

TAB 3

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

BETWEEN:

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

Applicant

- and -

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

Respondents

AFFIDAVIT

I, Eugene P. Migus, of the Town of Caledon, in the Regional Municipality of Peel, in the Province of Ontario, MAKE OATH AND SAY THAT:

1. I am a Senior Vice President and a Licensed Insolvency Trustee with BDO Canada Limited (“BDO”), Receiver of the assets and property of: (a) Peopledge HR Services Inc. (hereinafter referred to as “Peopledge”); and (b) Winston Park Financial Services Ltd., CMC Fraser Ltd., and 1624452 Ontario Limited (hereinafter collectively referred to as the “Related Parties”). In addition, BDO Canada Limited is also the Trustee administering the bankruptcy of Peopledge and the Related Parties. As such, I have knowledge of the matters hereinafter deposed to.
2. BDO Canada Limited was appointed as the Receiver of the property of Peopledge and the Related Parties pursuant to the order of the Honourable Justice Newbould made October 29, 2012 (the “Receivership Order”) on an application

by Bonnie Cummings in her capacity as the Estate Executrix of the estate of the late John Cummings (the "Estate Executrix").

3. Peopledge conducted business as a provider of payroll processing, human resources, and benefits services. It is a privately held Ontario corporation incorporated on December 11, 2006.
4. The Related Parties are corporations owned and/or previously controlled by the late John Cummings. The business purpose of the Related Parties is unclear. To date, the Receiver has identified an extremely limited amount of information relating to the Related Parties and their business activity.
5. As intended by the Application of the Estate Executrix, the Receiver was appointed to, among other things, oversee the orderly wind-down of the business of Peopledge.
6. Pursuant to the Receivership Order, the Receiver performed the services which are more particularly described in the detailed accounts attached hereto and marked as Exhibit "A".
7. The time incurred with respect to the foregoing administration of this receivership for the period March 31, 2013 to January 31, 2016 is as follows:

	Rate	Hours	Fees
Trustee and Senior Vice-President			
Migus, Eugene	\$ 530.41	93.65	\$ 49,673.25
Siciliano, Vince	575.00	2.00	1,150.00
Forensics and Senior Vice-President			
Hockings, Greg	520.00	17.10	8,892.00
Trustee and Vice-President			
Naumis, Peter	370.37	248.65	92,091.75
Sagolili, Nicole	242.94	10.90	2,648.10
Administrator			
Leung, Kevin	163.89	2.70	442.50
McConomy, Stephen	130.00	137.80	17,914.00
McInnis, Kelly	230.00	37.40	8,602.00
Morataya, Mario	87.23	82.10	7,161.25
Wong, Nathan	175.00	23.30	4,077.50
Office & Accounting			
Various	130.82	133.85	17,510.50
Total Time and Charges to January 31, 2016		789.45	210,162.85
Disbursements:			
Administrative fee			8,406.51
Travel			343.18
Total Remuneration & Disbursements			218,912.54
HST on Remuneration & Disbursements			28,458.63
Total Remuneration, Disbursements & HST			<u>\$ 247,371.17</u>


8. The time shown in the detailed accounts attached as Exhibit "A" is a fair and accurate description of the services provided and the amounts charged by the Receiver, which reflect the Receiver's time as billed at its standard billing rates. The Receiver's average hourly rate is \$266.21. In addition, the Receiver estimates it will incur an additional \$18,000 in fees and disbursements to complete its administration.

9. The Receiver requests Court approval of professional and administrative fees and disbursements totalling \$236,912.54 (being actual time to January 31, 2016 totalling \$218,912.54 plus an additional \$18,000 to complete its administration)

plus applicable Harmonized Sales Tax for the services performed since March 31, 2013.

10. This affidavit is sworn in support of the Receiver's motion for, among other things, approval of its fees and those of its legal representatives and for no other or improper purpose.

SWORN BEFORE ME at the
City of Mississauga
this 5th day of February, 2016


A Commissioner etc. in and
For the Province of Ontario

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Eugene P. Migus

Peter Naumis, a Commissioner, etc., Province of Ontario,
for BDO Canada LLP, Chartered Accountants and
BDO Canada Limited, Trustee in Bankruptcy and
their subsidiaries, associates and affiliates.
Expires April 24, 2018.

TAB A

SCHEDULE "A"

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Particulars</u>
1-Apr-13	Naumis, Peter	0.10	Filterfab - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.15	PMC Canada - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Saga Holidays - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Dasco Data - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Maple Nursery - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Barrantagh - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Palantir - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Sterling Relocation - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	2212974 - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Quickserve Restaurants - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Shared Support Services - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	D. Norman Trucking - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Roma Management - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.

SCHEDULE "A"

1-Apr-13	Naumis, Peter	0.20	Roma Moulding - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Sunwave - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	FiftyOne - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Naumis, Peter	0.20	Multisorb - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Migus, Eugene	0.25	Instructions to Peter Naumis; communication with Cassels Brock & Blackwell LLP.
1-Apr-13	Naumis, Peter	0.25	Correspondence to and from insurer re: ERP and short rate.
1-Apr-13	Naumis, Peter	0.50	Corpro - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
1-Apr-13	Sagolili, Nicole	0.50	Contact Intuit for copy of invoice; review unpaid Cogeco invoices; prepare cheque requisition.
1-Apr-13	Morataya, Mario	1.30	search for files in storage room
2-Apr-13	Naumis, Peter	0.10	Downunder - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Morataya, Mario	0.20	cheque requisition
2-Apr-13	Naumis, Peter	0.20	2287767 - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	1540578 - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	2281490 - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	1624737 - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	Bioness - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.

SCHEDULE "A"

2-Apr-13	Naumis, Peter	0.20	1261136 - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	Housing Services Corp. - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	Trex - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	SHSC Financial - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.20	2138942 - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.25	Hamlet of Taloyoak - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	0.25	Metal Systems - Review customer response deficiency notices sent and updated information provided. Update claim status and vetting.
2-Apr-13	Naumis, Peter	1.25	Conference call with Cassels, report update, claims update, insurance update, etc. Call to CRA to discuss discrepancy notice received and purported credit balance on account.
2-Apr-13	Migus, Eugene	1.90	Review and approve monthly bank reconciliations; conference call with Cassels Brock & Blackwell LLP (Eleonore Morris, Joe Bellissimo); update statement of receipts and disbursements; update distribution scenarios.
3-Apr-13	Naumis, Peter	0.10	ARINC - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.10	3099672 - Review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.10	Granite - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.10	Heidrick & Struggles - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.

SCHEDULE "A"

3-Apr-13	Naumis, Peter	0.10	Fair Isaac - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.15	Nautilus - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.20	Hamlet of Cambridge Bay - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	2171445 - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	2057825 - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	2212974 - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	2212975 - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	Pinnacle - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	Filterfab - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	1261136 - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	2138939 - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	Sherwood Plumbing - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	SciQuest - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.25	Laing Investments - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.

SCHEDULE "A"

3-Apr-13	Naumis, Peter	0.30	Celergo - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.40	Labatt - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Naumis, Peter	0.40	Trex - review response to Receiver's deficiency letter, updated information forwarded, etc. Update claims register.
3-Apr-13	Migus, Eugene	3.70	Revisions to distribution scenarios; follow-up with Peter Naumis; prepare updated affidavit; follow-up with Cassels Brock & Blackwell LLP on various issues.
4-Apr-13	Dula, Lourdes	0.20	processed chq
4-Apr-13	Sagolili, Nicole	1.00	Obtain Intuit Quickbooks invoice for April; respond to customer inquiries; look into customer inquiry; discussion with Peter Naumis.
4-Apr-13	Naumis, Peter	4.25	Customer correspondence, queries and follow up with respect to further review of deposit claims and request for information. Call to and from insurer re: confirmation of short rate and cancellability of policy. Correspondence and update to Cassels re: status of claims, insurance, etc. Review draft Fourth Report of Receiver and provide comments. Claims update analysis.
4-Apr-13	Migus, Eugene	4.70	Edit draft report; follow-up with Peter Naumis on updated claims information.
5-Apr-13	Iannilli, Franca	0.10	Photo copy chq. and send to Crown Records-Update Postage Log-Update Accounts File
5-Apr-13	Morataya, Mario	0.20	deposit
5-Apr-13	Morataya, Mario	0.20	chq requisition
5-Apr-13	Sagolili, Nicole	0.35	Respond to customer inquiry; prepare cheque requisitions.
5-Apr-13	Morataya, Mario	1.00	Harmonized Sales Tax returns
5-Apr-13	Naumis, Peter	1.00	Customer queries and requests. Review new customer general claim and deposit claim. Circulate to E. Migus and Cassels, discuss. Continued customer correspondence.

SCHEDULE "A"

5-Apr-13	Migus, Eugene	3.10	Prepare additional distribution scenarios as requested by Cassels Brock & Blackwell LLP; discussion with Joe Bellissimo regarding points raised by Thornton Grout Finnigan LLP on distribution scenarios; finalize affidavit; review and comment on additional revisions to report; finalize and release report.
8-Apr-13	Naumis, Peter	0.10	PMC Sierra Inc. - Correspondence with counsel.
8-Apr-13	Iannilli, Franca	0.20	Search for letter (PMC-Sierra Inc.,) sent by email-print and show Peter-
8-Apr-13	Naumis, Peter	0.20	Oregon Social Learning - correspondence with former customer, re: missing information, etc.
8-Apr-13	Naumis, Peter	0.20	OnMobile - correspondence with former customer, re: missing information, etc.
8-Apr-13	Naumis, Peter	0.25	Microfocus - correspondence with former customer, re: missing information, etc.
8-Apr-13	Naumis, Peter	0.25	Cambridge Bay Housing - correspondence with former customer, re: missing information, etc.
8-Apr-13	Naumis, Peter	0.25	776109 - Call to former customer re: more information required. Discuss claim and supporting documents.
8-Apr-13	Naumis, Peter	0.25	1261136 - Call to former customer re: more information required. Discuss claim and supporting documents.
8-Apr-13	Migus, Eugene	0.30	Various communication with Cassels Brock & Blackwell LLP; update from Peter Naumis.
8-Apr-13	Morataya, Mario	0.50	fix Harmonized Sales Tax return
8-Apr-13	Dula, Lourdes	0.80	processed dep, cheques
8-Apr-13	Naumis, Peter	1.75	Cheque requisition. Draft letter to Canada Revenue Agency. Customer correspondence re: motion materials received, status, etc. Audit of Ceridian contracts requested. Review for recurring revenue, referral fee calculations, etc. comment to Ceridian on findings.
9-Apr-13	Dula, Lourdes	0.40	processed cheques
10-Apr-13	Dula, Lourdes	0.10	bank rec
10-Apr-13	Naumis, Peter	0.75	Customer queries, correspondence. Amended customer deposit claim.
11-Apr-13	Iannilli, Franca	0.20	Photo copy chq. and mail to CANAM-APPRAIZ -Mail-Update Postage Log-File docs away-

SCHEDULE "A"

11-Apr-13	Migus, Eugene	0.40	Arrange updates to website; follow-up on various matters with Peter Naumis.
11-Apr-13	Morataya, Mario	0.40	phone call with government of Ontario small business transition support to collect a new cheque
11-Apr-13	Naumis, Peter	1.00	Correspondence with HORN IT re: 20 Pullman access. Approve and authorize access with PEER 1. Numerous discussions re: electronic access to servers, passwords, etc. Call to Tiago to assist. Correspondence with customers. Draft update to Claimants re: re-scheduled motion date.
11-Apr-13	Morataya, Mario	1.10	search through storage room to find box with Harmonized Sales Tax information
12-Apr-13	Dula, Lourdes	0.10	bank rec
12-Apr-13	Iannilli, Franca	0.20	Finalize Letter to Claimants of Files-Scan the signed docs to the directory-Forward to Peter-File docs away-
12-Apr-13	Naumis, Peter	1.00	Customer correspondence. Draft updated letter to customers re: motion date re-scheduled. Circulate to customers via email.
15-Apr-13	Sagolili, Nicole	0.10	Respond to inquiry from Cogeco.
15-Apr-13	Naumis, Peter	0.50	Customer correspondence. Call to and from Canada Revenue Agency re: amended HST claim, supporting backup and reporting period.
16-Apr-13	Naumis, Peter	0.15	Discussions with Nicole re: early termination fee claimed by phone service provider.
16-Apr-13	Morataya, Mario	0.55	draft 246 report
16-Apr-13	Sagolili, Nicole	0.80	Discussion with Peter Naumis re: invoice from Tempest Global Telecom; draft correspondence to Tempest Global Telecom; correspond with Avelle Pond (Pitney Bowes) re: postage meter.
17-Apr-13	Naumis, Peter	1.50	Review amended CRA general claim for Peopleledge pre-filing HST. Review and finalize 246(2) report. Customer queries. Receipt of additional supporting customer deposit claim back up. Review deposit claims.
18-Apr-13	Iannilli, Franca	0.30	Finalize Receiver's Interim Report-Scan the signed docs to the directory-Fax Coversheet and fax docs to the Office of the Superintendent of BKY-File docs away