

This is Exhibit "A" referred to in the Affidavit of Naveed Z. Manzoor, sworn before me at the City of Toronto, in the Province of Ontario, this 16th day of May, 2016.



Commissioner for Taking Affidavits

Mark Shetley



May 12, 2016

Mr. Joseph Shilon
Ben Moss Jewellers Western Canada Ltd.
64 Jardin Drive, Unit 7
Concord, ON
L4K 3P3

Dear Sirs:

This letter confirms and sets forth the terms and conditions of the engagement between FAAN Advisors Group Inc. (“FAAN”), Ben Moss Jewellers Western Canada Ltd. (the “Company”) and Joseph Shilon (“Shilon”) in his capacity as a director, officer, employee and shareholder of the Company, including the scope of the services to be performed and the basis of compensation for those services. Upon execution of this letter by each of the parties below and receipt of the retainer described below, this letter will constitute an agreement between the Company, FAAN and Shilon (the “Agreement”).

1. Description of Services.

- (a) In connection with this engagement, FAAN is to serve as a chief restructuring officer to the Company (the “CRO”). This engagement will be led by FAAN’s managing director, Naveed Manzoor, with support, if required, provided by other senior FAAN personnel. FAAN, including its personnel, are collectively referred to as the “Engagement Personnel”.

Duties.

- (i) The Engagement Personnel, in cooperation other applicable officers of the Company, the Company’s lender, Salus Capital Partners, LLC (“Salus”), shall perform a review of the Company, including, but not limited to, a review and assessment of the Company’s businesses, assets, liabilities and operations all with respect to the Company’s strategic alternatives, including a refinancing of monies owing to Salus and its affiliates. This review will, to the greatest extent possible, also leverage upon the work performed and being performed by Alvarez & Marsal Canada ULC and Alvarez & Marsal Canada Securities ULC (collectively “A&M”);

- (ii) The CRO shall have authority to direct the operations and management of the Company and the restructuring and refinancing of the Company and their businesses. The officers of the Company shall report to the CRO. For greater certainty, the CRO shall be entitled to exercise any powers of the Company to the exclusion of other persons, including any board member of the Company. The CRO shall provide timely updates of its activities to A&M and Salus.
 - (iii) The Engagement Personnel shall review and provide information required by, and serve as a contact with, the Company's financial and legal advisors (including A&M and Osler, Hoskin & Harcourt LLP), lenders, creditors and other stakeholders;
 - (iv) The Engagement Personnel will assist the Company and A&M in their efforts to refinance the Company, including dealing with prospective lenders as required;
 - (v) The Engagement Personnel shall support A&M and other Company engaged professionals in developing, various potential restructuring alternatives, whether formal or informal as well as requisite communications and public relations strategies;
 - (vi) The Engagement Personnel shall coordinate with and, to the extent necessary, provide assistance to certain other of the Company's affiliates and/or related companies, including J.S.N. Jewellery Inc., J.S.N. Jewellery UK Limited, GMJ Corp., 237318 Ontario Inc., Always & Forever Family Collection Incorporated and P.M.R. Inc. (collectively, the "Entities"), wherein FAAN will be engaged as their Chief Restructuring Officer; and
 - (vii) The Engagement Personnel shall perform such other services as customarily provided by the Chief Restructuring Officer of a company, and agreed to by FAAN that is not duplicative of work others are performing for the Company.
- (b) FAAN shall incur no liability for any acts or omissions of the Engagement Personnel related to the performance or non-performance of services at the direction of the Board and consistent with the requirements of this engagement and this Agreement.
2. Information Provided by Company and Forward Looking Statements. The Company shall: (i) provide the Engagement Personnel with access to management and other representatives of the Company; and (ii) furnish all data, material and other information concerning the business, assets, liabilities, operations, cash flows, properties, financial condition and prospects of the

Company that the Engagement Personnel reasonably request in connection with the services to be provided to the Company. The Engagement Personnel shall rely, without further independent verification, on the accuracy and completeness of all publicly available information and information that is furnished by or on behalf of the Company and otherwise reviewed by Engagement Personnel in connection with the services performed for the Company. The Company acknowledge and agree that the Engagement Personnel are not responsible for the accuracy or completeness of such information and shall not be responsible for any inaccuracies or omissions therein. The Engagement Personnel are under no obligation to update data submitted to them or to review any other areas unless specifically requested to do so.

You understand that the services to be rendered by the Engagement Personnel may include the preparation of projections and other forward-looking statements, and numerous factors can affect the actual results of the Company's operations, which may materially and adversely differ from those projections. In addition, Engagement Personnel will be relying on information provided by the Company in the preparation of those projections and other forward-looking statements.

3. Limitation of Duties. Neither FAAN, nor the Engagement Personnel make any representations or guarantees that, *inter alia*, (i) an appropriate restructuring proposal or strategic alternative or refinancing proposal can be formulated for the Company, (ii) any restructuring proposal or strategic alternative or refinancing proposal will be more successful than all other possible restructuring proposals or strategic alternatives, (iii) a restructuring is the best course of action for the Company, or (iv) if formulated, that any proposed restructuring plan or strategic alternative or refinancing proposal will be accepted by any of the Company's creditors, shareholders and other constituents. Further, the Engagement Personnel will not assume any responsibility for the Company's decision to pursue, or not pursue any business strategy, or to effect, or not to effect any transaction.
4. Compensation.
 - (a) As previously noted, FAAN will also engaged as the Chief Restructuring Officer ("CRO") of the Entities. FAAN will be paid by the Company and the Entities for the combined services of the CRO and the CRO of Entities at a monthly work fee of Cdn. [REDACTED], plus applicable taxes and out-of-pocket expenses reasonably incurred in connection with or arising out of FAAN's activities under or contemplated by this engagement. Out-of-pocket expenses shall include, but not be limited to, fees, disbursements and other charges associated with FAAN's travel and lodging expenses, reasonable legal services provided to FAAN, and other necessary expenses. FAAN, at its sole discretion, will allocate its fees between the Company and the Entities.

- (b) In addition to the work fee noted above, the Company and FAAN shall agree to a reasonable additional fee payable to FAAN upon the achievement of certain objectives and outcomes by, as appropriate, specified dates. The terms and conditions of this additional fee shall be documented in writing within the first two weeks of this engagement in consultation with A&M and Salus.
- (c) In the event any of the Company initiates a bankruptcy, insolvency or creditor enforcement proceeding (an “Insolvency Proceeding”) under the *Companies’ Creditors Arrangement Act*, the *Bankruptcy and Insolvency Act* or otherwise, and the approval of the court in which such a proceeding is brought (the “Court”) is required with respect to the retention of FAAN as the CRO (and/or any other role) of the Company, as applicable, and/or any of the terms of such engagement (including, without limitation, the payment of FAAN’s fees and expenses and the provision of indemnification to FAAN), then the Company shall apply for such approval by the Court and shall use reasonable commercial efforts to obtain such approval by the Court promptly after the initiation of the Insolvency Proceeding, failing which FAAN may suspend or discontinue its efforts on behalf of the Company.
- (d) The Company shall also promptly seek from the Court an order to grant to FAAN a security or charge, ranking in priority over the pre-filing claim of any secured creditor of the Company, on all of its property, in an amount reasonably appropriate, in respect of all of FAAN’s fees and expenses payable under this Agreement. The Company shall supply FAAN and its counsel with a draft of any such application and order for approval of FAAN’s retention and/or any of the terms of such retention sufficiently in advance of the filing of such application and proposed order to enable FAAN and its counsel to review and comment thereon.
- (e) The Company shall promptly remit to FAAN, a retainer in the amount of Cdn. [REDACTED], plus HST, which shall be credited against any amounts due at the termination of this engagement and returned upon the satisfaction of all obligations hereunder.
- (f) FAAN shall bill semi-monthly on the 15th and at the end of the month for the proportionate amount of the monthly billing rates set out in paragraph 4(a) above, plus applicable taxes and out-of-pocket costs. Invoices rendered by FAAN are payable upon receipt.

5. Termination.

- (a) This Agreement will apply from the commencement of the services referred to in Section 1 and may be terminated by the Company without

cause by providing 60-day's written notice to FAAN. In the case of just cause, this Agreement may be terminated immediately by the Company.

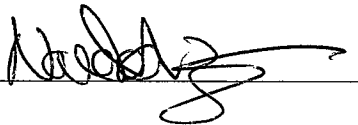
- (b) FAAN may terminate this Agreement with respect to any or all of the Company at any time.
 - (c) On termination of the Agreement, any fees and expenses due to FAAN shall be remitted promptly (including fees and expenses that accrued prior to but are invoiced subsequent to such termination).
 - (d) The provisions of this Agreement that give the parties rights or obligations beyond its termination shall survive and continue to bind the parties.
6. No Audit. The Company acknowledges and agree that Engagement Personnel are not being requested to perform an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to the rules of the CICA, ICAO, OSC, AICPA, SEC or other state or national professional or regulatory body.
7. No Third Party Beneficiary. The Company acknowledges that all advice (written or oral) provided by FAAN to the Company in connection with this engagement is intended solely for the benefit and use of the Company (limited to its management) in considering the matters to which this engagement relates. The Company may share this information with A&M and Salus if the CRO determines that this is appropriate. The Company may choose to reproduce, disseminate, quote or refer to such information as it wishes, in its sole and absolute discretion, provided that in no event may such information be attributed to FAAN.
8. Exclusivity and Conflicts. FAAN is an independent firm that has several clients and engagements, some of which will be active during the rendering of services by the Engagement Personnel in connection with this matter. FAAN is not currently aware of any relationship that would create a conflict of interest with the Company or those parties-in-interest of which you have made us aware. It is possible that FAAN may have rendered or will render services to, or have business associations with, other Company or people which had or have or may have relationships with the Company, including creditors of the Company. In the event you accept the terms of this engagement, FAAN will not represent, and has not represented, the interests of any such Company or people in connection with this matter.
9. Each of the Company and Shilon shall indemnify and hold harmless Naveed Manzoor, FAAN and each of FAAN's employees, directors, officers, agents, representatives, consultants, legal advisors, financial advisors, fiduciaries, officers, directors, partners, predecessors, successors and assigns, subsidiary corporations, parent corporations and shareholders (collectively, the "Indemnified Parties") against any and all claims or liabilities whatsoever and of every nature

- or kind arising in connection with FAAN's exercise of any duties or authority pursuant to the Engagement Letter, the Terminated Agreement, or any court order, including any related professional fees or defence costs. This indemnity does not apply to claims which are determined by a court to arise from gross negligence or willful misconduct. In the event that FAAN receives a court-ordered charge (a "Charge") in a proceeding of any of the Company under the *Companies' Creditors Arrangement Act*, and FAAN recovers amounts that would otherwise be payable by Shilon pursuant to this provision by enforcing the Charge, Shilon shall not be required to indemnify FAAN for the claim or liability for which FAAN so recovered, to the extent of such recovery.
10. Shilon hereby releases FAAN, the CRO and the Engagement Personnel from any present or future claims, liabilities or actions which it may now or hereafter have in respect of the performance by such persons of their duties under this Agreement and under the engagement with the Entities, including any claims for wages, vacation pay, negligence, breach of fiduciary duties or other matters which may arise as a result of Shilon being a director, officer, employee or shareholder of the Company.
 11. Effective as of the date of this Agreement, FAAN's engagement as Interim Chief Financial Officer of the Company and the agreement pursuant to which such engagement (the "Terminated Agreement") was established is terminated.
 12. Miscellaneous. This Agreement: (a) shall be governed and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein without giving effect to such Province's rules concerning conflicts of laws that might provide for any other choice of law; (b) incorporates the entire understanding of the parties with respect to the subject matter hereof; (c) may not be amended or modified except in writing executed by each of the parties hereto; (d) may be executed by facsimile and in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same agreement; and (e) notwithstanding anything herein to the contrary, upon the completion of the restructuring process presently being undertaken in respect of the Company, FAAN may reference or list the J.S.N. Jewellery Inc.'s name and/or a general description of the services in FAAN's marketing materials, provided however that no other member of the JSN Group may be referenced in any such materials.

If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.


Very truly yours,

FAAN ADVISORS GROUP INC.

Per: 

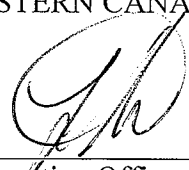
Naveed Z. Manzoor, Managing Director

Accepted and agreed:



Joseph Shilon

BEN MOSS JEWELLERS WESTERN CANADA LTD.

Per: 

Joseph Shilon, Chief Executive Officer