

December 21, 2012

**Re: Alpha Protective Services, Inc. ("APSI")
Chapter 7 Bankruptcy Case No. 12-70482-JTL**

Dear Former Employee of APSI:

As you may know already, APSI had filed bankruptcy on April 12, 2012. For the last few months, the Bankruptcy Court has permitted APSI to continue its business with the consent of its primary lender who had allowed its cash collateral to be used under strict guidelines to fund the operations of the business, including payroll. After recent defaults by APSI under the terms of those agreements, the lender withdrew its consent and refused to allow any further payroll to be funded from its cash collateral. On December 14, 2012, the Bankruptcy Court began the first day of hearings to determine whether APSI would be permitted to use the lender's cash collateral for payroll and other purposes. That hearing concluded after a full day of evidence and legal arguments on December 20, 2012. The Court that day converted the bankruptcy case to one under Chapter 7 of the Bankruptcy Code and I was appointed as the Chapter 7 Trustee. A copy of my appointment is enclosed. The Court also denied APSI the use of any of the lender's cash collateral to make payroll or for any other purpose. The result is that APSI was immediately closed and all employees have been terminated. Unfortunately, this closure is permanent. My job as Trustee is to liquidate APSI's assets as they exist and try to make the best possible distribution to creditors including those of you now owed back pay.

This is a difficult reality as no payroll will be made for past work, nor is there any unencumbered cash with which to make such payments. This is doubly bitter news at this time of the year. A website is being set up at the offices of the representative of the Trustee, Hays Financial Consulting, LLC, to enable you to learn more about the bankruptcy case. Any equipment (including hand guns, vests, handcuffs, radios, etc.) that you have been issued previously by APSI remains property of the bankruptcy estate and must be returned to the Trustee's representatives.

We do not presently have any information with respect to your employee benefit plan, but will provide such information as we develop it. We will also issue subsequent notices hereafter to try and keep you informed of the Trustee's progress in administering this case and to coordinate return of the company's equipment.

With regrets for this bad news, I remain



Neil C. Gordon
Trustee
Enclosure

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF GEORGIA
VALDOSTA DIVISION**

IN RE: : CASE NO. 12-70482-JTL
: :
ALPHA PROTECTIVE SERVICES, INC. : :
: :
Debtor. : CHAPTER 7

NOTICE OF APPOINTMENT OF CHAPTER 7 TRUSTEE

This case having been converted pursuant to Order of the Court dated December 20, 2012, notice is hereby given that Neil C. Gordon, is appointed as Chapter 7 trustee herein effective December 20, 2012.

This 20th day of December, 2012

Donald F. Walton
United States Trustee, Region 21

/s/Elizabeth A. Hardy
Elizabeth A. Hardy
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