cindy Zhang
Yun Cindy Zhang, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law,
Expires March 30, 2019.

Richter Advisory Group Inc.

Exhibit A

In its capacity as Receiver of

In the Matter of the Receivership of Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc.,

Thane International, Inc., West Coast Direct Marketing, Inc., TDG, Inc., and Thane Direct, Inc.

Statement of accounts

Invoice #	Period	Fees	Disbursements ¹	Sub total	HST	Total
20402083	March 6, 2017 to June 30, 2017	\$ 25,972.00	\$ 779.16	\$ 26,751.16	\$ 3,477.65	\$ 30,228.81
20402346	July 7, 2017 to October 27, 2017	12,400.50	372.02	12,772.52	\$ 1,660.43	14,432.95
20402685	October 30, 2017 to March 6, 2018	22,802.00	684.06	23,486.06	\$ 3,053.19	26,539.25
Total		\$ 61,174.50	\$ 1,835.24	\$ 63,009.74	\$ 8,191.27	\$ 71,201.01

Notes:

(1) Includes Administrative Fees.

RICHTER

Richter Advisory Group Inc., Receiver re: Thane Direct Canada Inc.
181 Bay Street
Suite 3320
Toronto, ON M5J 2T3

Date: 07/12/2017
Invoice No.: 20402083
Engagement No.: 2020369
Payment Terms: Due on Receipt

Professional services rendered to June 30, 2017		\$ 25,972.00
Sub-Total		<hr/> 25,972.00
Administrative Fees		779.16
GST/HST #885435842 RT0001		3,477.65
Total Due	CAD	<hr/> \$ 30,228.81

T. 416.488.2345

Richter Advisory Group Inc.
181 Bay St., Suite 3320
Bay Wellington Tower
Toronto ON M5J 2T3
www.richter.ca

Toronto, Montreal



Invoice No.: 20402083
Date: 07/12/2017



Fees

Name	Hours	Rate	Amount
Adam Sherman	0.40	\$ 625.00	\$ 250.00
Ann Stremski	1.10	185.00	203.50
Carol O'Donnell	2.70	250.00	675.00
Pascale Lareau	2.90	185.00	536.50
Paul Van Eyk	18.80	650.00	12,220.00
Pritesh Patel	22.60	525.00	11,865.00
Soazig Bourgine	1.20	185.00	222.00
	49.70		\$ 25,972.00

Invoice No.: 20402083
Date: 07/12/2017



Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
03/06/2017	Pascale Lareau Bank reconciliation (US, CAN).	0.40	\$ 185.00	\$ 74.00
03/06/2017	Paul Van Eyk Review of motion material and closing documents.	2.00	650.00	1,300.00
03/06/2017	Pritesh Patel Review and edits to revised fee affidavit. Update to transaction costs tracking schedule and email to R.Orelowitz.	1.50	525.00	787.50
03/07/2017	Paul Van Eyk Review of emails.	0.25	650.00	162.50
03/08/2017	Pascale Lareau Preparation schedule of GST Feb.2017.	0.30	185.00	55.50
03/08/2017	Carol O'Donnell Prepare cheque, scan and save.	0.20	250.00	50.00
03/08/2017	Ann Stremski Transfer funds and prepare entries on 2 accounts.	0.20	185.00	37.00
03/08/2017	Paul Van Eyk Review of emails, correspondence.	0.20	650.00	130.00
03/08/2017	Pritesh Patel Review of invoices and preparation of disbursement requests. Review of USD GL and comments to C.O'Donnell re adjustments.	1.00	525.00	525.00
03/09/2017	Carol O'Donnell Prepare cheque, scan and save. Email GL's to P. Patel.	0.20	250.00	50.00
03/09/2017	Paul Van Eyk Review of emails.	0.10	650.00	65.00
03/09/2017	Pritesh Patel Finalize fee affidavit and compile exhibits for signature. Update to R&D for USD and CAD accounts to reflect payments and adjustments. Edits to First Report and circulate draft to counsel for final comment.	4.50	525.00	2,362.50
03/10/2017	Pritesh Patel Call with BLG re report and materials. Correspondence with BMO re timing for discharge and distributions.	1.00	525.00	525.00
03/12/2017	Pritesh Patel Call with BLG re distribution mechanics and outstanding issues.	0.40	525.00	210.00
03/13/2017	Pritesh Patel	3.40	525.00	1,785.00

Invoice No.: 20402083
Date: 07/12/2017



Date	Name and Description	Hours	Rate	Amount
	Review and comments on Notice of Motion and Order. Call with BLG re report and edits on same. Edits to R&D and finalize First Report.			
03/14/2017	Pritesh Patel Compile all appendices, sign report and discussion with counsel re service.	1.00	525.00	525.00
03/15/2017	Adam Sherman Review/approve bank recs for February 2017 (\$CAN and \$US).	0.20	625.00	125.00
03/16/2017	Soazig Bourguine Website posting and efilng (Motion and Report).	0.30	185.00	55.50
03/17/2017	Carol O'Donnell Review HST, prepare scan, email to P. Patel.	0.20	250.00	50.00
03/17/2017	Pritesh Patel Review and approve January HST.	0.10	525.00	52.50
03/21/2017	Pascale Lareau GST declaration February 2017.	0.30	185.00	55.50
03/31/2017	Paul Van Eyk Review and prep for Monday court, review of emails.	2.50	650.00	1,625.00
04/03/2017	Carol O'Donnell Update deposit, scan and save.	0.20	250.00	50.00
04/03/2017	Soazig Bourguine Website posting and faxing to OSB (Order/Endorsement Discharge & Distribution).	0.30	185.00	55.50
04/03/2017	Paul Van Eyk Review of emails.	1.00	650.00	650.00
04/03/2017	Pritesh Patel Attendance in court for discharge order. Review and sign-off on final report of receiver for CH15 proceedings.	1.30	525.00	682.50
04/04/2017	Soazig Bourguine Website posting CH 15 documents.	0.40	185.00	74.00
04/05/2017	Carol O'Donnell Update HST, update deposit, scan and save.	0.30	250.00	75.00
04/05/2017	Pritesh Patel Review of creditor listing for US companies and email to P.van Eyk on same.	0.50	525.00	262.50
04/06/2017	Pascale Lareau Bank reconciliation (cdn-us).	0.40	185.00	74.00
04/06/2017	Paul Van Eyk Correspondence with various counsel.	1.00	650.00	650.00

Invoice No.: 20402083
Date: 07/12/2017



Date	Name and Description	Hours	Rate	Amount
04/06/2017	Pritesh Patel Review of CH15 case closing orders and discussions with P.van Eyk on same. Responding to emails from BMO re refund on professional fee funds.	1.00	525.00	525.00
04/07/2017	Paul Van Eyk Review of emails, correspondence with counsel.	2.00	650.00	1,300.00
04/10/2017	Paul Van Eyk Various emails and correspondence with counsel.	3.00	650.00	1,950.00
04/11/2017	Ann Stremski Prepare transfers in online banking; prepare entries for bank charges; update schedule.	0.10	185.00	18.50
04/11/2017	Paul Van Eyk Emails to counsel and purchaser.	1.50	650.00	975.00
04/17/2017	Carol O'Donnell Prepare wire transfer, scan and save. Emails to P. Patel.	0.50	250.00	125.00
04/17/2017	Pritesh Patel Review of direction from Purchaser. Preparation and coordination of wire to Purchasers re refunds. Review of revised letter from counsel to IRS.	0.75	525.00	393.75
04/19/2017	Carol O'Donnell Verify bank reconciliation for March 31, 2017.	0.10	250.00	25.00
04/25/2017	Carol O'Donnell Review GST, Prepare PDF and email to P. Patel.	0.20	250.00	50.00
04/26/2017	Pascale Lareau GST/HST declaration March 2017	0.30	185.00	55.50
04/27/2017	Adam Sherman Review/approve April 2017 bank recs (\$CAN and \$US).	0.20	625.00	125.00
05/08/2017	Paul Van Eyk Review of emails from US counsel.	0.25	650.00	162.50
05/08/2017	Pritesh Patel Review of compliant filed in Chapter 15 cases.	0.50	525.00	262.50
05/09/2017	Carol O'Donnell Email GL's to P. Patel.	0.10	250.00	25.00
05/09/2017	Pritesh Patel Call with counsel re compliant and case closing motion. Call with M.Wong of Thane on same.	1.00	525.00	525.00

Invoice No.: 20402083
Date: 07/12/2017



Date	Name and Description	Hours	Rate	Amount
05/10/2017	Carol O'Donnell Enter interest, email GL's to P. Patel.	0.20	250.00	50.00
05/10/2017	Paul Van Eyk Reveiw of emails and claim from the US, call with P. Patel.	1.25	650.00	812.50
05/11/2017	Ann Stremski Bank reconciliation on 2 accounts.	0.40	185.00	74.00
05/11/2017	Paul Van Eyk Review of emails.	0.25	650.00	162.50
05/11/2017	Pritesh Patel Review compliant materials in Chapter 15 proceedings, and call with Aird & Berlis on same. Call with Womble and BLG on next steps.	1.20	525.00	630.00
05/12/2017	Paul Van Eyk Discussion with P. Patel on US matters.	0.75	650.00	487.50
05/12/2017	Pritesh Patel Review email from Womble and call with BLG on same.	0.40	525.00	210.00
05/15/2017	Soazig Bourguine Website posting.	0.20	185.00	37.00
05/15/2017	Paul Van Eyk Call with P. Patel, review of emails.	1.00	650.00	650.00
05/15/2017	Pritesh Patel Preparation and attendance on Court Call for Delaware hearing to close Chapter 15 cases. Call with Womble and BLG to discuss next steps.	1.00	525.00	525.00
05/17/2017	Paul Van Eyk Follow-up on o/s US matters, review of email from US creditors, discussion with P. Patel.	0.50	650.00	325.00
05/17/2017	Pritesh Patel Update call with Aird & Berlis re Monday hearing and next steps.	0.50	525.00	262.50
05/19/2017	Pascale Lareau Working on GST calculation for April.	0.30	185.00	55.50
05/19/2017	Pritesh Patel Review of email from and call with Archive America Group of Companies re pre-filing liability and status of proceedings.	0.50	525.00	262.50
05/24/2017	Pritesh Patel Review of documentation from Archive America. Correspondence with Thane and Archive America re outstanding amount.	0.30	525.00	157.50
05/25/2017	Ann Stremski	0.20	185.00	37.00

Invoice No.: 20402083
Date: 07/12/2017



Date	Name and Description	Hours	Rate	Amount
	Prepare transfers in online banking; prepare entries for bank charges; update schedule.			
05/30/2017	Pascale Lareau GST/HST declaration April 2017.	0.20	185.00	37.00
06/07/2017	Pascale Lareau Bank reconciliation (2 bank accts.).	0.40	185.00	74.00
06/14/2017	Pascale Lareau Company HST declaration May 2017.	0.30	185.00	55.50
06/16/2017	Paul Van Eyk Review of emails on o/s matters.	1.00	650.00	650.00
06/19/2017	Carol O'Donnell Update deposit, scan and save. Update HST reconciliation.	0.50	250.00	125.00
06/20/2017	Ann Stremski Prepare transfers in online banking; prepare entries for bank charges; update schedule.	0.20	185.00	37.00
06/23/2017	Paul Van Eyk Review of emails.	0.25	650.00	162.50
06/23/2017	Pritesh Patel Call with US counsel re Chapter 15 cases and adversary proceedings. Review of GL for USD and CAD accounts, preparation of cash on hand summary and email to P.van Eyk.	0.75	525.00	393.75
Fees Total		49.70		\$ 25,972.00

Invoice No.: 20402083
Date: 07/12/2017



Remittance Form

Richter Advisory Group Inc., Receiver re: Thane Direct Canada Inc.
181 Bay Street
Suite 3320
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 25,972.00
Administrative Fees		779.16
GST/HST #885435842 RT0001		3,477.65
Total Due	CAD	\$ 30,228.81

Payment Options

Wire Transfer

Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATT
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTOR
Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Cheques

Payable to: Richter Advisory Group Inc.
Send to: 181 Bay Street, Suite 3320, Bay Wellington Tower, Toronto ON M5J 2T3

Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

T. 416.488.2345

Richter Advisory Group Inc.
181 Bay St., Suite 3320
Bay Wellington Tower
Toronto ON M5J 2T3
www.richter.ca

Toronto, Montreal

RICHTER

Richter Advisory Group Inc., Receiver re: Thane Direct Canada Inc.
181 Bay Street
Suite 3320
Toronto, ON M5J 2T3

Date: 10/31/2017
Invoice No.: 20402346
Engagement No.: 2020369
Payment Terms: Due on Receipt

Professional services rendered to October 27, 2017		\$ 12,400.50
Sub-Total		<hr/> 12,400.50
Administrative Fees		372.02
GST/HST #885435842 RT0001		1,660.43
Total Due	CAD	<hr/> \$ 14,432.95

T. 416. 488. 2345

Richter Advisory Group Inc.
181 Bay St., Suite 3320
Bay Wellington Tower
Toronto ON M5J 2T3
www.richter.ca

Toronto, Montreal



Invoice No.: 20402346
Date: 10/31/2017

E

Fees

Name	Hours	Rate	Amount
Ann Stremski	2.70	\$ 185.00	\$ 499.50
Carol O'Donnell	2.40	250.00	600.00
Eric Finley	2.50	350.00	875.00
Pascale Lareau	3.60	185.00	666.00
Paul Van Eyk	0.80	650.00	520.00
Pritesh Patel	17.60	525.00	9,240.00
	29.60		\$ 12,400.50

Invoice No.: 20402346
Date: 10/31/2017



Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
07/07/2017	Pascale Lareau Bank reconciliation (2 bank accts.).	0.40	\$ 185.00	\$ 74.00
07/11/2017	Pritesh Patel Preparation of disbursement requests for US and CAN professional fees.	0.30	525.00	157.50
07/12/2017	Carol O'Donnell Prepare cheques.	0.30	250.00	75.00
07/13/2017	Ann Stremski Communication with P. Patel and forward GL in excel and pdf.	0.20	185.00	37.00
07/13/2017	Paul Van Eyk Email to lawyers on final fees and administration.	0.25	650.00	162.50
07/13/2017	Pritesh Patel Update to schedule on proposed distributions to Purchaser and Lenders. Email to P.van Eyk on same.	0.50	525.00	262.50
07/14/2017	Paul Van Eyk Review of emails.	0.10	650.00	65.00
07/17/2017	Ann Stremski Prepare entries for bank charges; update schedule.	0.10	185.00	18.50
07/17/2017	Paul Van Eyk Review of emails.	0.25	650.00	162.50
07/25/2017	Pascale Lareau Working on bank reconciliation for May and June 2017.	0.60	185.00	111.00
08/08/2017	Carol O'Donnell Update for interest and forward GL to P. Patel. Discussion with P. Patel regarding HST. Prepare reconciliaton and file HST retrun online.	0.90	250.00	225.00
08/08/2017	Pritesh Patel Update to professional fee fund disbursement analysis. Drafting of 246 report and roll forward of R&D.	5.50	525.00	2,887.50
08/09/2017	Pritesh Patel Finalize draft of 246 report. Call with BLG re professional fees.	2.50	525.00	1,312.50
08/10/2017	Ann Stremski Prepare transfers in online banking; prepare entries for bank charges; update schedule.	0.10	185.00	18.50
08/10/2017	Pritesh Patel	2.50	525.00	1,312.50

Invoice No.: 20402346
Date: 10/31/2017

E

Date	Name and Description	Hours	Rate	Amount
	Preparation of draft direction for Purchasers. Emails to Purchasers and Agent re proposed distributions. Call with Purchaser to discuss same.			
08/11/2017	Pritesh Patel Follow-up calls with Purchaser re proposed distributions and consent to Womble fees. Call with Agent re proposed distributions.	2.00	525.00	1,050.00
08/15/2017	Pascale Lareau Bank reconciliation (CDN and US).	0.40	185.00	74.00
08/15/2017	Ann Stremski Multiple communications with P. Patel; start cheques.	1.00	185.00	185.00
08/15/2017	Pritesh Patel Preparation of disbursement requests re distributions to Purchasers and Agent. Correspondence with BMO on transfer of funds.	1.00	525.00	525.00
08/16/2017	Ann Stremski Prepare cheques; communications with P. Patel.	0.70	185.00	129.50
08/17/2017	Pritesh Patel Review update email from Womble re advesary proceeding in U.S. and response to same.	0.50	525.00	262.50
08/18/2017	Pritesh Patel Call with Womble re advesary proceeding in U.S. and next steps. Review of distribution calculations from P.Findlay re professional fee refunds.	0.50	525.00	262.50
08/23/2017	Pritesh Patel Coordinate distributions to BMO.	0.50	525.00	262.50
08/28/2017	Ann Stremski Prepare letter to Bank of Montreal to close US account; email P. Patel; administration of documents.	0.40	185.00	74.00
09/05/2017	Pascale Lareau Bank reconciliation (2 banks accts.).	0.40	185.00	74.00
09/06/2017	Pascale Lareau GST HST reconciliation August 2017 and declaration for August 2017.	0.40	185.00	74.00
09/12/2017	Paul Van Eyk Admin.	0.20	650.00	130.00
09/12/2017	Pritesh Patel Correspondence with tax team re 2017 corporate tax returns.	0.30	525.00	157.50

Invoice No.: 20402346
Date: 10/31/2017



Date	Name and Description	Hours	Rate	Amount
09/14/2017	Eric Finley Prepare corporate tax returns for: Thane Direct Canada; Thane Direct Marketing; Thane Direct Company.	2.50	350.00	875.00
09/22/2017	Ann Stremski Bookkeeping for trust account.	0.10	185.00	18.50
09/27/2017	Pritesh Patel Compile documentation and prepare letter to CRA re July 2017 HST audit.	1.00	525.00	525.00
10/05/2017	Carol O'Donnell Several communications with CRA regarding outstanding HST for March 2017. Emails to P. Pritesh.	0.50	250.00	125.00
10/10/2017	Carol O'Donnell Communications with CRA for problems filing Income tax return for April 1, 2016 to March 31, 2017. Discussions with P. Patel.	0.60	250.00	150.00
10/10/2017	Ann Stremski Prepare entries for bank charge transfers; update schedule.	0.10	185.00	18.50
10/10/2017	Pritesh Patel Discussion with W.Mahmood re filing of HST returns and sign-off.	0.50	525.00	262.50
10/12/2017	Pascale Lareau Bank reconciliation.	0.20	185.00	37.00
10/19/2017	Carol O'Donnell Review letter received from CRA.	0.10	250.00	25.00
10/20/2017	Pascale Lareau Call Revenu Canada for GST HST reimbursement.	0.70	185.00	129.50
10/23/2017	Pascale Lareau GST declaration September 2017.	0.20	185.00	37.00
10/24/2017	Pascale Lareau Deposit, balancing HST.	0.30	185.00	55.50
Fees Total		29.60		\$ 12,400.50

Invoice No.: 20402346
Date: 10/31/2017



Remittance Form

Richter Advisory Group Inc., Receiver re: Thane Direct Canada Inc.
181 Bay Street
Suite 3320
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 12,400.50
Administrative Fees		372.02
GST/HST #885435842 RT0001		1,660.43
Total Due	CAD	\$ 14,432.95

Payment Options

Wire Transfer

Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATT
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTOR
Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Cheques

Payable to: Richter Advisory Group Inc.
Send to: 181 Bay Street, Suite 3320, Bay Wellington Tower, Toronto ON M5J 2T3

Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

T. 416.488.2345

Richter Advisory Group Inc.
181 Bay St., Suite 3320
Bay Wellington Tower
Toronto ON M5J 2T3
www.richter.ca

Toronto, Montreal

RICHTER

Richter Advisory Group Inc., Receiver re: Thane Direct Canada Inc.
181 Bay Street
Suite 3320
Toronto, ON M5J 2T3

Date: 03/07/2018
Invoice No.: 20402685
Engagement No.: 2020369
Payment Terms: Due on Receipt

Professional services rendered to March 6, 2018 \$ 22,802.00

Sub-Total		<hr/>	22,802.00
Administrative Fees			684.06
GST/HST #885435842 RT0001			3,053.19
Total Due	CAD	<hr/>	\$ 26,539.25

T. 416.488.2345

Richter Advisory Group Inc.
181 Bay St., Suite 3320
Bay Wellington Tower
Toronto ON M5J 2T3
www.richter.ca

Toronto, Montreal



Invoice No.: 20402685
Date: 03/07/2018



Fees

Name	Hours	Rate	Amount
Ann Stremski	0.40	\$ 185.00	\$ 74.00
Carol O'Donnell	1.20	250.00	300.00
Pascale Lareau	1.30	185.00	240.50
Paul Van Eyk	4.80	650.00	3,120.00
Pritesh Patel	34.70	525.00	18,217.50
Wuji Mahmood	2.00	425.00	850.00
	<hr/>		
	44.40		\$ 22,802.00

Invoice No.: 20402685
Date: 03/07/2018



Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
10/30/2017	Carol O'Donnell Email GL to P.Patel.	0.20	\$ 250.00	\$ 50.00
11/01/2017	Carol O'Donnell Prepare cheque.	0.20	250.00	50.00
11/01/2017	Paul Van Eyk Administration on file.	0.10	650.00	65.00
11/02/2017	Pritesh Patel Call with CRA re HST audit on RT0002 account. Compile supporting documentation and draft letter to CRA in response. Discussion with C.O'Donnell on HST remittances and audit.	2.20	525.00	1,155.00
11/06/2017	Pascale Lareau Bank reconciliation.	0.20	185.00	37.00
11/07/2017	Ann Stremski Prepare entries for online transfers	0.10	185.00	18.50
11/14/2017	Pritesh Patel Drafting of s246(2) report, including roll- forward of R&D.	3.10	525.00	1,627.50
11/22/2017	Pascale Lareau HST reconciliation and remittance for Oct. 2017	0.20	185.00	37.00
11/23/2017	Carol O'Donnell Respond to OSB regarding questions on discharge of Receiver. Discussions with P. Patel.	0.60	250.00	150.00
11/24/2017	Paul Van Eyk Administration on file.	0.20	650.00	130.00
12/04/2017	Pascale Lareau Bank reconciliation.	0.20	185.00	37.00
12/07/2017	Pascale Lareau Declaration of GST/HST for November 2017.	0.20	185.00	37.00
12/07/2017	Carol O'Donnell Review HST reconciliation.	0.10	250.00	25.00
12/12/2017	Ann Stremski Bookkeeping for trust account.	0.10	185.00	18.50
01/04/2018	Pascale Lareau Bank reconciliation.	0.20	185.00	37.00
01/09/2018	Pritesh Patel Call with R.Jaipargas on status of receivership and adversary proceedings.	0.50	525.00	262.50
01/11/2018	Carol O'Donnell Update deposit.	0.10	250.00	25.00

Invoice No.: 20402685
Date: 03/07/2018



Date	Name and Description	Hours	Rate	Amount
01/12/2018	Ann Stremski Prepare entries	0.10	185.00	18.50
01/17/2018	Pritesh Patel Call with M.Desgrosseilliers re Delaware adversary hearing and review of transcript on same.	1.00	525.00	525.00
01/18/2018	Pascale Lareau GST Declaration for Dec. 2017	0.20	185.00	37.00
01/29/2018	Pritesh Patel Call and email to R.Orelowitz re notice of reassessment for 3244585 Nova Scotia Company. Discussions with W.Mahmood on same.	0.80	525.00	420.00
02/02/2018	Wuji Mahmood Review of tax returns and assessments for refunds received. Calls with CRA to confirm balances and estimation of potential tax liabilities.	2.00	425.00	850.00
02/02/2018	Pritesh Patel Discussion with W.Mahmood on review of TDC 2014 tax returns.	0.20	525.00	105.00
02/13/2018	Pritesh Patel Review of materials and drafting of Receiver's Second Report.	5.50	525.00	2,887.50
02/15/2018	Pritesh Patel Continue drafting Receiver's Second Report.	7.50	525.00	3,937.50
02/16/2018	Ann Stremski Bookkeeping for trust account.	0.10	185.00	18.50
02/16/2018	Pritesh Patel Updates to R&Ds for report. Drafting of fee affidavit. Discussions with W.Mahmood on tax refund.	4.10	525.00	2,152.50
02/21/2018	Pascale Lareau GST/HST declaration for Jan. 2018.	0.10	185.00	18.50
02/21/2018	Pritesh Patel Updates to report. Review of decision from Delaware court re advesary proceeding and discussion with Womble on same.	1.50	525.00	787.50
02/22/2018	Paul Van Eyk Correspondence with Purchasers, discussion with P.Patel on adversary proceedings.	0.50	650.00	325.00
02/22/2018	Pritesh Patel Call with M.Wong re advesary proceeding and next steps. Discussion with P.van Eyk on same.	0.50	525.00	262.50

Invoice No.: 20402685
Date: 03/07/2018



Date	Name and Description	Hours	Rate	Amount
02/27/2018	Paul Van Eyk Review of correspondence from counsels.	0.50	650.00	325.00
02/28/2018	Paul Van Eyk Call with counsels on adversary proceeding, discussion with P.Patel on court report and materials.	2.00	650.00	1,300.00
02/28/2018	Pritesh Patel Call with Womble and BLG re Order in adversary proceeding and next steps. Update call with M.Wong on same. Edits to fee affidavit and supporting schedules.	2.50	525.00	1,312.50
03/02/2018	Pritesh Patel Review of email from Womble on notice of appeal and discussions with BLG and Womble on same. Finalize draft of Second Report and circulate to BLG for comment. Compile appendices for Second Report.	3.00	525.00	1,575.00
03/05/2018	Paul Van Eyk Review of emails from counsel and P.Patel.	0.25	650.00	162.50
03/05/2018	Pritesh Patel Review of comments from BLG on Second Report and updates on same.	0.80	525.00	420.00
03/06/2018	Paul Van Eyk Review and comments of draft report, discussion with P.Patel on same.	1.25	650.00	812.50
03/06/2018	Pritesh Patel Comments on draft Order and discussion with BLG on same. Review of revised materials, updates to Second Report based on comments from P.van Eyk. Call with M.Wong re draft materials and status of upcoming motion.	1.50	525.00	787.50
Fees Total		44.40		\$ 22,802.00

Invoice No.: 20402685
Date: 03/07/2018



Remittance Form

Richter Advisory Group Inc., Receiver re: Thane Direct Canada Inc.
181 Bay Street
Suite 3320
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 22,802.00
Administrative Fees		684.06
GST/HST #885435842 RT0001		3,053.19
Total Due	CAD	\$ 26,539.25

Payment Options

Wire Transfer

Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTOR
Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Cheques

Payable to: Richter Advisory Group Inc.
Send to: 181 Bay Street, Suite 3320, Bay Wellington Tower, Toronto ON M5J 2T3

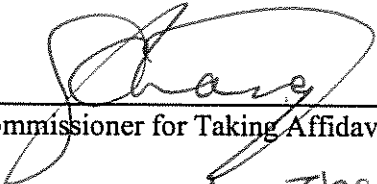
Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

T. 416.488.2345

Richter Advisory Group Inc.
181 Bay St., Suite 3320
Bay Wellington Tower
Toronto ON M5J 2T3
www.richter.ca

Toronto, Montreal

This is Exhibit "B" referred to in the Affidavit of
Pritesh Patel, sworn before me this
9th day of March, 2018



Commissioner for Taking Affidavits, etc

Yun Cindy Zhang

Yun Cindy Zhang, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires March 30, 2019.

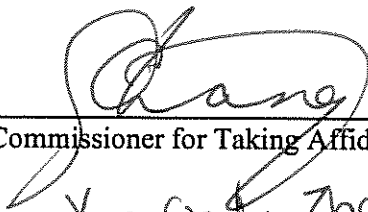
Richter Advisory Group Inc.
in its capacity as Receiver of

Exhibit B

In the Matter of the Receivership of Thane Direct Company, Thane Direct Canada Inc., Thane Direct Marketing Inc.,
Thane International, Inc., West Coast Direct Marketing, Inc., TDG, Inc., and Thane Direct, Inc.
Statement of accounts

Staff member	Number of hours	Hourly rate	Amount
Senior Vice President			
A.Sherman	0.4	\$ 625.00	\$ 250.00
P.van Eyk	24.4	\$ 650.00	\$ 15,860.00
Vice President			
P.Patel	74.9	\$ 525.00	\$ 39,322.50
Manager			
W.Mahmood	2.0	\$ 425.00	\$ 850.00
Associate			
E.Finley	2.5	\$ 350.00	\$ 875.00
Administration			
S.Bourgine	1.2	\$ 185.00	\$ 222.00
P.Lareau	7.8	\$ 185.00	\$ 1,443.00
C.O'Donnell	6.3	\$ 250.00	\$ 1,575.00
A.Stremski	4.2	\$ 185.00	\$ 777.00
Total	123.7		\$ 61,174.50
Blended average hourly rate:		\$ 494.54	

This is Exhibit "C" referred to in the Affidavit of
Pritesh Patel, sworn before me this
9th day of March, 2018



Commissioner for Taking Affidavits, etc
Yun Cindy Zhang
Yun Cindy Zhang, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires March 30, 2019.

WOMBLE CARLYLE SANDRIDGE & RICE, LLP

222 DELAWARE AVENUE
WILMINGTON, DELAWARE 19801
TELEPHONE (302) 252-4320
FACSIMILE (302) 252-4330

OTHER OFFICES:

ATLANTA, GA
BALTIMORE, MD
CHARLESTON, SC
CHARLOTTE, NC
CHARLOTTESVILLE, VA
COLUMBIA, SC
GREENSBORO, NC
GREENVILLE, SC
RALEIGH, NC
RESEARCH TRIANGLE PARK, NC
SILICON VALLEY, CA
TYSONS CORNER, VA
WASHINGTON, D.C.
WINSTON-SALEM, NC

May 15, 2017
Matter Number 88824.0002.7
Bill Number 2637952
STATEMENT FOR SERVICES RENDERED

Mr. Paul van Eyk
Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Bay Wellington Tower
Toronto, ONT M5J 2T3

RE: Thane Chapter 15 Proceedings

FOR PROFESSIONAL SERVICES RENDERED THROUGH 04/30/2017	\$6,388.00
DISBURSEMENTS THROUGH 04/30/2017	<u>\$335.60</u>
CURRENT TOTAL	<u>\$6,723.60</u>

If paying by check or online banking bill payment, please remit payment DUE ON RECEIPT to the following address:	If paying by wire, please remit payment DUE ON RECEIPT as follows:
PO Box 601879 Charlotte, North Carolina 28260-1879 Please do not use the above address for trust funds or retainer payments. Please send all trust funds and retainer payments directly to One West Fourth Street, Winston-Salem, NC 27101.	Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: W F B I U S 6 S For Credit To: Womble Carlyle Sandridge & Rice, LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408 PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wcsr.com .
Tax Identification Number 56-0308470	

ITEMIZED SERVICES BILL

Date:	Description:	Attorney:	Hours:
03/03/2017	Factual research regarding notices pursuant to Section 1518 and draft notice of change of status of foreign main proceeding and final report of the receiver	Wray, Judith B.*	0.80
03/06/2017	Call with Roger Jaipargas regarding case closing	Patterson, Morgan L.	0.40
03/06/2017	Correspondence with Pritesh Patel regarding case closing	Patterson, Morgan L.	0.10
03/07/2017	Correspondence with Roger Jaipargas and Pritesh Patel regarding case closing motion revisions	Patterson, Morgan L.	0.10
03/10/2017	Correspondence with Roger Jaipargas regarding status of Canadian case closing	Patterson, Morgan L.	0.10
04/03/2017	Address case closing matters; call with Roger Jaipargas regarding same	Desgrosseilliers, Mark L.	0.60
04/03/2017	Review/revise and file Final Decree Motion and Order, Final Report, Notice of Change of Status of Foreign Representative; correspondence with Court chambers regarding hearing dates; coordinate service of motion and related filings	Patterson, Morgan L.	5.40
04/06/2017	Address tax issues; address case closing matters	Desgrosseilliers, Mark L.	1.10
04/06/2017	Review service of documents to IRS	Patterson, Morgan L.	0.60
04/07/2017	Review transcripts regarding tax claims	Patterson, Morgan L.	0.40
04/10/2017	Address IRS tax claim issues; address case closing matters	Desgrosseilliers, Mark L.	0.80
04/11/2017	Review IRS notices and serve closing papers on additional IRS addresses	Patterson, Morgan L.	0.20
04/13/2017	Review IRS correspondence; draft letter to IRS regarding amounts due	Patterson, Morgan L.	0.80
04/14/2017	Draft/revise letter to IRS and circulate; review case deadlines and calendar	Patterson, Morgan L.	1.90
04/16/2017	Address IRS issues	Desgrosseilliers, Mark L.	0.40
04/16/2017	Revise and re-circulate IRS letter	Patterson, Morgan L.	0.60
04/17/2017	Revise and send IRS letter	Patterson, Morgan L.	0.40
04/24/2017	Correspondence with Pritesh Patel regarding IRS letter	Patterson, Morgan L.	0.10

Total for Services: \$ 6,388.00

* If an asterisk appears above, it designates a Legal Assistant or other non-lawyer professional.

DISBURSEMENTS AND OTHER CHARGES

Date:	Description:	Amount:
Apr 3, 2017	Copying/Printing Reliable Wilmington - Service of Motion for Final Decree and other case closing documents	\$ 270.88
Apr 11, 2017	Service of Process Reliable Wilmington - Service of Documents on IRS at Utah location	\$ 64.72
Total Disbursements:		<u>\$ 335.60</u>

Any disbursement appearing on our statements as Business Meals and Entertainment is stated at cost. The Revenue Reconciliation Act of 1993 reduced the deductibility of these expenses to you from 80% to 50%. We maintain the supporting documentation for these costs and will make the documentation available to you upon request.

TIMEKEEPER SUMMARY

Attorney:	Hours:	Amount:	Rate:
Desgrosselliers, Mark L.	2.90	\$ 1,740.00	\$ 600.00
Patterson, Morgan L.	11.10	\$ 4,440.00	\$ 400.00
Wray, Judith B.*	0.80	\$ 208.00	\$ 260.00
Totals:	14.80	\$ 6,388.00	

* If an asterisk appears above, it designates a Legal Assistant or other non-lawyer professional.

Use of Legal Support Service Providers

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GREENVILLE, SC
RALEIGH, NC
RESEARCH TRIANGLE PARK, NC
SILICON VALLEY, CA
TYSONS CORNER, VA
WASHINGTON, D.C.
WINSTON-SALEM, NC

June 9, 2017
Matter Number 88824.0002.7
Bill Number 2642392
STATEMENT FOR SERVICES RENDERED

Mr. Paul van Eyk
Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Bay Wellington Tower
Toronto, ONT M5J 2T3

RE: Thane Chapter 15 Proceedings

FOR PROFESSIONAL SERVICES RENDERED THROUGH 05/31/2017	\$12,320.00
DISBURSEMENTS THROUGH 05/31/2017	\$623.00
CURRENT TOTAL	\$12,943.00

Our accounting records indicate the following invoices remain outstanding as of June 9, 2017. Questions regarding these invoices should be directed to AccountsReceivable@wcsr.com.

Bill Number 2637952 dated 05/15/2017 \$6,723.60

If paying by check or online banking bill payment, please remit payment DUE ON RECEIPT to the following address:	If paying by wire, please remit payment DUE ON RECEIPT as follows:
PO Box 601879 Charlotte, North Carolina 28260-1879 Please <i>do not</i> use the above address for trust funds or retainer payments. Please send all trust funds and retainer payments directly to One West Fourth Street, Winston-Salem, NC 27101.	For Credit To: Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: W F B I U S 6 S Womble Carlyle Sandridge & Rice, LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408
PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wcsr.com .	
Tax Identification Number 56-0308470	

ITEMIZED SERVICES BILL

Date:	Description:	Attorney:	Hours:
05/08/2017	Address case closing matters, including pending adversary proceeding; prepare for hearing concerning same; prepare for call with Canadian counsel concerning same	Desgrosseilliers, Mark L.	0.70
05/08/2017	Review docket of transferred adversary; Call with Mark Desgrosseilliers regarding transferred adversary; Correspondence with Roger Jaipargas regarding transferred adversary	Patterson, Morgan L.	1.90
05/08/2017	Interoffice conference with M. Patterson regarding California litigation; review of docket and preparation of binders with litigation documents	Sasso, Heidi E.*	0.90
05/09/2017	Prepare for call concerning case closing and adversary proceeding; attend same; follow-up concerning same; prepare for hearing regarding case closing	Desgrosseilliers, Mark L.	1.30
05/09/2017	Review docket and pleadings from transferred adversary; Call with Roger Jaipargas, Mark Desgrosseilliers, and Pritesh Patel regarding transferred adversary; Correspondence with Heidi Sasso regarding CourtCall appearance for Roger Jaipargas	Patterson, Morgan L.	2.60
05/10/2017	Draft 5/15 agenda	Sasso, Heidi E.*	0.30
05/10/2017	Telephone call to court regarding telephonic appearances	Sasso, Heidi E.*	0.10
05/11/2017	Prepare for call concerning case closing; attend same; follow-up concerning same	Desgrosseilliers, Mark L.	0.90
05/11/2017	Review and file agenda; Coordinate additional service regarding case closing on transferred adversary proceeding; Correspondence with Court chambers regarding hearing status	Patterson, Morgan L.	0.70
05/11/2017	File and serve 5/15 agenda; preparation of hearing binders	Sasso, Heidi E.*	0.60
05/12/2017	Continue to address case closing matters	Desgrosseilliers, Mark L.	0.60
05/12/2017	Call with counsel to Plaintiff in transferred adversary; Work with Mark Desgrosseilliers and Kendra Rodwell regarding research for hearing; Call with Roger Jaipargas regarding hearing update/status	Patterson, Morgan L.	1.80
05/12/2017	Review of supplemental affidavit of service; correspondence to K. Rodwell regarding same	Sasso, Heidi E.*	0.10
05/12/2017	Draft affidavit of service; research in connection with closing the case	Rodwell, Kendra A.*	1.20
05/13/2017	Revise propose order for hearing; Prepare for contested closing hearing	Patterson, Morgan L.	1.80
05/14/2017	Legal research and prepare for contested hearing	Patterson, Morgan L.	5.40
05/14/2017	Research in connection with closing the case	Rodwell, Kendra A.*	1.20

Date:	Description:	Attorney:	Hours:
05/15/2017	Prepare for and attend hearing regarding case closing; Call with Roger Jaipargas and Pritesh Patel regarding case closing; Circulate and serve order closing cases	Patterson, Morgan L.	6.10
05/15/2017	Research in connection with closing the case	Rodwell, Kendra A.*	1.50
05/16/2017	Coordinate service of Final Decree Order	Sasso, Heidi E.*	0.10
05/18/2017	Follow-up concerning case closing; address creditor issues in case	Desgrosseilliers, Mark L.	0.30
05/19/2017	Follow-up concerning case closing and related adversary issues	Desgrosseilliers, Mark L.	0.60
Total for Services:			<u>\$ 12,320.00</u>

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DISBURSEMENTS AND OTHER CHARGES

Date:	Description:	Amount:
May 11, 2017	Copying/Printing Reliable Wilmington - Hand delivery services; print from CM/ECF site; mailout service; envelopes; postage; address 7 mail/fedex and draft and file AOS	\$ 319.23
May 11, 2017	Messenger/Courier Service Reliable Wilmington - Hand delivery service - Venable	\$ 10.00
May 11, 2017	Express Delivery Charge Federal Express Corporation; 779118425274; JEFFER, MANGELS, BUTLER & MITC, STANLEY M. GIBSON, LOS ANGELES, CA	\$ 14.05
May 11, 2017	Express Delivery Charge Federal Express Corporation; 779118368219; DEPARTMENT OF TREASURY, ATTN: GINNI L. REDFEM, OGDEN, UT	\$ 14.05
May 11, 2017	Express Delivery Charge Federal Express Corporation; 786541376620; Venable LLP, Tamany Vinson Bentz, LOS ANGELES, CA	\$ 19.40
May 11, 2017	Express Delivery Charge Federal Express Corporation; 786541341350; Venable LLP, Jennifer Levin, LOS ANGELES, CA	\$ 19.40
May 11, 2017	Express Delivery Charge Federal Express Corporation; 786541298426; Jeffer, Mangels, Butler & Mitc, Stanley Gibson, LOS ANGELES, CA	\$ 19.40
May 15, 2017	Messenger/Courier Service Reliable Wilmington - Pick-up documents at USBC	\$ 22.38
May 16, 2017	Copying/Printing Reliable Wilmington - Mailout services; envelopes and addresses; postage and draft and e-file AOS	\$ 150.15
	Photocopies	\$ 35.00
Total Disbursements:		\$ 623.06

Any disbursement appearing on our statements as Business Meals and Entertainment is stated at cost. The Revenue Reconciliation Act of 1993 reduced the deductibility of these expenses to you from 80% to 50%. We maintain the supporting documentation for these costs and will make the documentation available to you upon request.

TIMEKEEPER SUMMARY

Attorney:	Hours:	Amount:	Rate:
Desgrosseilliers, Mark L.	4.40	\$ 2,640.00	\$ 600.00
Patterson, Morgan L.	20.30	\$ 8,120.00	\$ 400.00
Sasso, Heidi E.*	2.10	\$ 546.00	\$ 260.00
Rodwell, Kendra A.*	3.90	\$ 1,014.00	\$ 260.00
Totals:	30.70	\$ 12,320.00	

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RALEIGH, NC
RESEARCH TRIANGLE PARK, NC
SILICON VALLEY, CA
TYSONS CORNER, VA
WASHINGTON, D.C.
WINSTON-SALEM, NC

July 12, 2017
Matter Number 88824.0002.7
Bill Number 2649841
STATEMENT FOR SERVICES RENDERED

Mr. Paul van Eyk
Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Bay Wellington Tower
Toronto, ONT M5J 2T3

RE: Thane Chapter 15 Proceedings

FOR PROFESSIONAL SERVICES RENDERED THROUGH 06/30/2017	\$360.00
DISBURSEMENTS THROUGH 06/30/2017	\$30.00
CURRENT TOTAL	\$390.00

Our accounting records indicate the following invoices remain outstanding as of July 12, 2017. Questions regarding these invoices should be directed to AccountsReceivable@wcsr.com.

Bill Number 2637952 dated 05/15/2017	\$6,723.60
Bill Number 2642392 dated 06/09/2017	\$12,943.06

If paying by check or online banking bill payment, please remit payment DUE ON RECEIPT to the following address:	If paying by wire, please remit payment DUE ON RECEIPT as follows:				
PO Box 601879 Charlotte, North Carolina 28260-1879 Please <i>do not</i> use the above address for trust funds or retainer payments. Please send all trust funds and retainer payments directly to One West Fourth Street, Winston-Salem, NC 27101.	<table><tr><td>Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: W F B I U S 6 S</td><td>For Credit To: Womble Carlyle Sandridge & Rice, LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408</td></tr><tr><td colspan="2">PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wcsr.com.</td></tr></table>	Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: W F B I U S 6 S	For Credit To: Womble Carlyle Sandridge & Rice, LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408	PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wcsr.com.	
Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: W F B I U S 6 S	For Credit To: Womble Carlyle Sandridge & Rice, LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408				
PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wcsr.com.					
Tax Identification Number 56-0308470					

ITEMIZED SERVICES BILL

Date:	Description:	Attorney:	Hours:
06/08/2017	Address tax and related case closing matters	Desgrosseilliers, Mark L.	0.30
06/23/2017	Address case closing and distribution issues; call concerning same	Desgrosseilliers, Mark L.	0.30
		Total for Services:	<u>\$ 360.00</u>

DISBURSEMENTS AND OTHER CHARGES

Date:	Description:	Amount:
	Telephone	\$ 30.00
	Total Disbursements:	<u>\$ 30.00</u>

Any disbursement appearing on our statements as Business Meals and Entertainment is stated at cost. The Revenue Reconciliation Act of 1993 reduced the deductibility of these expenses to you from 80% to 50%. We maintain the supporting documentation for these costs and will make the documentation available to you upon request.

TIMEKEEPER SUMMARY

Attorney:	Hours:	Amount:	Rate:
Desgrosseilliers, Mark L.	0.60	\$ 360.00	\$ 600.00
Totals:	<u>0.60</u>	<u>\$ 360.00</u>	

Use of Legal Support Service Providers

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RALEIGH, NC
RESEARCH TRIANGLE PARK, NC
SILICON VALLEY, CA
TYSONS CORNER, VA
WASHINGTON, D.C.
WINSTON-SALEM, NC

July 26, 2017
Matter Number 88824.0002.7
Bill Number 2653892
STATEMENT FOR SERVICES RENDERED

Mr. Paul van Eyk
Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Bay Wellington Tower
Toronto, ONT M5J 2T3

RE: Thane Chapter 15 Proceedings

FOR PROFESSIONAL SERVICES RENDERED FROM 07/01/2017 THROUGH 07/26/2017	\$160.00
CURRENT TOTAL	\$160.00

Our accounting records indicate the following invoices remain outstanding as of July 26, 2017. Questions regarding these invoices should be directed to AccountsReceivable@wcsr.com.

Bill Number 2642392 dated 06/09/2017	\$12,943.06
Bill Number 2649841 dated 07/12/2017	\$390.00

If paying by check or online banking bill payment, please remit payment DUE ON RECEIPT to the following address:	If paying by wire, please remit payment DUE ON RECEIPT as follows:
PO Box 601879 Charlotte, North Carolina 28260-1879	For Credit To: Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: W F B I U S 6 S
Please do not use the above address for trust funds or retainer payments. Please send all trust funds and retainer payments directly to One West Fourth Street, Winston-Salem, NC 27101.	Womble Carlyle Sandridge & Rice, LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408
PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wcsr.com.	
Tax Identification Number 56-0308470	

ITEMIZED SERVICES BILL

Date:	Description:	Attorney:	Hours:
07/13/2017	Call with franchise tax board regarding dissolution	Patterson, Morgan L.	0.20
07/14/2017	Work on closing files and potential dissolution of entities	Patterson, Morgan L.	0.20
Total for Services:			<u>\$ 160.00</u>

TIMEKEEPER SUMMARY

Attorney:	Hours:	Amount:	Rate:
Patterson, Morgan L.	0.40	\$ 160.00	\$ 400.00
Totals:	<u>0.40</u>	<u>\$ 160.00</u>	

Use of Legal Support Service Providers

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 www.womblebonddickinson.com

September 11, 2017
 Matter Number 88824.0002.7
 Bill Number 2663409
 STATEMENT FOR SERVICES RENDERED

Mr. Paul van Eyk
 Richter Advisory Group Inc.
 181 Bay Street, Suite 3320
 Bay Wellington Tower
 Toronto, ONT M5J 2T3

RE: Thane Chapter 15 Proceedings

FOR PROFESSIONAL SERVICES RENDERED THROUGH 08/31/2017	\$690.00
CURRENT TOTAL	\$690.00

Our accounting records indicate the following invoices remain outstanding as of March 2, 2018. Questions regarding these invoices should be directed to AccountsReceivable@wcsr.com.

Bill Number 4114417 dated 03/02/2018 \$2,921.00

<p>If paying by check or online banking bill payment, please remit payment DUE ON RECEIPT to the following address:</p> <p>PO Box 601879 Charlotte, North Carolina 28260-1879</p> <p><i>Please do not use the above address for trust funds or retainer payments. Please send all trust funds and retainer payments directly to One West Fourth Street, Winston-Salem, NC 27101.</i></p>	<p>If paying by wire, please remit payment DUE ON RECEIPT as follows:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"> Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: WFBUIUS6S </td> <td style="width: 50%;"> <p><u>For Credit To:</u> Womble Bond Dickinson (US) LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408</p> </td> </tr> </table> <p>PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wbd-us.com.</p>	Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: WFBUIUS6S	<p><u>For Credit To:</u> Womble Bond Dickinson (US) LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408</p>
Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 121000248 Swift Code: WFBUIUS6S	<p><u>For Credit To:</u> Womble Bond Dickinson (US) LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2087311040408</p>		
<p>Tax Identification Number 56-0308470</p>			

ITEMIZED SERVICES BILL

Date:	Description:	Attorney:	Hours:
08/14/2017	Review agenda regarding adversary proceeding	Verna, Nicholas T.	0.10
08/16/2017	Review amended agenda regarding hearing rescheduling	Verna, Nicholas T.	0.20
08/16/2017	Telephone call to CourtCall to register N. Verna to appear for telephonic hearing on 8/17/17	Fitzgerald, Chadd P.*	0.20
08/17/2017	Attend telephonic adversary status conference meeting and provide update regarding the same	Verna, Nicholas T.	0.50
08/18/2017	Address adversary matters; call concerning same	Desgrosseilliers, Mark L.	0.60
Total for Services:			<u>\$ 690.00</u>

* If an asterisk appears above, it designates a Legal Assistant or other non-lawyer professional.

TIMEKEEPER SUMMARY

Attorney:	Hours:	Amount:	Rate:
Desgrosseilliers, Mark L.	0.60	\$ 360.00	\$ 600.00
Verna, Nicholas T.	0.80	\$ 280.00	\$ 350.00
Fitzgerald, Chadd P.*	0.20	\$ 50.00	\$ 250.00
Totals:	<u>1.60</u>	<u>\$ 690.00</u>	

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Use of Legal Support Service Providers

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March 2, 2018
 Matter Number 88824.0002.7
 Bill Number 4114417
 STATEMENT FOR SERVICES RENDERED

Mr. Paul van Eyk
 Richter Advisory Group Inc.
 181 Bay Street, Suite 3320
 Bay Wellington Tower
 Toronto, ONT M5J 2T3

RE: Thane Chapter 15 Proceedings

FOR PROFESSIONAL SERVICES RENDERED THROUGH 02/28/2018	\$2,921.00
CURRENT TOTAL	\$2,921.00

Our accounting records indicate the following invoices remain outstanding as of March 2, 2018. Questions regarding these invoices should be directed to AccountsReceivable@wcsr.com.

Bill Number 2663409 dated 09/11/2017 \$690.00

If paying by check or online banking bill payment, please remit payment DUE ON RECEIPT to the following address: PO Box 601879 Charlotte, North Carolina 28260-1879 Please <i>do not</i> use the above address for trust funds or retainer payments. Please send all trust funds and retainer payments directly to One West Fourth Street, Winston-Salem, NC 27101.	If paying by wire, please remit payment DUE ON RECEIPT as follows: <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"> Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 1 2 1 0 0 0 2 4 8 Swift Code: W F B I U S 6 S </td> <td style="width: 40%; padding-left: 20px;"> <u>For Credit To:</u> Womble Bond Dickinson (US) LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2 0 8 7 3 1 1 0 4 0 4 0 8 </td> </tr> </table> PLEASE include our bill # and client/matter# on EFT, or e-mail remittance advice to AccountsReceivable@wbd-us.com .	Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 1 2 1 0 0 0 2 4 8 Swift Code: W F B I U S 6 S	<u>For Credit To:</u> Womble Bond Dickinson (US) LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2 0 8 7 3 1 1 0 4 0 4 0 8
Wells Fargo Bank, N.A. 1525 W.T. Harris Blvd. Charlotte, NC 28288 ABA no. 1 2 1 0 0 0 2 4 8 Swift Code: W F B I U S 6 S	<u>For Credit To:</u> Womble Bond Dickinson (US) LLP One West Fourth Street Winston-Salem, NC 27101 Account no. 2 0 8 7 3 1 1 0 4 0 4 0 8		

Tax Identification Number 56-0308470

ITEMIZED SERVICES BILL

Date:	Description:	Attorney:	Hours:
11/09/2017	Address Stanley Jacobs adversary and briefing	Desgrosseilliers, Mark L.	0.40
01/12/2018	Review adversary briefs; address coverage for hearing on same	Desgrosseilliers, Mark L.	0.60
01/17/2018	Attend hearing regarding Stanley Jacobs matter	Fitzgerald, Chadd P.*	1.00
02/21/2018	Review bankruptcy court opinion regarding Stanley Jacobs; communications with client and co-counsel regarding same; follow-up concerning same	Desgrosseilliers, Mark L.	0.70
02/21/2018	Review Stanley Jacobs adversary opinion; correspondence with Mark Desgrosseilliers and client regarding same	Patterson, Morgan L.	0.70
02/27/2018	Prepare for call regarding distribution request	Desgrosseilliers, Mark L.	0.70
02/27/2018	Multiple correspondence with Heidi Sasso and Chadd Fitzgerald regarding hearing transcript	Patterson, Morgan L.	0.10
02/27/2018	Search for transcript of final hearing	Fitzgerald, Chadd P.*	0.10
02/28/2018	Prepare for call regarding distribution and adversary proceeding; attend same; follow up concerning same	Desgrosseilliers, Mark L.	0.80
02/28/2018	Call with client, Roger Jaipargas, Mark Desgrosseilliers regarding going forward strategy; follow up discussion with Mark Desgrosseilliers regarding same; work with Heidi Sasso regarding transcript	Patterson, Morgan L.	0.70
Total for Services:			<u>\$ 2,921.00</u>

* If an asterisk appears above, it designates a Legal Assistant or other non-lawyer professional.

TIMEKEEPER SUMMARY

Attorney:	Hours:	Amount:	Rate:
Desgrosseilliers, Mark L.	3.20	\$ 2,016.00	\$ 630.00
Patterson, Morgan L.	1.50	\$ 630.00	\$ 420.00
Fitzgerald, Chadd P.*	1.10	\$ 275.00	\$ 250.00
Totals:	<u>5.80</u>	<u>\$ 2,921.00</u>	

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Use of Legal Support Service Providers

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BANK OF MONTREAL - and - **THANE INTERNATIONAL, INC., et. al.**

Applicant

Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

**AFFIDAVIT OF PRITESH PATEL
(Sworn March 9, 2018)**

BORDEN LADNER GERVAIS LLP

Barristers and Solicitors
Bay Adelaide Centre, East Tower
22 Adelaide St. W.
Toronto, ON
M5H 4E3

Roger Jaipargas

Tel: (416) 367-6266
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(LSUC #43275C)

Rachael Belanger

Tel: (416) 367-6485
Fax: (416) 367-6749
(LSUC #67674B)

Lawyers for Richter Advisory Group Inc., in its capacity
as Court-appointed Receiver of the Respondents

APPENDIX G

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

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

**AFFIDAVIT OF GORDON RAMAN
(Sworn March 8, 2018)**

I, **GORDON RAMAN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Partner at the law firm of Borden Ladner Gervais LLP (“**BLG**”), counsel to Richter Advisory Group Inc., in its capacity as Court-appointed receiver of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc. (the “**Receiver**”), and as such have knowledge of the matters hereinafter deposed to.

2. This affidavit is made in support of a motion for, among other things, the approval of the fees and disbursements of BLG for the period from January 9, 2018 to March 6, 2018 (the "Fee Period"). Attached hereto and marked as **Exhibit "A"** is a copy of the BLG Account for the Fee Period, in the total amount of \$6,140.61.

3. The account attached as Exhibit "A" provides a fair and accurate description of the activities undertaken by BLG. Attached hereto and marked as **Exhibit "B"** is a summary of the hourly rate and time expended by the professionals at BLG during the Fee Period.

4. BLG requests that the Court approve its accounts for the Fee Period for fees in the amount of \$6,314.00, disbursements of \$76.50 and taxes of \$706.45, for services rendered and recorded.

5. Barring unforeseen circumstances, BLG estimates that it will incur no more than \$5,000.00 in additional fees, excluding disbursements and applicable taxes, for services to be provided to the Receiver through to the date of the Receiver's discharge. BLG requests that the Court approve its estimated fees for the period from March 7, 2018 through to the date of the Receiver's discharge in the amount of up to \$5,000.00, exclusive of disbursements and applicable taxes.

6. Attached hereto and marked as **Exhibit "C"** is copy of the BLG Account dated June 13, 2017, totalling \$26,363.27, inclusive of taxes and disbursements, which was previously approved pursuant to the Order of Justice Conway dated April 3, 2017, as part of BLG's initial fee estimate to completion.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario,)
this 8th day of March, 2018.)
_____)
A Commissioner for Taking Affidavits)

[Handwritten Signature]
Gordon Ramon

[Handwritten Signature: Gordon Ramon]

GORDON RAMAN



Borden Ladner Gervais LLP
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Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Toronto, ON M5J 2T3

March 8, 2018

Attention: Paul van Eyk
CPA, IFA, CIRP, Fellow of INSOL

Invoice # 697561475
Page 1

Re: Thane Direct Canada Inc.

File No: 033551/000001

PROFESSIONAL SERVICES rendered to March 7, 2018 in connection with the above matter as described in the attached.

Fees	\$ 6,314.00
Less Discount	(956.34)
Fee Balance	<u>5,357.66</u>
Disbursements	76.50
HST on Fees and Taxable Disbursements	<u>706.45</u>
Total this Invoice	<u>\$ 6,140.61</u>


THIS IS OUR ACCOUNT - E. & O.E.

BORDEN LADNER GERVAIS LLP

By:


Roger Jaipargas

This is Exhibit "A" referred to in the
Affidavit of Gordon Raman sworn
before me this 8th day of March 2018.


A Commissioner for Taking Affidavits
"Roger Jaipargas"

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

March 8, 2018
Invoice # 697561475
File No: 033551/000001
Page 2

PROFESSIONAL SERVICES RENDERED to March 7, 2018

Jan 9, 2018	R. Jaipargas	0.50	Conference call with P. Patel in connection with next steps regarding adversary proceeding and issues for winding up receivership; email to P. Patel re same.
Feb 6, 2018	R. Jaipargas	0.10	Emails from and to P. Patel in connection with motion for order authorizing distribution of tax refund and next steps in connection with same.
Feb 25, 2018	R. Jaipargas	0.30	Conference call P. Patel in connection with outcome of Stanley Jacobs litigation in the United States and issues arising from same and timing issues for further motion in the Ontario Superior Court of Justice for an order authorizing a distribution of the additional tax refund that has been received by the Receiver of Thane and next steps regarding same.
Feb 28, 2018	R. Jaipargas	0.20	Conference call with M. Desgrosseilliers, M. Patterson, P. Patel and P. van Eyk in connection with Stanley Jacobs litigation in the United States and next steps regarding same and approach to be taken in connection with distribution of additional tax refund to receive from/by the Receiver of Thane and timing issues for motion in connection with same.
Mar 2, 2018	R. Jaipargas	0.40	Emails from and to M. Desgrosseilliers in connection with Stanley Jacobs appeal and position to be taken in light of same; email to P. Patel in connection with final motion required to distribution of tax refunds and to wind-up the Thane Estate; conference call with P. Patel re seeking instructions on same.
Mar 4, 2018	R. Jaipargas	1.30	Engaged on review and revisions to draft second report of the Receiver in connection with the further motion required for a distribution order on account of additional tax refunds amounts received by the Receiver.



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Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

March 8, 2018
Invoice # 697561475
File No: 033551/000001
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- | | | | |
|-------------|--------------|------|--|
| Mar 5, 2018 | R. Jaipargas | 3.80 | Engaged on preparing Notice of Motion, draft Order and BLG Fee Affidavit for motion for distribution of tax refunds paid into the Thane Estate by CRA; further review and revisions to draft second report of the Receiver in connection with same; reporting email to P. Patel in connection with clean and blackline versions of the second report and drafts of the notice of motion and order in connection with proposed motion for an order authorizing a distribution to the new Thane purchasers; conference call with P. Patel re various issues of consideration in connection with next motion for a distribution order and approach to be taken in connection with same; email to P. Patel re BLG Fee Affidavit and approach to be taken in connection with Richter's Fee Affidavit and timing issues in connection with same. |
| Mar 6, 2018 | R. Jaipargas | 1.10 | Emails from and to P. Patel on comments on draft order and notice of motion; engaged on review and consideration of same; working on changes to draft notice of motion and order to implement comments received from Richter; telephone attendance with P. Patel re same; emails to and from P. Patel in connection with revisions to draft second report of the Receiver; engaged on review of same; email to P. Patel in connection with revised report and additional comments in connection with same. |

TO OUR FEES	\$ 6,314.00
Less Discount	<u>(956.34)</u>
FEE BALANCE	5,357.66



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Richter Advisory Group Inc.
 Re: Thane Direct Canada Inc.

March 8, 2018
 Invoice # 697561475
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 Page 4

FEE SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Avg. Rate/Hr.</u>	<u>Amount</u>
R. Jaipargas	<u>7.70</u>	\$ 695.80	<u>\$ 5,357.66</u>
	<u>7.70</u>		<u>\$ 5,357.66</u>

DISBURSEMENTS:

<u>Taxable</u>		G=GST; Q=QST; H=HST; P=PST	
	Copies		<u>\$76.50</u> H
Total Taxable Disbursements			<u>76.50</u>
Total Disbursements			76.50
Total Fees and Disbursements			<u>5,434.16</u>
HST on Fees and Taxable Disbursements			<u>706.45</u>
TOTAL THIS INVOICE			<u>\$ 6,140.61</u>

PAYABLE ON RECEIPT
 INTEREST AT THE RATE OF 1.3% PER ANNUM MAY BE CHARGED ON ACCOUNTS WHICH ARE OVERDUE
 GST/HST REGISTRATION # R869096974RT001



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Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Toronto, ON M5J 2T3

March 8, 2018
Invoice # 697561475
RJ/RJ

Re: Thane Direct Canada Inc.

File No: 033551/000001

REMITTANCE COPY

Fees	\$ 6,314.00
Less Discount	(956.34)
Fee Balance	<u>5,357.66</u>
Disbursements	76.50
HST on Fees and Taxable Disbursements	<u>706.45</u>
Total this Invoice	<u>\$ 6,140.61</u>

PLEASE RETURN THIS COPY WITH YOUR PAYMENT
MAKE CHEQUES PAYABLE TO BORDEN LADNER GERVAIS LLP

PAYABLE ON RECEIPT
INTEREST AT THE RATE OF 1.3% PER ANNUM MAY BE CHARGED ON ACCOUNTS WHICH ARE OVERDUE
GST/HST REGISTRATION # R869096974RT0001



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Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Toronto, ON M5J 2T3

March 8, 2018
Invoice # 697561475
RJ/RJ

Alternatively, payment may be wired or electronic fund transferred (EFT) to:

Incoming Wiring Payments:

Beneficiary Institution:

Canadian Clearing Code: //CC000247696
Scotiabank
44 King Street West
Toronto, Ontario, M5H 1H1
Canada

Beneficiary Customer:

BORDEN LADNER GERVAIS LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, M5H 4E3

12 Digit account number: **80002 14221 11** (CAD Funds)
Bank #: 002
Transit #: 80002

12 Digit account number: **80002 51181 15** (USD Funds)
Bank #: 002
Transit #: 80002

Scotiabank Swift Code: NOSCCATT
Scotiabank ABA Number: 026002532 (US dollars coming from USA).

Please email payment details to:

ReceiptsTOR@blg.com

Contact: Accounts Receivable Toronto (416) 367-6703
Please include our invoice number(s) with all payments

PAYABLE ON RECEIPT
INTEREST AT THE RATE OF 1.3% PER ANNUM MAY BE CHARGED ON ACCOUNTS WHICH ARE OVERDUE
GST/HST REGISTRATION # R869096974RT0001

This is Exhibit "B" referred to in the Affidavit of Gordon Raman sworn before me this 8th day of March, 2018.



A Commissioner for Taking Affidavits
"Roger Jaipargas"

**Summary of Fees and Disbursements of Borden Ladner Gervais LLP
for the period from January 9, 2018 to March 6, 2018**

Name of Professional	Total Hours Billed	Avg. Hourly Rate (\$/Hr)	Total Amount Billed
Roger Jaipargas	7.7	695.80	5,357.66
Total Hours/Average Rate/Total Fees	7.7	695.80	5,357.66
Total Disbursements			76.50
Total Fees and Disbursements excluding Tax			5,434.16
Taxes (GST/HST)			706.45
Total Fees and Disbursements including Tax			6,140.61



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Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Toronto, ON M5J 2T3

June 13, 2017

Attention: Paul van Eyk
CPA, IFA, CIRP, Fellow of INSOL

Invoice # 697469253
Page 1

Re: Thane Direct Canada Inc.

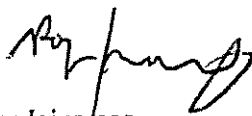
File No: 033551/000001

PROFESSIONAL SERVICES rendered to May 31, 2017 in connection with the above matter as described in the attached.


Fees	\$ 26,118.00
Less Discount	(3,688.68)
Fee Balance	<u>22,429.32</u>
Disbursements	923.94
HST on Fees and Taxable Disbursements	3,010.01
Total this Invoice	<u>\$ 26,363.27</u>

THIS IS OUR ACCOUNT - E. & O.E.

BORDEN LADNER GERVAIS LLP

By: 
Roger Jaipargas

This is Exhibit "C" referred to in the Affidavit of Gordon Raman sworn before me this 8th day of March 2018.


A Commissioner for Taking Affidavits
"Roger Jaipargas"

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

June 13, 2017
Invoice # 697469253
File No: 033551/000001
Page 2

PROFESSIONAL SERVICES RENDERED to May 31, 2017

Mar 3, 2017	R. Belanger	0.40	Meeting with R. Jaipargas re next steps.
Mar 6, 2017	R. Jaipargas	1.50	Engaged on review and markup of draft US pleadings in connection with closing chapter 15 case and recognizing Canadian discharge order discharging the receiver; conference call with M. Patterson re various issues arising from same; reporting email to P. Patel in connection with BLG comments on US motion materials; further emails to and from P. van Eyk and P. Patel re same.
Mar 7, 2017	R. Jaipargas	0.60	Emails from and to P. Patel in connection with revisions to affidavit of P. van Eyk in connection with Canadian motion for discharge of receiver and approval of accounts; emails to and from P. Patel re same; further emails to and from P. Patel in connection with US motion materials and reporting email to M. Patterson re comments on US draft motion materials in connection with motion to close chapter 15 case and discharge foreign representative in connection with the Thane receivership proceedings.
Mar 8, 2017	R. Jaipargas	0.10	Emails from and to P. Patel re status of comments on draft motion materials regarding receivers discharge motion from each of Aird & Berlis and Gowlings; email from P. Patel to S. Graff re comments on draft motion materials.
Mar 9, 2017	R. Belanger	0.60	Coordinated commissioning of affidavit; corresponded re same.

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

June 13, 2017
Invoice # 697469253
File No: 033551/000001
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|--------------|--------------|------|--|
| Mar 9, 2017 | R. Jaipargas | 1.50 | Email from R. Orelowitz re status of draft motion materials in connection with receiver discharge and payment of tax refund to new Thane purchasers; emails to and from P. van Eyk and P. Patel re same; emails to and from P. van Eyk re fee affidavit; engaged on review of revised Richter fee affidavit and email to P. Patel re same; emails to and from R. Belanger re coordinating swearing of Richters fee affidavit; telephone attendance with R. Belanger re same; engaged on review of latest BLG fee affidavit; emails from and to P. Patel re updated court report of receiver in connection with discharge motion; conference call with G. Raman re provisions of report regarding split of balance and estate between BMO and new Thane purchasers; provisions of offer to purchase in connection with same; emails to and from G. Raman re same. |
| Mar 9, 2017 | G.G. Raman | 1.10 | Call with R. Jaipargas; review of certain provisions of First Report and Order; consideration of Offer to Purchase provisions and Directions; comments on Order; email to R. Jaipargas. |
| Mar 10, 2017 | R. Belanger | 1.90 | Meeting with R. Jaipargas re fee affidavit; drafted fee affidavit; coordinated execution and commissioning of fee affidavit. |

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

June 13, 2017
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Mar 10, 2017	R. Jaipargas	2.90	Engaged on further review and finalizing of BLG fees affidavit; discussions with R. Belanger re same; engaged on further review and changes to draft notice of motion and order re motion for discharge of receiver; consider revised report of Richter; consider comments from G. Raman in connection with transaction cost and tax refund issue; distributions to be made by receiver in connection with same; review direction re transaction costs; telephone attendance with Joanna at the Commercial List in connection with scheduling court time for motion for discharge of receiver; emails to and from S. Graff re signing off on materials; scheduling of motion; engaged on preparing request form in connection with April 3rd motion; email to Commercial List in connection with same; email to C. Prophet and S. Graff re scheduled hearing of discharge motion for April 3rd; telephone attendance with C. Prophet re receiving approvals to sign request form in connection with same; instructions to R. Belanger in connection with finalizing BLG fees affidavit; timing for service of motion materials in connection with motion to discharge receiver.
Mar 12, 2017	R. Belanger	0.20	Corresponded re affidavits.
Mar 12, 2017	R. Jaipargas	3.00	Engaged on review and revisions to draft report of Richter in connection with discharge motion returnable on April 3rd; engaged on changes to same; prepare blackline version of report in connection with same; emails to and from P. Patel re same; email to P. Patel re revised version of report; engaged on further review and revisions to draft notice of motion and order for April 3rd discharge motion; prepare blacklines in connection with same; emails to P. Patel re same; conference call with P. Patel re various changes required to draft motion materials including issue of payment of tax refund and transaction cost allocation surplus to purchasers; approach to be taken in connection with same.
Mar 13, 2017	R. Belanger	0.40	Corresponded re affidavits.
Mar 14, 2017	R. Belanger	0.70	Revised motion materials; corresponded re affidavits.

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

Mar 15, 2017	R. Belanger	2.00	Drafted motion record; compiled documentation; served motion record; coordinated courier service; drafted affidavit of service.
Mar 15, 2017	R. Jaipargas	0.20	Emails from R. Belanger in connection with serving motion record of receiver for motion for discharge of receiver returnable on April 3rd; emails to and from M. Patterson re same; discussions with R. Belanger re instructions on same.
Mar 16, 2017	R. Belanger	0.50	Discussion re motion materials.
Mar 16, 2017	J.L. Francis	0.40	Filed a Motion Record with the Commercial List Office.
Mar 29, 2017	R. Jaipargas	0.10	Emails from and to P. Patel in connection with status of motion returnable on April 3rd and whether BLG has received a response from CRA or other stakeholders in connection with pending motion for discharge of receiver of Thane; email to P. Patel re same.
Apr 2, 2017	R. Jaipargas	1.30	Engaged on review of motion record of receiver including receivers first report to the court in connection with motion returnable on April 3rd for discharge of receiver; distribution orders in connection with tax refund and surplus in estate; prepare submissions in connection with same; review various attachments to receivers report including supplemental to prefiling report and fees affidavit filed in connection with same.

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

June 13, 2017
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- Apr 3, 2017 R. Jaipargas 4.60 Engaged on further review and revisions to draft order for motion for discharge of receiver; distribution of certain funds held in estate; emails to and from each of C. Prophet, S. Graff and P. van Eyk re same; continued preparation for and attend at court in connection with pending motion for discharge of receiver; attend at court before Justice Conway in connection with motion for discharge of receiver and distribution orders; subsequent discussions with P. van Eyk and P. Patel re next steps in connection with directions required from purchaser; email to service list in connection with issued and entered order and endorsement of Justice Conway; emails to and from M. Patterson re same; timing for completion of motion for closing of Chapter 15 case; conference call with M. Desgrosseilliers re timing for motion in the United States to close chapter 15 case and discharge foreign representative; appeal issues in connection with same; emails to and from M. Patterson re same; emails to and from S. Graff re same; telephone attendance with P. van Eyk re approach to be taken in connection with timing for a distribution in light of pending appeal periods; conference call with S. Graff re same; further emails to and from P. van Eyk and S. Graff re possible options in connection with addressing concerns of liquidity for purchaser regarding timing for distribution to be made; telephone attendance with S. Graff re same; telephone attendance with P. van Eyk re same; telephone attendance with G. Raman re issue of directions under court order made.
- Apr 4, 2017 R. Jaipargas 0.60 Emails from and to S. Graff re call required to discuss distribution issues in connection with Thane receivership proceedings; emails to and from P. van Eyk re same; conference call with S. Graff re distribution issues in connection with order made by Justice Conway on April 3rd for distribution to purchaser; timing issues in connection with same; subsequent conference call with P. van Eyk re distribution issues and timing of distribution in connection with same.

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

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Apr 5, 2017	R. Jaipargas	0.40	Numerous emails to and from S. Graff, P. van Eyk in connection with various options for early distribution to purchasers pursuant to order of Justice Conway dated April 3rd; implications arising from same in light of pending appeal periods.
Apr 6, 2017	R. Jaipargas	1.00	Conference call with D. Cohen re distribution issues; approaches to be taken in connection with same; telephone attendance with M. Desgrossillers re same from a US perspective; conference call with P. van Eyk re implications of early distribution prior to expiry of appeal period in connection with amounts to be paid to purchaser; implications arising from same.
Apr 7, 2017	R. Jaipargas	0.30	Emails from and to P. van Eyk in connection with proposed distribution and approach to be taken in connection with same; consider various points in email from P. van Eyk in connection with proposal for distribution and possible hold back in connection with outstanding appeal periods and US recognition order.
Apr 9, 2017	R. Jaipargas	0.30	Emails from and to P. van Eyk in connection with proposed distribution to purchasers; timing issues in connection with same; conference call with P. van Eyk re same; next steps in connection with proposed distribution to purchasers and BMO and directions required from purchasers in connection with same.
Apr 10, 2017	R. Jaipargas	0.40	Emails from and to P. van Eyk; S. Graff and A. Tukuzi re issues in connection with timing of distribution of tax refund and surplus in estate to purchasers and BMO; approach to be taken in connection with timing of distribution of tax refund and surplus in estate to purchasers and BMO; approach to be taken in connection with same; conference call with P. van Eyk re same.
Apr 11, 2017	R. Jaipargas	0.30	Emails from and to P. van Eyk and S. Graff in connection with distribution issues and timing for same; email to S. Graff re directions required for the purchasers in connection with making distributions under the order of Justice Conway.

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

Apr 13, 2017	R. Jaipargas	0.50	Emails from and to S. Friedman re form of direction of repayment of funds to purchasers; engaged on review and consideration of form of direction received from S. Friedman re same; emails to G. Raman and P. van Eyk re same.
Apr 13, 2017	G.G. Raman	0.10	Discussion with R. Jaipargas re distributions.
Apr 14, 2017	R. Jaipargas	0.10	Email from and to G. Raman in connection with form of direction for a distribution to purchasers; email to P. van Eyk re same.
Apr 14, 2017	G.G. Raman	0.40	Review of direction from Buyers; review of order; email to Buyers' counsel re same.
Apr 16, 2017	R. Jaipargas	0.50	Emails from and to M. Patterson re letter to the IRS; engaged on review of draft letter to the IRS in connection with same; emails to and from M. Patterson and M. Desgrossielers and P. van Eyk re same; implications arising from proposed distribution to purchasers in light of IRS inquiries; approach to be taken in connection with same.
Apr 17, 2017	R. Jaipargas	0.20	Email from S. Friedman re executed direction; email to P. van Eyk re same; emails from P. Patel in connection with confirming distribution made to purchasers; email from and to M. Patterson and P. Patel in connection with revised letter to IRS; engaged on review and consideration of same.
May 8, 2017	R. Jaipargas	0.10	Emails from and to M. Patterson in connection with upcoming motion to recognize Discharge Order of Receiver of Thane and complaint filed against Thane in the United States; conference call required to discuss same.

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

June 13, 2017
Invoice # 697469253
File No: 033551/000001
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May 9, 2017	R. Jaipargas	1.40	Emails from and to P. Patel in connection with comments on outstanding complaint filed as against new Thane purchasers and issues arising from same in connection with hearing in Delaware on May 15th for an order closing the Chapter 15 case; conference call with P. Patel, M. Desgrossielliers and M. Patterson re outstanding litigation as against Thane and issues arising from same in connection with motion to be heard by US Bankruptcy court on May 15th to close Chapter 15 case; email to S. Graff re pleadings and US Complaint and conference call required on May 11th to discuss same; further emails to and from P. Patel re same.
May 10, 2017	R. Jaipargas	0.40	Conference call with P. Patel in connection with hearing on May 15th for an order closing the Chapter 15 case; emails to and from P. Patel re funds subject to holdback currently held by the Receiver and approach to be taken in connection with same.
May 11, 2017	R. Jaipargas	1.50	Conference call with P. Patel, M. Desgrossiers, S. Friedman, S. Graff in connection with outstanding litigation by Stanley Jacobs Productions and implications arising from same in connection with hearing scheduled on May 15th for Order from US Bankruptcy Court closing Chapter 15 case and next steps regarding same; engaged on review of various materials on Richters' website including previous reports filed and previous orders obtained and provisions of offer to purchase regarding assumption of certain contracts re Stanley Jacobs Productions litigation and transference of same from California Courts to Delaware Courts; discussions with P. Patel re same; further emails to and from Womble in connection with position of Judge Gross in connection with hearing from May 15th.



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June 13, 2017
Invoice # 697469253
File No: 033551/000001
Page 10

Richter Advisory Group Inc.
Re: Thane Direct Canada Inc.

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- | | | | |
|--------------|--------------|------|---|
| May 12, 2017 | R. Jaipargas | 0.70 | Telephone attendance with M. Patterson re position to be taken in connection with plaintiff in litigation as against New Thane and hearing on May 15th to close Chapter 15 case; email to P. Patel re same; conference call with P. Patel re approach to be taken in connection with hearing on May 15th to close Chapter 15 case in Thane Receivership proceedings. |
| May 15, 2017 | R. Belanger | 0.30 | Sent US order to service list. |
| May 15, 2017 | R. Jaipargas | 2.00 | Engaged on further review of file in connection with preparation for US Bankruptcy Court hearing before Judge Gross in connection with motion by Foreign Representative to close the Chapter 15 case in the Thane Receivership proceedings; meeting with P. Patel re same and attend at telephonic court appearance before Judge Gross in Delaware in connection with motion brought by Foreign Representative of Thane for an Order closing the Chapter 15 case; subsequent conference call with P. Patel, M. Patterson and M. Desgrossiers re next steps re same and position to be taken in connection with new Thane purchasers regarding distribution of additional amounts held by Receiver; emails to and from M. Patterson in connection with issued and entered Order closing US Chapter 15 case; discussions with R. Belanger re instructions regarding circulating same to the Thane Service List; email to P. Patel re conference call required on May 16 with S. Graff and S. Freedman re communicating position of Receiver in connection with balance of funds held by Receiver and timing for disbursement of same. |
| May 16, 2017 | R. Jaipargas | 0.30 | Telephone attendance with P. Patel on approach to be taken in connection with purchasers on holdback issue and emails to and from S. Graff and S. Freedman re call for May 17 to discuss same and outcome of hearing before US Bankruptcy Court for an order closing the Chapter 15 case on May 15th. |



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June 13, 2017
 Invoice # 697469253
 File No: 033551/000001
 Page 11

Richter Advisory Group Inc.
 Re: Thane Direct Canada Inc.

May 17, 2017 R. Jaipargas 0.80 Conference call with P. Patel, S. Freedman and S. Graff in connection with outcome of hearing before Judge Gross on May 15th for an Order from the US Bankruptcy Court to close the Chapter 15 case in the Thane Receivership proceedings and next steps in connection with same and issues in connection with holdback held by Receiver.

TO OUR FEES	\$ 26,118.00
Less Discount	(3,688.68)
FEE BALANCE	<u>22,429.32</u>

FEE SUMMARY

<u>Timekeeper</u>	<u>Hours</u>	<u>Avg. Rate/Hr.</u>	<u>Amount</u>
R. Belanger	7.00	\$ 315.60	\$ 2,209.20
J.L. Francis	0.40	179.10	71.64
R. Jaipargas	27.60	688.80	19,010.88
G.G. Raman	1.60	711.00	1,137.60
	<u>36.60</u>		<u>\$ 22,429.32</u>

DISBURSEMENTS:

<u>Non-Taxable</u>	Notice of Motion	\$160.00
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Re: Thane Direct Canada Inc.

June 13, 2017
Invoice # 697469253
File No: 033551/000001
Page 12

Miscellaneous Expense - VENDOR: CourtCall LLC; INVOICE#: 8337170; DATE: 5/19/2017 - Purchase of USD drafts # 0002025546 (USD 30.00 @ 1.3099 = CAD 39.30) on May 31, 2017 re Hearing before Judge Gross to close Chapter 15 case	39.30	
Total Non-Taxable Disbursements	<u>199.30</u>	
<u>Taxable</u>		G=GST; Q=QST; H=HST; P=PST
Binding Charges	38.10	H
Conference Calls	5.46	H
Copies	653.70	H
Courier	9.52	H
Taxi	<u>17.86</u>	H
Total Taxable Disbursements	<u>724.64</u>	
Total Disbursements		923.94
Total Fees and Disbursements		<u>23,353.26</u>
HST on Fees and Taxable Disbursements		<u>3,010.01</u>
TOTAL THIS INVOICE		<u>\$ 26,363.27</u>

PAYABLE ON RECEIPT
INTEREST AT THE RATE OF 0.8% PER ANNUM MAY BE CHARGED ON ACCOUNTS WHICH ARE OVERDUE
GST/HST REGISTRATION # R869096974RT0001



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Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Toronto, ON M5J 2T3

June 13, 2017
Invoice # 697469253
RJ/RJ

Re: Thane Direct Canada Inc.

File No: 033551/000001

REMITTANCE COPY

Fees	\$ 26,118.00
Less Discount	(3,688.68)
Fee Balance	<u>22,429.32</u>
Disbursements	923.94
HST on Fees and Taxable Disbursements	3,010.01
Total this Invoice	<u>\$ 26,363.27</u>

PLEASE RETURN THIS COPY WITH YOUR PAYMENT
MAKE CHEQUES PAYABLE TO BORDEN LADNER GERVAIS LLP

PAYABLE ON RECEIPT
INTEREST AT THE RATE OF 0.8% PER ANNUM MAY BE CHARGED ON ACCOUNTS WHICH ARE OVERDUE
GST/HST REGISTRATION # R869096974RT0001



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181 Bay Street, Suite 3320
Toronto, ON M5J 2T3

June 13, 2017
Invoice # 697469253
RJ/RJ

Alternatively, payment may be wired or electronic fund transferred (EFT) to:

Incoming Wiring Payments:

Beneficiary Institution:

Canadian Clearing Code: //CC000247696
Scotiabank
44 King Street West
Toronto, Ontario, M5H 1H1
Canada

Beneficiary Customer:

BORDEN LADNER GERVAIS LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, M5H 4E3

12 Digit account number: 80002 14221 11 (CAD Funds)
Bank #: 002
Transit #: 80002

12 Digit account number: 80002 51181 15 (USD Funds)
Bank #: 002
Transit #: 80002

Scotiabank Swift Code: NOSCCATT
Scotiabank ABA Number: 026002532 (US dollars coming from USA).

Please email payment details to:

ReceiptsTOR@blg.com

Contact: Accounts Receivable Toronto (416) 367-6703
Please include our invoice number(s) with all payments

BANK OF MONTREAL

- and -

Applicant

THANE INTERNATIONAL, INC., et. al.
Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDINGS COMMENCED AT TORONTO

AFFIDAVIT OF GORDON RAMAN
(Sworn March 8, 2018)

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Fax: (416) 367-6749

Lawyers for Richter Advisory Group Inc.,
in its capacity as Court-appointed Receiver of the
Respondents

BANK OF MONTREAL

Plaintiff

- and -

THANE INTERNATIONAL INC., et al.

Defendants

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

**SECOND REPORT OF THE RECEIVER,
RICHTER ADVISORY GROUP INC.**

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**Lawyers for Richter Advisory Group Inc., in its capacity
as Court-appointed Receiver of the Respondents**

3

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

THE HONOURABLE) **WEDNESDAY, THE 21ST DAY**
)
JUSTICE) **OF MARCH, 2018**

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

**THANE INTERNATIONAL, INC., THANE DIRECT, INC., THANE DIRECT
COMPANY, THANE DIRECT MARKETING INC., WEST COAST DIRECT
MARKETING, INC., THANE DIRECT CANADA INC. AND TDG, INC.**

Respondents

**ORDER
(Distribution)**

THIS MOTION, made by Richter Advisory Group Inc. (“**Richter**”), in its capacity as the court-appointed receiver of 2657874, Inc. (formerly Thane International Inc.), 2804906, Inc. (formerly Thane Direct, Inc.), 3244585 Nova Scotia Company (formerly Thane Direct Company), 2194124 Ontario Inc. (formerly Thane Direct Marketing Inc.), West Coast Direct Marketing, Inc., 1262775 Ontario Inc. (formerly Thane Direct Canada Inc.) and TDG, Inc. (in such capacity, the “**Receiver**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Receiver; the Second Report of the Receiver dated March 9, 2018 (the “**Second Report**”); the Affidavit of Pritesh Patel sworn March 9, 2018 (the “**Patel Affidavit**”); the Affidavit of Gordon Raman sworn March 8, 2018 (the “**Raman Affidavit**”); and on hearing the submissions of counsel for the Receiver and such other counsel as may be present, and upon reading the affidavit of service of Marie Pacheco sworn March 12, 2018, filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record be and is hereby is abridged so that the motion is properly returnable today, and that any further service thereof be and is hereby dispensed with.

CAPITALIZED TERMS

2. **THIS COURT ORDERS** that capitalized terms not defined herein shall have the meaning ascribed thereto in the Second Report.

APPROVAL OF ACTIVITIES

3. **THIS COURT ORDERS** that the Second Report and the activities of the Receiver set out in the Second Report, be and is hereby approved.

APPROVAL OF STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements from October 23, 2015 to March 9, 2018, as attached to the Second Report, be and is hereby approved.

DISTRIBUTIONS

5. **THIS COURT ORDERS** that the Receiver is authorized and directed to distribute the amount of \$300,000.00, in respect of the cash proceeds held by the Receiver, in respect of the 324Co Tax Refund to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct.

APPROVAL OF FEES

6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver, and that of U.S. counsel to the Receiver, namely, Womble Bond Dickinson (US) LLP (the "**U.S. Counsel**"), as described in the Second Report and as set out in the Patel Affidavit, including the estimated fees, exclusive of disbursements and applicable taxes, of the Receiver and U.S. Counsel up to its date of discharge, be and are hereby approved.

7. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's legal counsel, Borden Ladner Gervais LLP ("**BLG**"), as described in the Second Report, including the estimated fees, exclusive of disbursements and applicable taxes, of BLG, as set out in the Raman Affidavit, in connection with services to be provided to the Receiver up to its date of discharge, be and are hereby approved.

8. **THIS COURT ORDERS** that any surplus cash proceeds held by the Receiver following payment of all fees, disbursements and applicable taxes of the Receiver, U.S. Counsel and BLG shall be paid or caused to be paid by the Receiver to 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc., or as each of them may direct, without further order of the Court and in the event that the fees, disbursements and applicable taxes of the Receiver, U.S. Counsel and BLG exceed the estimates to completion, such additional amounts may be paid without further order of the Court, subject to the consent of 9472550 Canada Inc., 635427, Inc. and 9472541 Canada Inc..

DISCHARGE OF RECEIVER

9. **THIS COURT ORDERS AND DECLARES** that the Receiver shall continue to benefit from the provisions of the order of Madam Justice Conway dated April 3, 2017 and the protections provided for therein in favour of the Receiver.

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

PROCEEDINGS COMMENCED AT TORONTO

**ORDER
(Distribution)**

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in its capacity as Court-appointed Receiver of the
Respondents

BANK OF MONTREAL

- and -
Applicant

THANE INTERNATIONAL, INC., et. al.
Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

**MOTION RECORD
(Returnable March 21, 2018)**

BORDEN LADNER GERVAIS LLP
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