

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

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

Applicant

- and -

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

Respondents

**MOTION RECORD**  
**(returnable February 16, 2016)**

**(Volume 2 of 2)**

February 10, 2016

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in its capacity as Receiver of the Respondent  
Companies

**TO: THE ATTACHED SERVICE LIST**

**SERVICE LIST (Updated as at February 9, 2016)**

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<b>Together with former Customers of Peopledge HR Services Inc. having filed Eligible Claims</b>		

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Respondents

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# APPENDIX “K”

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

Respondents

**NOTICE OF REVISION OR DISALLOWANCE**

Name and Address of Claimant:

Dell Financial Services Canada Limited  
155 Gordon Baker Road, Suite 501  
Toronto ON M2H 3N5

Attention: Legal Department (Sharissa Ellyn and Caroline Kennedy)

Pursuant to the Order of the Honourable Mr. Justice Campbell dated February 22, 2013 and the Order of the Honourable Mr. Justice Newbould dated May 9, 2013, 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., Winston Park Financial Services Ltd., CMC Fraser Ltd., and 1624452 Ontario Limited (collectively the “**Respondent Companies**”) hereby gives you notice that it has reviewed your Proof of Claim and has revised or rejected your Claim as follows:

Reference No. R3920150219

	Proof of Claim as Submitted (\$CDN or \$US)	Canadian Customer Deposit Claim as Accepted (\$CDN)	US Customer Deposit Claim as Accepted (\$US)	General Claim as Accepted (\$CDN)	
				Secured	Unsecured
	\$CDN69,312.01				\$56,853.86
	\$CDN415.73				\$0.00
Total Claim	\$CDN69,727.74				\$56,853.86

*Reason for the revision or disallowance:*

- A. Dell filed a proof of claim (the “**Claim**”) for an unsecured claim of \$415.73 and a secured claim of \$69,312.01.
- B. In or around March 2013, the Receiver advised Dell that, based on the materials filed with the Claim, (i) no supporting documentation had been provided with respect to Dell’s claim for \$415.73; (ii) the Receiver disagreed with how Dell calculated the amounts owing under its lease with Peopledge; and (iii) Dell’s lease documentation did not create a security interest against Peopledge in favour of Dell and, subject to Dell providing evidence of a grant of security interest from Peopledge to Dell, any provable amounts owing would be deemed unsecured. No response to this request has been received.
- C. The Receiver has attempted to make contact with Dell at the email addresses and telephone number provided on the Claim. However, no response has been received and it appears that the designated contacts on the Claim no longer work at Dell. Consequently, the Receiver sent letters on September 19, 2014, October 21, 2014 and January 21, 2015 to the address set out in the Claim requesting that an alternative contact from the legal department respond to the Receiver’s requests regarding the Claim. No response has been received.
- D. On the basis of the materials filed with the Claim, the Receiver has determined the following:
  - a. No particulars have been provided with respect to the unsecured claim of \$415.73 and such claim is disallowed in full;
  - b. Dell has claimed the amount of \$69,312.01 which is equal to the acquisition cost of the leased equipment. Pursuant to Section 14 of the lease agreement, Dell is entitled to terminate the lease and require Peopledge to pay an amount equal to the sum of (i) the present value (calculated using a discount rate of 4% per annum) of all unpaid Rental Payments to the end of the Lease Term and the Option Price as at the end of the Lease Term and (ii) all other amounts due under the lease.

Using the following, the Receiver has determined the amount payable under the lease agreement is \$56,853.86.

Rental Payment: \$1,992.82  
Remaining Term: 30 months  
Option Price: \$1.00  
Other amounts: none claimed

Effective Monthly Rate:  
Monthly Rate =  $(1 + \text{annual rate})^{(1/12)} - 1$   
Monthly Rate =  $(1 + .04)^{(1/12)} - 1$   
Monthly Rate = .003274 (or .3274%)

Present Value Calculation:  
PV = Payment Amount \*  $(1 - (1 + \text{interest rate})^{-(\# \text{ of Payments} / \text{interest rate})}) / \text{interest rate}$   
PV = 1.992.82 \*  $(1 - (1 + .003274)^{-30} / .003274)$   
PV = \$56,853.86

- c. No evidence of the granting of a security interest by Peopleledge in favour of Dell has been provided with respect to the secured claim of \$69,312.01 and therefore Dell's claim as a secured creditor is disallowed and such claim is accepted as an unsecured claim (revised by the Receiver to be \$56,853.86 as above).

If you do not agree with this Notice of Revision or Disallowance please take notice of the following:

1. If you intend to dispute the Notice of Revision or Disallowance, you must, on the day which is fifteen Business Days after the date of this Notice of Revision or Disallowance (being March 12, 2015) or such later date as the Receiver agrees to in writing or the Court may order, deliver a Notice of Dispute by facsimile transmission, electronic mail, courier, personal delivery or prepaid mail to the address indicated herein such that it is actually received by the Receiver by such date. The form of Notice of Dispute is attached to this Notice of Revision or Disallowance.

2. If you do not deliver a Notice of Dispute, your Claim shall be deemed to be as set out in this Notice of Revision or Disallowance.

*Address for Delivery of Dispute Notices:*

BDO Canada Limited  
1 City Centre Drive, Suite 1040  
Mississauga, ON L5B 1M2  
Canada

Attention: Peter Naumis  
Fax: (905) 615-1333  
Email: pnaumis@bdo.ca

**IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU.**

Dated at Mississauga, Ontario, this 19<sup>th</sup> day of February, 2015.

BDO Canada Limited, in its capacity as Court-Appointed Receiver of the Respondent Companies

Per: \_\_\_\_\_  


Encl.