



FACSIMILE

From:	Special Loans Group- Ontario 20 King Street West, 9 th Floor Toronto, Ontario M5H 1C4
Fax Number:	(416) 974-0528
Date:	November 7, 2006
To: (name)	Darryl McConnell
Department/Firm:	BDO
Address:	Mississauga
Fax Number:	905-615-1333
From:	Art Goodine Manager Tel.: (416) 974-3557
Subject:	Re: Shield Sprinkler Fire Systems Inc. ----- Attached is copies of executed Proof of Claim in the subject name together with executed Proof of Claim in the name of Franco Marciano and Proxies.
Total Number of Pages, including covering page: 22	
"THE PAGES COMPRISING THIS FACSIMILE TRANSMISSION CONTAIN CONFIDENTIAL INFORMATION FROM ROYAL BANK OF CANADA. THIS INFORMATION IS INTENDED SOLELY FOR USE BY THE INDIVIDUAL ENTITY NAMED AS THE RECIPIENT HEREOF. IF YOU ARE NOT THE INTENDED RECIPIENT, BE AWARE THAT ANY DISCLOSURE, COPYING, DISTRIBUTION, OR USE OF THE CONTENTS OF THIS TRANSMISSION IS PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE NOTIFY OUR OFFICE BY TELEPHONE IMMEDIATELY SO WE MAY ARRANGE TO RETRIEVE THIS TRANSMISSION AT NO COST TO YOU."	
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800 Dunwoody Limited
10000 Yonge Street, Suite 200
Markham, Ontario L3R 9V7
Canada

PROOF OF CLAIM

(All notices or correspondence regarding this claim must be forwarded to the following address:
20 King Street W., 9th Fl., Tor., ON M5H 1K4

IN THE MATTER OF THE BANKRUPTCY PROPOSAL RECEIVERSHIP OF Shield Sprinkler Fire Systems Inc.
(name of debtor) of Brampton, ON (City and Province) and the claim of Royal Bank of Canada creditor (the
"Bankrupt")

I, Art Goodine (name of creditor) of Pickering, ON (City and Province) do hereby certify:

1. That I am a creditor of the above-named debtor for that I am a Manager (state position or title) of Royal Bank of Canada (name of creditor) (the "Bank")
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of bankruptcy, for the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, no longer bankrupt the 20th day of October, 2006, and still is included to the creditor in the sum of \$_____ as specified in the statement of account (or affidavit or solemn declaration) attached and marked "Schedule A", after deducting any counterclaim to which the debtor is entitled. (The attached statement of account, or affidavit or solemn declaration must specify the vouchers or other evidence in support of the claim.) **See Schedule "A"
4. (Check and complete appropriate category)
 - (a) A. UNSECURED CLAIM OF \$929,498.90
That in respect of this debt, I do not hold any assets of the debtor as security and (Check appropriate description) Regarding the amount of \$_____, I do not claim a right to a priority.
Regarding the amount of \$_____, I claim a right to a priority under Section 136 of the Act. (Set out on an attached sheet details to support priority claim.)
 - (b) A.1. CLAIM OF LANDLORD FOR DISCLAIMER OF A LEASE \$_____
That I hereby make a claim under Subsection 65.2(4) of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)
 - (c) B. SECURED CLAIM \$1,174,498.91 amendment by the Bank
That in respect of this debt I hold assets of the debtor valued at \$_____ as security, particulars of which are as follows: (Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.) See Schedule "B"
 - (d) C. CLAIM BY FARMER, FISHERMAN, OR AQUACULTURIST OF \$_____
That I hereby make a claim under Subsection 11.2(1) of the Act for the unpaid amount of \$_____. (Attach a copy of sales agreement and delivery receipts.)
 - (e) D. CLAIM AGAINST DIRECTOR \$_____
That I hereby make a claim under Subsection 50(13) of the Act particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)
5. That, to the best of my knowledge, ~~there is~~ no other claim (or claims) related to the debtor within the meaning of Section 4 of the Act.
6. That the following are the payments that I have received from, and the credits that I have allowed to, the debtor within the three months or, if the creditor and the debtor are related within the meaning of Section 4 of the Act, within the 12 months immediately before the date of the initial bankruptcy order within the meaning of Section 2 of the Act: (Provide details of payments and credits.) All payments received by the Bank and credits extended by the Bank to the Bankrupt are in the ordinary course pursuant to the lending and banking arrangements between the Bank and the Bankrupt.
7. (Applicable only in the case of the bankruptcy of an individual)
 - (a) I request to be advised of any material change in the financial situation of the bankrupt, pursuant to subparagraph 102(1)(b)(i) of the Act.
 - (b) I request to be advised of any amendment made regarding the amount that the bankrupt is required to pay, pursuant to subsection 88(4) of the Act.
 - (c) I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at Toronto this 1 day of November, 2006. Phone No: 416-974-3557
ROYAL BANK OF CANADA Fax No: 416-974-0528
mailto:art.goodine@rb.com

Witness:
Creditor: Art Goodine
Signature: [Signature]
A further copy pursuant to subsection 120(1) of the Act, may be required in order to file the secured creditor's proof of claim with a proof of security, by the secured creditor.
Subsection 26(1) of the Bankruptcy and Insolvency Act provides that a creditor is not required to file a proof of claim if the creditor is not a secured creditor.

SCHEDULE "A"
TO THE PROOF OF CLAIM OF ROYAL BANK OF CANADA
IN THE MATTER OF THE BANKRUPTCY OF
SHIELD SPRINKLER FIRE SYSTEMS INC.

Principal as at October 20, 2006	\$1,098,628.00
Accrued interest as at date of Bankruptcy to and including October 19, 2006	\$6,140.28
Current Account Overdraft as at October 20, 2006	\$54,837.43
Interest as at October 19, 2006	\$396.63
Legal Fees (to and including November 3, 2006)	\$14,496.57
TOTAL	<u>\$1,174,498.91</u>

BDO Dunwoody Limited

PROOF OF CLAIM

20 King Street West, 9th Floor, Toronto, ON M5H 1C4

IN THE MATTER OF THE BANKRUPTCY (PROPOSAL) RECEIVERSHIP OF Shield Sprinkler Fire Systems Inc. (name of debtor) of Brampton, ON (City and Province) and the claim of Royal Bank of Canada (the "Bankrupt")

I, Art Goodine, (name of creditor) of Pickering, ON (City and Province), do hereby certify:

1. That I am a creditor of the above-named debtor for that I am a Manager of Royal Bank of Canada (the "Bank") (name of creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the 20th day of October, 2006, and still is indebted to the creditor in the sum of \$939,498.90, as specified in the statement of account (or affidavit or solemn declaration) attached and marked "Schedule A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account, or affidavit or solemn declaration must specify the vouchers or other evidence in support of the claim.) **See Schedule "A"

4. (Check and complete appropriate category.)

- (X) A. UNSECURED CLAIM OF \$939,498.90. That in respect of this debt, I do not hold any assets of the debtor as security and (Check appropriate description.) Regarding the amount of \$... I do not claim a right to a priority. Regarding the amount of \$... I claim a right to a priority under Section 136 of the Act. (Set out on an attached sheet details to support priority claim.)

() A.1. CLAIM OF LANDLORD FOR DISCLAIMER OF A LEASE \$... That I hereby make a claim under Subsection 63.2(4) of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based)

(X) B. SECURED CLAIM \$1,174,498.91 amendment by the Bank *\$235,000 subject to future. That in respect of this debt, I hold assets of the debtor valued at \$... as security, particulars of which are as follows: (Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.) See Schedule "B"

() C. CLAIM BY FARMER, FISHERMAN, OR AQUACULTURIST OF \$... That I hereby make a claim under Subsection 81.2(1) of the Act for the unpaid amount of \$... (Attach a copy of sales agreement and delivery receipts.)

() D. CLAIM AGAINST DIRECTORS. That I hereby make a claim under Subsection 58(1) of the Act particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based).

5. That, to the best of my knowledge, (check) the above-named creditor is (is not) related to the debtor within the meaning of Section 4 of the Act.

6. That the following are the payments that I have received from, and the credits that I have allowed to, the debtor within the three months (or, if the creditor and the debtor are related within the meaning of Section 4 of the Act, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments and credits.) All payments received by the Bank and credits extended by the Bank to the Bankrupt are in the ordinary course pursuant to the lending and banking arrangements between the Bank and the Bankrupt.

- 7. (Applicable only in the case of the bankruptcy of an individual) () I request to be advised of any material change in the financial situation of the bankrupt, pursuant to subparagraph 102(3)(b)(i) of the Act. () I request to be advised of any amendment made regarding the amount that the bankrupt is required to pay, pursuant to subsection 68(4) of the Act. () I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at Toronto this 14th day of November, 2006. ROYAL BANK OF CANADA. Phone No: 416-974-3857 Fax No: 416-974-0528 E-mail: art.goodine@rbcc.com

Per: Art Goodine, Manager

NOTE: A trustee may pursuant to s. 246(22.1) of the Act, require a security on payment in the normal course of the debt by the value of the security as assessed at a date of security by the secured creditor. Subsection 246(1) of the Bankruptcy and Insolvency Act prohibits secured parties from making any false claim, proof, invoice or statement of account.

SCHEDULE "A"
TO THE PROOF OF CLAIM OF ROYAL BANK OF CANADA
IN THE MATTER OF THE BANKRUPTCY OF
SHIELD SPRINKLER FIRE SYSTEMS INC.

Principal as at October 20, 2006	\$1,098,628.00
Accrued interest as at date of Bankruptcy to and including October 19, 2006	\$6,140.28
Current Account Overdraft as at October 20, 2006	\$54,837.43
Interest as at October 19, 2006	\$396.63
Legal Fees (to and including November 3, 2006)	\$14,496.57
TOTAL	<u>\$1,174,498.91</u>

SCHEDULE "B"
TO THE PROOF OF CLAIM OF ROYAL BANK OF CANADA
IN THE MATTER OF THE BANKRUPTCY OF
SHIELD SPRINKLER FIRE SYSTEMS INC.

In respect of the secured claim Royal Bank of Canada (the "Bank") presently holds a General Security Agreement dated April 5, 2006 and a Charge/Mortgage of Land in the principal amount of \$235,000.00 and receipted as PR1042034 on April 6, 2006 in the Land Titles Office for the Registry Division of Peel (collectively the "Bank's Security"). Copies of the Bank's Security are attached hereto as Article 1.

The amounts referenced in this proof of claim are based, solely on the Trustee's estimation of the value of the property secured by the Bank's Security. Presently, the amount that will be realized from the Bank's Security is undetermined and it is unclear whether the Trustee's estimates as to the value of the Bank's Security are accurate. Accordingly, please be advised that this proof of claim is delivered to the Trustee on a without prejudice basis to Bank's ability to amend its claim, at any time prior to the receipt of a dividend. For greater certainty, the Bank hereby reserves all of its rights and this proof of claim shall in no way constitute a surrender of any security held by the Bank against the Bankrupt.

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GENERAL SECURITY AGREEMENT

FORM 924 (2005/04)
DEFINITION - M

1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to ROYAL BANK OF CANADA ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), instruments, intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of Debtor (including such substitutions thereto) (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all inventory of whatever kind and wherever situated;
(ii) all equipment (other than inventory) of whatever kind and wherever situated, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
(iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
(iv) all lists, records and files relating to Debtor's customers, clients and patients;
(v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
(vi) all contractual rights and insurance claims;
(vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
(viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "proceed", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 1.4(a), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.", provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., and the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, whatsoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and inventory on lease or consignment and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations; and

(c) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral;
- (ii) the details of any significant acquisition of Collateral;
- (iii) the details of any claims or litigation affecting Debtor or Collateral;
- (iv) any loss or damage to Collateral;
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral; and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business;
- (iv) all policies and certificates of insurance relating to Collateral; and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any

manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

6. SECURITIES

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors, and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the indebtedness or pay the same promptly to Debtor.
 (b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:
 (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
 (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.
 (b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":
 (a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;
 (b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;
 (c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;
 (d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;
 (e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;
 (f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;
 (g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;
 (h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or cause to be carried on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situated, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, lease, license or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A.

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomsoever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation, with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, license or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto, and situated as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever indebtedness is immediately due and payable or RBC has the right to declare indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(n) No debt or omission by RBC in exercising any right or remedy hereunder or with respect to any indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(o) Debtor waives protest of any instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

(p) This Security Agreement shall accrue to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(q) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(r) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(s) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(t) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(u) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(v) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(w) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(x) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment or accept anything which constitutes or would constitute indebtedness.

(y) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(z) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(3) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 4.6) of that Act shall not apply to Debtor.

(4) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein mentioned branch of RBC is located, as those laws may from time to time be in effect, including where applicable, the P.P.S.A.

15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

16. Debtor represents and warrants that the following information is accurate:

INDIVIDUAL DEBTOR

SURNAME (LAST NAME)		FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR		CITY	PROVINCE	POSTAL CODE	
SURNAME (LAST NAME)		FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR IF DIFFERENT FROM ABOVE		CITY	PROVINCE	POSTAL CODE	

BUSINESS DEBTOR

NAME OF BUSINESS DEBTOR SHIELD SPRINKLER FIRE SYSTEMS INC.					
ADDRESS OF BUSINESS DEBTOR 13 KENNEDY ROAD UNIT 19		CITY BRAMPTON	PROVINCE ON	POSTAL CODE L6T 5K9	


TRADE NAME (IF APPLICABLE)

TRADE NAME OF DEBTOR					
PRINCIPAL ADDRESS IF DIFFERENT FROM ABOVE		CITY	PROVINCE	POSTAL CODE	

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 30 day of APRIL, 2006.

SHIELD SPRINKLER FIRE SYSTEMS INC.

WITNESSES _____

per: 
FRANK MARCLANO - President

Seal

I have the authority to bind the corporation

WITNESSES _____

Seal

BRANCH ADDRESS

BUSINESS SERVICE CENTRE 3RD FLR 180 WELLINGTON ST W TORONTO ON M5J 1J1

SCHEDULE "A"

FORM 994 (2007,01)

(ENCUMBRANCES AFFECTING COLLATERAL)

SCHEDULE "B"

1. Locations of Debtor's Business Operations

13 KENVIEW ROAD
UNIT 18
BRAMPTON, ON
L6T 5K9

2. Locations of Records relating to Collateral (if different from 1. above)

SAME AS ABOVE

3. Locations of Collateral (if different from 1. above)

SAME AS ABOVE

SCHEDULE "C"
(DESCRIPTION OF PROPERTY)

C FORM 924 (2002/01)

015/022
F.015

416 974 8508

11/07/2006 13:45 IFAX MIS#-fax@bdo.ca
NOV-07-2006 13:43
ROYAL BANK

LRO # 43 Charge/Mortgage

Received as PH1042034 on 2006 04 06 at 15:04

The applicant(s) hereby applies to the Land Registrar.

yyyymmdd Page 1 of 2

Properties

PIN 19451 - 0010 LT **Interest/Estate** Fee Simple

Description UNIT 10, LEVEL 1, PEEL CONDOMINIUM PLAN NO. 451 ; BLK 7 PL 43M811, MORE FULLY DESCRIBED IN SCHEDULE 'A' OF DECLARATION LT1287631 ; BRAMPTON

Address 10 UNIT
00013 KENVIEW BLVD
BRAMPTON

Charger(s)

The charger(s) hereby charges the land to the charge(s). The charger(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name SHIELD SPRINKLER FIRE SYSTEMS INC.

Address for Service 13 Kenview Road
Unit 10
Brampton, Ontario
L6T 5K9

I, FRANK MARCIANO, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Charger(s)	Capacity	Share
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Name	ROYAL BANK OF CANADA
Address for Service	Business Service Centre 3rd Floor, 180 Wellington St. W. Toronto, Ontario M5J 1J1

Provisions

Principal \$ 235,000.00 **Currency** CDN

Calculation Period monthly not in advance

Balance Due Date On Demand

Interest Rate Prime Rate plus 2.5% per annum

Payments

Interest Adjustment Date

Payment Date

First Payment Date

Last Payment Date

Standard Charge Terms 20018

Insurance Amount full insurable value

Guarantor FRANK MARCIANO

Signed By

Lidwina L. Budwarman 701-130 Adelaide St. West acting for Charger(s) Signed 2006 04 06
Toronto M5H 2K4

Tel 4165935555

Fax 4165937760

Submitted By

BEARD WINTER 701-130 Adelaide St. West 2006 04 06
Toronto M5H 2K4

Tel 4165935555

Fax 4165937760

MAY-09-2006 09:42

RBC TORONTO EAST BRC

416 431 5914 P.13

UPD # 43 Charge/Mortgage

Received as PR1042034 on 2006 04 08 at 15:04

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 2

Fees/Taxes/Payment

Statutory Registration Fee 560.00

Total Paid 560.00

File Number

Charger Client File Number : 94094-8/JLD/SEN

Charger Grant File Number : SRF#191-113-323

MAY-09-2006 09:42

RBC TORONTO EAST

966

P.13

017/022 P.017

416 974 8508

11/07/2006 13:45 IFAX MIS#-fax@bdo.ca
ROYAL BANK 13:43



Head Office
1845 Baskin Street, Suite 402
Toronto, Ontario M6H 3K2
Tel: (416) 615-7337
Fax: (416) 625-0462

Proof of Claim

(Subsections 50(13), 50.1(1) and 65.2(4), paragraphs 51(1)(c) and 66.14(b); subsections 81.2(1), 102(2), 124(2), and 128(1) of the Bankruptcy and Insolvency Act)

In the name of the bankruptcy or the trustee of Francis Marciano (name of debtor) of

Niagara-On-The-Take, ON (city and province) and the name of Royal Bank of Canada (name of creditor)

(All amounts are expressed in dollars unless otherwise stated in the following schedule)
20 King St. W., 9th Fl., Tor., ON M5H 1C4 (Postal Code) 416-974-3557 (Telephone #) 416-974-0528 (Fax #)

I, Art Goodine (name of creditor, or Pickering, ON (city and province) no longer valid)

1. That I am a creditor of the above named debtor or that I am a Manager (state position or role of Royal Bank of Canada) (name of creditor)

2. That I have knowledge of all circumstances connected with the claim referred to below.

3. That the claim was, at the date of the bankruptcy or the date of the cessation, or in the case of a proposal, the date of the notice of meeting, or of the proposal, if no notice of meeting was filed, namely on 12th day of October 2006, was all in, or was in the amount of \$ 0.00 as specified in the statement of account (or affidavit or sworn declaration) attached and marked Schedule "A", after deducting any considerations to which the debtor is entitled. (The various statements of account, or affidavits or sworn declarations that specify the amounts or other evidence in support of the claim.)

**See Schedule "A"

4. (Check and complete appropriate category)
 A. UNSECURED CLAIM OF \$ 1,134,000
That in respect of this debt, I do not hold any claim of the debtor as security and (Check appropriate description)

Assuming the amount of \$ 1,134,000 I do not claim a right to priority.
 Assuming the amount of \$ _____ I claim a right to priority under section 136 of the Act. (Do not use attached above debtor in support priority claim.)

A.I. CLAIM OF LANDLORD FOR DISCLAIMER OF A TENANT
That I hereby make a claim under subsection 85.2(4) of the Act, particulars of which are set out on the attached schedule. (Give full particulars of the claim, including the circumstances upon which the claim is based.)

B. SECURED CLAIM OF \$ _____
That in respect of this debt, I hold title of the debtors value of \$ _____ as security, particulars of which are as follows: (Give full particulars of the security, including the date on which the security was given and the value of which and describe the security and attach a copy of the security instrument.)

C. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____
That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____. (Attach a copy of price agreement and delivery receipt.)

D. CLAIM AGAINST DIRECTOR(S)
I'm filing a claim against a director of the debtor for the amount of \$ _____ (Give full particulars of the claim, including the circumstances upon which the claim is based.)

5. That, to the best of my knowledge, ~~NO~~ there are no other claims ~~NO~~ to be related to the debtor within the meaning of section 4 of the Act.

6. That the following are the payments that I have received from, and the credits that I have allowed on, the debtors within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act, within 12 months) immediately before the date of the initial meeting, or the date of the meeting of creditors, or the date of the proposal, or the date of the cessation of payments and credit.
See Schedule "B"

I require to be advised of any transfer or change in the financial condition of the bankruptcy, proposal or subsection 50(20)(a) of the Act.
 I require to be advised of any compromise or arrangement in respect of the claim that the bankruptcy is required to file, pursuant to subsection 50(4) of the Act.
 I received and a copy of the report filed by the trustee regarding the bankruptcy's application for discharge pursuant to subsection 170(1) of the Act the last in this claim address.

Dated at Toronto this 7 day of November, 2006
ROYAL BANK OF CANADA
By: Art Goodine, Manager

NOTICE: If an affidavit or sworn declaration is attached, it must have been sworn to by a person qualified to do so in the jurisdiction of the debtor's residence.
WARNING: A check or cash payment to subsection 128(2) of the Act, without a security or payment to the creditor creditor of the debt or the value of the security or payment, in a bond of security, by the debtor creditor.
Subsection 101(1) of the Act prohibits anyone from making any such claim, grant, distribution or statement of account.

GENERAL PROXY
(Paragraphs 51(1)(c) and 66.14(b) and subsection 102(2))

In the name of the bankruptcy or the trustee of Francis Marciano (name of debtor) a bankrupt (or an assignee)

I the Art Goodine/Royal Bank (name of creditor), of Pickering, ON (name of city, town or village) a creditor in the above named bankruptcy or estate of Francis Marciano (name of debtor) to be my (or our) sole

proxy in the above named estate as in the receipt of dividends, with (or without) power to appoint general proxy as he or she shall think fit.
Dated at Toronto this 7 day of November, 2006

Witness ROYAL BANK OF CANADA
Authorized Officer or name of Corporate Officer

Witness Art Goodine, Manager
Authorized Officer

DIRECTIONS FOR COMPLETION OF THIS FORM ARE ON THE REVERSE SIDE

SCHEDULE "A"
TO THE PROOF OF CLAIM OF ROYAL BANK OF CANADA
IN THE MATTER OF THE BANKRUPTCY OF
FRANCO MARCIANO

Guaranteed Debt	\$1,111,000.00
Personal Line of Credit	\$21,000.00
Visa Account	<u>\$12,000.00</u>
TOTAL	<u>\$1,134,000.00</u>

SCHEDULE "B"
TO THE PROOF OF CLAIM OF ROYAL BANK OF CANADA
IN THE MATTER OF THE BANKRUPTCY OF
FRANCO MARCIANO

Please take notice that within the 3 month period prior to the date of Bankruptcy the Bank did not receive any payments from the Bankrupt nor extend any credits to the Bankrupt, except as contemplated under the terms of the Bankrupt's lending and banking arrangements with the Bank. Copies of such agreements among the Bankrupt and the Bank and the details of the Bankrupt's account activity can be provided at the request of the Trustee.

PROXY
(Paragraphs 51(1)(4) and 66.15(3)(b)
and subsection 162(2))
IN THE MATTER OF THE BANKRUPTCY OF
SHIELD SPRINKLER FIRE SYSTEMS INC.
OF THE CITY OF BRAMPTON, IN THE REGION OF PEEL, IN THE PROVINCE OF ONTARIO


I/We Art Goodline of Royal Bank of Canada (name of creditor),
of _____ (name of city, town or village), a creditor
in the above matter, hereby appoint Catherine Francis
of Minden Cross LLP to be my/our
proxyholder in the above matter except as to the receipt of dividends, with ~~express~~
power to appoint another proxyholder in his or her place.

Dated at Toronto this _____ day of November, 20 06

Witness

Individual Creditor

Royal Bank of Canada

Name of Corporate Creditor


Name and Title of Signing Officer
Name: Art Goodline
Title: A.S.O.
I have the authority to bind the Corporation.

PROXY
 (Paragraphs 51(1)(e) and 66.13(3)(b)
 and subsection 102(21)
 IN THE MATTER OF THE BANKRUPTCY OF
 SHIELD SPRINKLER FIRE SYSTEMS INC.
 OF THE CITY OF BRAMPTON, IN THE REGION OF PEEL, IN THE PROVINCE OF ONTARIO

I/We Art Goodine of Royal Bank of Canada (name of creditor),
 of _____ (name of city, town or village), a creditor
 in the above matter, hereby appoint Catherine Francis
 of Minden Gross LLP to be my/our
 proxyholder in the above matter except as to the receipt of dividends, with ~~(00000000)~~
 power to appoint another proxyholder in his or her place.

Dated at Toronto this _____ day of November, 20 06

 Witness Individual Creditor

Royal Bank of Canada
 Name of Corporate Creditor

 Name and Title of Signing Officer
 Name: Art Goodine
 Title: A.S.O.
 I have the authority to bind the
 Corporation.

[Signature]
 Witness