



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) MONDAY, THE 5th
JUSTICE *Mprawetz*) DAY OF NOVEMBER, 2012

**BONNIE CUMMINGS IN HER CAPACITY AS ESTATE EXECUTRIX
OF THE ESTATE OF THE LATE JOHN CUMMINGS**

Applicant

- and -

**PEOPLEPledge HR SERVICES INC., WINSTON PARK FINANCIAL SERVICES LTD.,
CMC FRASER LTD., 1624452 ONTARIO LIMITED**

Respondents

ORDER

THIS MOTION made by BDO Canada Limited, in its capacity as the court-appointed receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of Peopledge HR Services Inc. ("**Peopledge**"), Winston Park Financial Services Ltd. ("**WPFS**"), CMC Fraser Ltd. ("**CMC**"), and 1624452 Ontario Limited ("**162**") (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by each of the Debtors, was heard this day without notice at 330 University Avenue, Toronto, Ontario.

UPON READING the Receiver's Notice of Motion dated November 5, 2012 and upon being advised by the Receiver that a Report to the Court will be filed by the Receiver for the relief sought, on hearing the submissions of counsel for the Receiver and counsel for Activpayroll Ltd. ("**Activpayroll**"), and upon being advised that no other

RR? substantially in the form 90

interested or affected party has received notice of the relief sought on an urgent basis, and that each of the Receiver and Activpayroll consent to the terms of this Order,

1. **THIS COURT ORDERS** that: (i) each of the Receiver and Activpayroll are authorized and directed to immediately enter into the arrangements outlined in the Interim Facilitation Agreement attached hereto as Schedule "A" (the "IFA") ~~or as same may be amended by agreement of those parties,~~ in order to seek to facilitate the efforts of Activpayroll to transition the payroll services previously provided to it by Peopledge (the "**Services**") to another party; (ii) the terms of the IFA be and are hereby approved and each of the Receiver and Activpayroll are bound by such terms and are directed to implement same forthwith.

2. **THIS COURT ORDERS** that each of the Receiver and Activpayroll are entitled to the protections set out under the IFA, under this Order or any other Order of this Court and pursuant to section 142 of the *Courts of Justice Act* (Ontario) for carrying out the terms of the IFA, each of which are incorporated by reference into and form part of this Order.

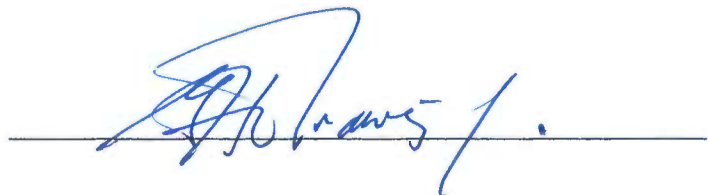
3. **THIS COURT ORDERS** that the Receiver shall not be deemed to be operating the business of Peopledge by carrying out the terms of the IFA.

4. **THIS COURT ORDERS** that the Receiver is authorized but not obligated to enter into a similar facilitation plan with any other former customer of Peopledge, with such modifications as the Receiver may require and subject to the same protections as provided herein, without further order of this Court. No subsequent plan shall have the effect of detracting from the IFA or re-allocating resources dedicated in accordance with the IFA.

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

NOV 07 2012

NB



Schedule "A"

INTERIM FACILITATION AGREEMENT

1. Activpayroll Ltd. ("**Activpayroll**"), a former customer of Peopledge HR Services Inc. ("**Peopledge**") is unable to immediately transition all aspects of its payroll processing to another company or companies, and has no alternate option to transition its payroll services other than to seek the assistance of the Receiver on an urgent and short term basis. Activpayroll, itself a payroll services company, has 13 clients and 19 payrolls ("**Payrolls**") to meet in Canada and the United States within the next 3 weeks, and has requested that the Receiver provide reasonable assistance to it (the "**Facilitation**") by making available the systems of Peopledge to allow Activpayroll to process the Payrolls through Peopledge's systems, such Facilitation to continue until November 30, 2012 unless terminated earlier by Activpayroll (the "**Interim Period**").
2. The Receiver is authorized and directed to seek to engage three specifically-identified former Peopledge employees (the "**Contract Workers**") to process payroll for Activpayroll's own clients during the Interim Period, as agent for Activpayroll. The Contract Workers shall be hired by the Receiver on a contract basis, on such terms as may be agreed to between the Receiver, the Contract Workers and Activpayroll, at the cost of Activpayroll. The Contract Workers shall continue to be subject to such confidentiality restrictions as existed during their employment with Peopledge and otherwise expected of a payroll service provider employee and shall be prohibited from disclosing confidential information of one customer to another, or disclosing or disseminating confidential information to anyone in any manner at any time.
3. The Receiver shall have no personal liability to the Contract Workers for amounts payable during the Interim Period. Activpayroll shall be liable for payment of all remuneration payable to the Contract Workers during the Interim Period, on the terms agreed to with such Contract Workers as set out in paragraph 2 herein. Activpayroll shall make advance payment to the Receiver on a weekly basis of amounts required to pay the Contract Workers to undertake the tasks outlined herein or in a scope of work provided to the Contract Workers by Activpayroll, such payments to be made by wire transfer initiated on or before 10 a.m. EST on Fridays, commencing on November 9, 2012, with an initial lump sum in the amount of \$10,000 Cdn to be provided on November 5, 2012, or otherwise as the Receiver may direct in writing. Activpayroll shall advise the Receiver of the hours worked by the Contract Workers at the end of each week, and the Receiver shall make payment to the Contract Workers of that amount at the end of each week during the Interim Period.
4. Activpayroll shall provide sufficient supervision and direction to the Contract Workers in processing payroll on behalf of Activpayroll's clients. The Receiver will provide access to the premises and all equipment and will assist in the Facilitation, but the work undertaken by the Contract Workers shall be the responsibility of Activpayroll. Activpayroll shall only have access to information on Peopledge's systems relating to its own clients, and in the event it learns any other information it will keep same confidential and will be bound by the same duty of confidentiality as applies to the Contract Workers.

5. The Receiver shall not be responsible to Activpayroll or any third party for the accuracy, completeness or timeliness of any payroll processing undertaken by the Contract Workers during the Interim Period, recognizing that the efforts undertaken in this interim Facilitation are on a best efforts basis, and as directed by Activpayroll. In addition, the Receiver shall not be responsible for the remittance of any amounts payable to Canada Revenue Agency or other government bodies during the Interim Period, or distributions to any persons, in respect of the payrolls processed by Contract Workers at the request of Activpayroll, with all such amounts to be remitted and distributed by the Contract Workers under the direction of Activpayroll.

6. Upon the earlier of: (i) Activpayroll advising the Receiver upon two (2) business days' notice that it no longer requires the ongoing payroll processing during the Interim Period; or (ii) November 30, 2012, the arrangements set out in this Interim Facilitation Agreement shall terminate. Activpayroll shall ensure that any amounts owing to the Contract Workers are paid at the time of any termination of this Interim Facilitation Agreement.

**BONNIE CUMMINGS IN HER CAPACITY AS ESTATE
EXECUTRIX OF THE ESTATE OF THE LATE JOHN
CUMMINGS**

-and-

**PEOPLEPledge HR SERVICES INC., WINSTON PARK
FINANCIAL SERVICES LTD., CMC FRASER LTD., 1624452
ONTARIO LIMITED**

Applicant

Respondents
Court File No. CV 12-9896-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

ORDER

CASSELS BROCK & BLACKWELL LLP
40 King Street West
Toronto, ON M5H 3C2

Deborah S. Grieve LSUC #: 26202G
Tel: 416.860.5219
Fax: 416.350.6923
dgrieve@casselsbrock.com

Eleonore L. Morris LSUC# 57518B
Tel: (416) 869-5352
Fax: (416) 640.3166
E-mail: emorris@casselsbrock.com

Lawyers for the Receiver