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DELIVERED & BY FACSIMILE: (416-498-5141)

18 October 2006

Local Union 853
 Sprinkler Fitters of Ontario
 U.A. Local 853 Sprinkler & Fire Protection Trade Centre
 60 Shields Court
 Markham, Ontario, Ontario, L3R 9T5

Attention: Mr. Don Crichton, Business Manager

and

DELIVERED & BY FACSIMILE: (416-635-6464)

Trustees of U.A. Local 853
 Ontario Sprinkler Industry Benefit Trust Fund
 545 Wilson Avenue
 Toronto, Ontario, M3H 1V2

Attention: Ms. Angie Ruffo, Delinquency Control Officer

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"). A copy of the Order is attached. Please take particular notice of the restrictions, including the stay of proceedings, found in paragraphs 7 through 10 inclusive.

Please provide us with the names and addresses of all employees of Shield as contained in your records. We believe that paragraph 5 of the Order provides you with adequate authority to do so. We understand all operations by Shield have been dormant for at least a week. We shall give formal notice of termination of employment by Shield to all employees as soon as we have the information necessary to contact them.

Please also consider this our notice to you that the employment of all union employees of Shield has been terminated.

If any questions arise, please contact me at 905-615-6202, Fax 905-615-1313, or by e-mail at dmcconnell@bdo.ca.

Yours very truly,

BDO DUNWOODY LIMITED

Interim Receiver

Per:



Darryl R. McConnell, B.Comm, C.G.A, C.F.E., C.I.R.P.
Vice President

Encl. L:\C\clients2006\Shield Sprinkler - prospective\ltr-Union 20061018.doc

Transmission Report

Date/Time 10-19-2006
Local ID 1 416
Local ID 2

02:36:58 p.m.

Transmit Header Text
Local Name 1
Local Name 2

This document : Confirmed
(reduced sample and details below)
Document size : 8.5"x11"



BDO Danwoody Limited

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

TELECOPIER COVERING PAGE

DATE: 19 October 2006

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: Mr. Don Crichton, Business Manager
FIRM: Local Union 853, Sprinkler Fitters of Ontario
FAX: 416 498 5141

FROM: Darryl R. McConnell, CGA, CIRP

TOTAL PAGES INCLUDING THIS COVERING PAGE: 20
IF YOU DO NOT RECEIVE ALL PAGES, PLEASE NOTIFY SENDER AT (905) 615-8787.

RE: Shield Sprinkler Fire Systems Inc., Interim Receivership

Please see attached fax dated 18 October 2006.

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001	290	416 498 5141	02:32:21 p.m. 10-19-2006	00:03:49	20/20	1	EC	HS	CP24000

Abbreviations:

HS: Host send
HR: Host receive
WS: Waiting send

PL: Polled local
PR: Polled remote
MS: Mailbox save

MP: Mailbox print
CP: Completed
FA: Fail

TU: Terminated by user
TS: Terminated by system
RP: Report

G3: Group 3
EC: Error Correct



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

VIA FACSIMILE: (416) 975-0087

November 22, 2006

Thane P. Woodside
Barrister & Solicitor
65 St. Clair Avenue East
Toronto, Ontario
M4T 2Y3

Dear Sirs:

Re: **Shield Sprinkler Fire Systems Inc., bankruptcy & interim receivership
Secured Claim**

We acknowledge receipt of your Proofs of Claim filed against the bankrupt estate on behalf of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada Local 853 Sprinkler Fitters of Ontario "et al" ("Local 853"), including a claim of being secured against specified construction lien amounts (the "Liens").

We are writing to you in an attempt to determine your position with respect to the enforceability of the secured claim of the Union against intervening creditors. It will obviously assist, and minimize costs, if we can identify the areas of concurrence and dispute.

As you are no doubt aware, and as reported to you at the first meeting of creditors, 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") on October 16, 2006. Shield filed an assignment into bankruptcy on October 23, 2006. BDO Dunwoody Limited was appointed the Trustee.

The perfection or enforceability of your secured claim against the estate does not necessarily affect its enforceability against intervening secured creditors who may have rights in addition to those of the Trustee. As Trustee, we do not have any practical reason to take issue with your secured claim against this bankrupt estate. We cannot confirm however, there are, or will be, any receipts or assets for you to be secured against. We must also reserve the right to obtain a legal opinion prior to taking a position in the unlikely event the property comes into its possession as Trustee.

It is anticipated that all receipts and disbursements will be carried out in our capacity as Interim Receiver, and are subject to the final approval of the court. Our duties as Interim Receiver are similar to the Trustee, to review the claims, protect the assets and distribute the receipts, although the formal process may vary. We will not take a position on disputes

on the distribution between competing claims, except, if it should become necessary to carry out our duties to preserve a right, or if we are placed in an adversarial position.

All disputed issues must be settled by agreement between all interested parties, or by further order of the court. We are canvassing all known parties believed to have an interest. Any distribution will be subject to court approval.

Please provide us with your position on the priority of the Union claim, including consideration of the effect of the bankruptcy. There are apparent competing claims for any funds collected, in particular Requirements to Pay issued by and a Deemed Trust claim expected to be filed by Canada Revenue Agency, and the security registered to Royal Bank of Canada and to Ms. Anna Marciano-De Giorgio.

To our knowledge, none of the funds collected to date were derived from the Liens. As Interim Receiver, we have made demands for payments on all known accounts receivable, and will follow up on the Liens. We do not know if it is probable any funds will be received from those sources.

We trust you will find the foregoing satisfactory and appreciate your cooperation. If any questions arise, please contact me at 905-615-6202 (Fax 905-615-1333)(e-mail dmccconnell@bdo.ca).

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

Transmission Report

Date/Time 11-23-2006 10:45:38 a.m. Transmit Header Text
Local ID 1 416 Local Name 1
Local ID 2 Local Name 2

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BDO Dunwoody Limited

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

TELECOPIER COVERING PAGE

DATE: 23 November 2006

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: Thane P Woodside

FIRM: Barrister & Solicitor

FAX: 416 975 0087

FROM: Darryl R. McConnell, CGA, CIRP

TOTAL PAGES INCLUDING THIS COVERING PAGE: 3
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RE: Estate of Shield Sprinkler Fire Systems Inc., a bankrupt

Please see attached fax dated 22 November 2006

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001	609	94169750087	10:37:07 a.m. 11-23-2006	00:00:32	3/3	1	EC	HS	CP31200

Abbreviations:

HS: Host send PL: Polled local MP: Mailbox print TU: Terminated by user
HR: Host receive PR: Polled remote CP: Completed TS: Terminated by system G3: Group 3
WS: Waiting send MS: Mailbox save FA: Fail RP: Report EC: Error Correct