

FILE COPY	
GENERAL FILE	
CLAIMS	
CREDITOR CORRESP.	
ASSETS	
RETURNS - FINANCIAL	
ACCOUNTS	
SPARES	
OTHER (DESCRIBE)	

25 October 2006

Citicorp Vendor Finance Ltd.
123 Front Street West
Toronto, ON
M5J 2M2

Dear Sirs:

Re: Shield Sprinkler Fire Systems Inc., Interim Receivership

On 16 October 2006 the Ontario Superior Court of Justice issued an Order appointing BDO Dunwoody Limited as Interim Receiver (the "Interim Receiver") of Shield Sprinkler Fire Systems Inc. ("Shield"). Shield subsequently filed an assignment in bankruptcy on 23 October 2006.

Please find enclosed:

1. A copy of the Court Order ("Order") appointing BDO Dunwoody Limited as Interim Receiver;
2. A copy of the Certificate of Appointment, appointing BDO Dunwoody Limited as Trustee of the estate;
3. Notice by Trustee Requiring Filing of Proof of Security;
4. Statement of Affairs of Shield;
5. Proof of claim and Proxy form; and
6. Property Proof of Claim form.

We draw your attention to paragraph 5 of the Order requiring you to provide any information to the Interim Receiver as requested. Further, Section 128 of the *Bankruptcy and Insolvency Act* requires that within 30 days of this notice, you prove any secured claims you may have.

Accordingly, if you feel you have a secured claim against Shield please forward the completed proof of claim with support, including all security documents and post-ponements, if any. Failure to prove a claim within 30 days will result in the Interim Receiver selling the assets, upon court approval.

All correspondence must be sent to:

BDO Dunwoody Limited
1 City Centre Drive, Suite 1040
Mississauga, Ontario
L5B 1M2
Attention: Peter Naumis

We also draw your attention to paragraphs 17, 18 and 29 of the order, which provide a first charge against all assets of Shield in favour of the costs of the Interim Receiver and the right of any party affected by this Order to make an application to the Court to amend or vary the Order upon seven (7) days notice to the Interim Receiver and any other party likely to be affected by the Order sought.

If you have any inquiries, please contact Peter Naumis at (905) 615-8087 ext. 4233.

Yours very truly,

BDO DUNWOODY LIMITED

Interim Receiver and Trustee in Bankruptcy

In the matter of Shield Sprinkler Fire Systems Inc.

Per:



D.R. McConnell, CGA, CIRP
Vice President

Encl.



BDO Dunwoody Limited
Trustee in Bankruptcy

1 City Centre Drive Suite 1040
Mississauga Ontario Canada L5B 1M2
Telephone: (905) 615-8787
Fax: (905) 615-1333

www.bdo.ca

District of Ontario
Division No. 9 – Toronto
Court No. 32-156397
Estate No. 32-156397

**NOTICE BY TRUSTEE REQUIRING FILING OF PROOF OF
SECURITY(Subsection 128(1) of the Act)**

**IN THE MATTER OF THE BANKRUPTCY OF
SHIELD SPRINKLER FIRE SYSTEMS INC.
OF THE CITY OF BRAMPTON,
IN THE REGIONAL MUNICIPALITY OF PEEL,
IN THE PROVINCE OF ONTARIO.**

TAKE NOTICE THAT:

1. You are hereby required, pursuant to Subsection 128(1) of the Act, to file with us a proof of claim and proof of security (security documents) relating to any security that you hold on the property of Shield Sprinkler Fire Systems Inc., a bankrupt, which property is described below:

1998 Forklift Truck # GLC050RGNUAE082
Material handling equipment together with all parts, attachments,
accessories, additions, batteries, chargers, repair parts and other equipment.

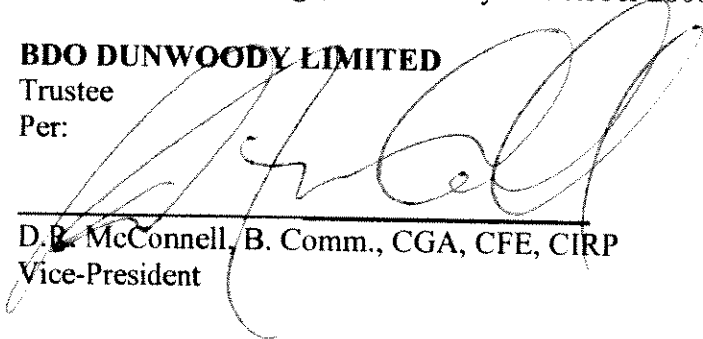
2. The proof of claim and proof of security must give full particulars of the security, including the date on which it was given and the value at which you assess it.
3. If you do not file with us a proof of claim and proof of security in respect of the property, within the 30 days after the day on which this notice is served we may, with leave of the Court, sell or dispose of the property, free of your security.
4. A proof of claim in the required form is attached.

DATED at Mississauga, this 23rd day of October 2006.

BDO DUNWOODY LIMITED

Trustee

Per:



D. B. McConnell, B. Comm., CGA, CFE, CIRP
Vice-President

Citicorp Vendor Finance Ltd.
123 Front Street West
Toronto, Ont
M5J 2M2

Encl.

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VIA FACSIMILE: (416) 947-5303

November 22, 2006

Citicorp Vendor Finance Ltd.
 123 Front Street West
 16th Floor
 Toronto, Ontario
 M5J 2M2

Attention: Al Mekkunnel

Dear Sirs:

Re: **Estate of Shield Sprinkler Fire Systems Inc., a bankrupt
 1998 Yale Forklift ("Forklift")
 Your # 4054930**

We acknowledge receipt of your Proof of Claim (Property) dated October 31, 2006 pertaining to a 1998 Yale Forklift S/N# E187V06765V.

On October 16, 2006 the Ontario Superior Court of Justice issued an Order (the "Order") appointing BDO Dunwoody Limited as Interim Receiver (the "Interim Receiver") of Shield Sprinkler Fire Systems Inc. ("Shield"). All assets came into the possession of the Interim Receiver pursuant to the provisions of the Order. They were not in the possession of the bankrupt on the date of bankruptcy, October 23, 2006, and remain in the possession of the Interim Receiver. Accordingly, the provisions of Section 81 of the Bankruptcy and Insolvency Act ("Section 81") do not apply and the Trustee is unable to release the property to you at this time. The Trustee reserves the right to obtain a legal opinion with respect to the enforceability of your agreement against the Trustee in the unlikely event the property comes into its possession as Trustee.

The Interim Receiver has duties similar to those of the Trustee to review the claims against the assets of Shield, but is not bound by limits of Section 81. It is bound to protect the assets on behalf of all creditors, but is not bound to take a position on disputes between competing claims. Such disputes must be settled by agreement, or by the further order of the Court. As your claim is unsettled and may be disputed by other creditors, the Interim Receiver is also not in a position to release the property to you at this time.

Our review of the search results on the Personal Property Security Registry reports your registration of a security interest on material handling equipment, being File Number 606181131 and Registration Number 20040607 1421 7029 7547. This appears to be the registration of the interest in the equipment which is the subject of your claim. A further registration was made on File Number 606181131, being Registration Number 20060601

1704 1460 8232, reports a postponement change "TO POSTPONE REGISTERED FILE NUMBER 606181131 IN FAVOUR OF CITICORP VENDOR FINANCE, LTD. TO FILE NUMBER 624062835, REGISTRATION NO. 20060406 1530 1793 3257 IN FAVOUR OF ROYAL BANK OF CANADA."

Prior to releasing any property, we must give notice to potential competing claims and determine whether there are any issues under dispute.

Please provide to us, at your earliest opportunity, all addition documentation you have pertaining to this property claimed, and in particular, please provide all documents pertaining to any postponement of your claim.

Further, in spite of the registration of a secured interest, you have not filed a secured claim. If you intend to file one, please file it immediately. Also please advise us of your position on the priority of all of your claims, including consideration of the registered postponement. Also with legible copies of all documents in your possession pertaining to the security in general, and the postponement to the Royal Bank of Canada in particular. Competing claims may include a Deemed Trust claim expected to be filed by Canada Revenue Agency, and the security registered to Royal Bank of Canada and Ms. Anna Marciano-De Giorgio and other security registered on specific assets.

Please find enclosed our demand that you prove your secured claim, if any, within 30 days of this notice. If you do not file with us a proof of claim and proof of security in respect of the property, within the 30 days after the day on which this notice is served we may, with leave of the court, sell or dispose of the property, free of your security.

If you do not claim a debt due from this bankrupt, with or without a security interest in these assets, or you do not intend to file a Proof of Claim, please advise us accordingly at your earliest opportunity.

Please also provide us with the contact information if you wish to be represented by legal counsel in this matter. We believe a copy of the Order was forwarded to you with previous correspondence.

Information pertaining to Shield, including the Court Order and the secured claims filed, may be accessed on our web site at www.bdo.ca/shield. To access the secured claims you will require the following security access codes: User Name: bdo; Password: pass8.

If you have any questions, I may be contacted on my direct line at (905) 615-6202.

Yours very truly,

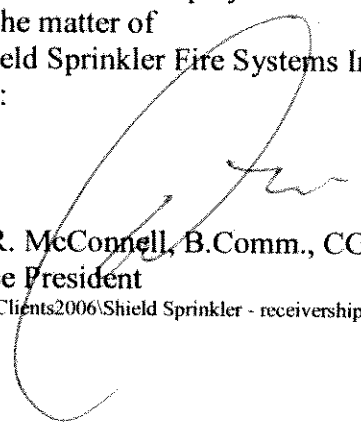
BDO DUNWOODY LIMITED

Trustee in Bankruptcy and Interim Receiver

In the matter of

Shield Sprinkler Fire Systems Inc.

Per:



D.R. McConnell, B.Comm., CGA, CFE, CIRP

Vice President

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BDO Dunwoody Limited
Trustee in Bankruptcy

1 City Centre Drive, Suite 1040
Mississauga (Ontario) Canada L9B 1M2
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Fax: (905) 615-1333

www.bdo.ca

District of ONTARIO
Division No. 9-MISSISSAUGA
Court No. 32-156397
Estate No. 32-156397

**SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF
SHIELD SPRINKLER FIRE SYSTEMS INC.
OF THE CITY OF BRAMPTON,
IN THE REGIONAL MUNICIPALITY OF PEEL,
IN THE PROVINCE OF ONTARIO.**

**Form 76 -- Notice by Trustee Requiring Filing of Proof of Security
(Subsection 128(1) of the Act)**

Take notice that:

1. You are hereby required, pursuant to subsection 128(1) of the Act, to file with me a proof of claim and proof of security (security documents) relating to any security that you hold on the property of Shield Sprinkler Fire Systems Inc., a bankrupt, which property is described below:

Material handling equipment, together with all parts, attachments accessories, additions, batteries, chargers, repair parts and other equipment placed on or forming part of the goods described herein with any proceeds thereof and therefrom including without limitation, all goods, securities, instruments, documents of title, chattel paper and intangibles(as described in the Personal Property Security Act).

2. The proof of claim and proof of security must give full particulars of the security, including the date on which it was given and the value at which you assess it.
3. If you do not file with us a proof of claim and proof of security in respect of the property, within the 30 days after the day on which this notice is served we may, with leave of the court, sell or dispose of the property, free of your security.
4. A proof of claim in the required form is attached.

Dated at Mississauga, Ontario, this 22nd day of November, 2006.

BDO Dunwoody Limited
As Trustee in Bankruptcy in the matter of
Shield Sprinkler Fire Systems Inc.

To:

**Citicorp Vendor Finance Ltd.
123 Front Street West
16th Floor
Toronto, Ontario
M5J 2M2**

Attention: Al Mekkunnel