

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA
READING DIVISION

In re:)	Chapter 15
COVER-ALL HOLDING CORP., <i>et al.</i> , ¹)	Case No. 10-10-20835 (REF)
Debtors.)	(Joint Administration Requested)

REVISED ~~██████████~~ ORDER PURSUANT TO
11 U.S.C. §§ 1504, 1515, 1517, 1520, AND 1521 RECOGNIZING
FOREIGN REPRESENTATIVE AND FOREIGN MAIN PROCEEDING

Upon the *Verified Petition for Recognition and Chapter 15 Relief* (the "Petition")² seeking recognition of: (a) Cover-All Holding Corp., Ernst & Young or any party authorized by the Canadian Court to administer or monitor the Debtors and their assets (such person or entity, the "Foreign Representative") as the "foreign representative" as defined in section 101(24) of the Bankruptcy Code of the above-captioned debtors (collectively, the "Debtors"); and (b) the Debtors' ~~CCB~~ proceeding, ~~the~~ "Canadian Proceeding") pending before the Court of Queen's Bench of Alberta, Canada, Judicial District of Calgary (the "Canadian Court"), as a foreign main proceeding pursuant to sections 1515 and 1517 of title 11 of the United States Code (the

¹ The Debtors, along with the last four digits of each U.S. Debtor's federal tax identification number, are: Cover-All Holding Corp. (a non-U.S. Debtor that does not maintain a U.S. federal tax identification number); Cover-All Building Systems Inc. (a non-U.S. Debtor that does not maintain a U.S. federal tax identification number); Cover-All Holdings U.S., LLC (9107); Cover-All U.S. Holding Corp. (9362); Eastern Cover-All, Inc. (a U.S. Debtor that does not maintain a U.S. federal tax identification number); NorthStar Cover-All, Inc. (a U.S. Debtor that does not maintain a U.S. federal tax identification number); NorthStar Cover-All, LLC (5968); Quick Structures, LLC (1513); Summit Project Management, LLC (a U.S. Debtor that does not maintain a U.S. federal tax identification number); Summit Structures U.S., LLC (a U.S. Debtor that does not maintain a U.S. federal tax identification number); and Summit Structures, LLC (4501). The location of the Debtors' corporate headquarters and the service address for all of the Debtors is: 3815 Wanuskewin Road, Saskatoon, Saskatchewan, Canada S7P 1A4, Attn: Todd Payne.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Petition.

(whether under the Companies' Creditors Arrangement Act or any other Canadian insolvency or receivership law, the

"Bankruptcy Code"); and upon the hearing on the Petition and this Court's review and consideration of the Petition, the Stobbe Declaration, and the 1515 Declaration;

IT IS HEREBY FOUND AND DETERMINED THAT:³

1. This Court has jurisdiction to consider the Petition and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and 11 U.S.C. §§ 109 and 1501.

2. The consideration of the Petition and the relief requested therein is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P).

3. Venue is proper before this Court pursuant to 28 U.S.C. § 1410(1) and (3).

4. Good, sufficient, appropriate and timely notice of the filing of the Petition and the hearing on the Petition has been given by the Foreign Representative, pursuant to Bankruptcy Rules 1011(b) and 2002(q), to: (a) the Office of the United States Trustee; (b) all parties to litigation currently pending in the United States in which the Debtors are a party; (c) the United States Department of Justice; (d) the agent for the prepetition senior and subordinated secured lenders; (e) the clerk of this Court; (f) the Debtors; and (g) the Foreign Representative.

5. No objections or other responses were filed that have not been overruled, withdrawn or otherwise resolved.

6. The Chapter 15 Cases were properly commenced pursuant to sections 1504, 1509, and 1515 of the Bankruptcy Code.

³ The findings and conclusions set forth herein and in the record of the hearing on the Petition constitute this Court's findings of facts and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Rules 7052 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). To the extent any of the findings of fact herein constitute conclusions of law, they are adopted as such. To the extent any of the conclusions of law herein constitute findings of fact, they are adopted as such.

7. The Foreign Representative is a “person” pursuant to section 101(41) of the Bankruptcy Code and is the “foreign representative” of the Debtors as such term is defined in section 101(24) of the Bankruptcy Code, and the Foreign Representative has satisfied the requirements of section 1515 of the Bankruptcy Code and Bankruptcy Rule 1007(a)(4).

8. The Canadian Proceeding is pending in Canada, where the Debtors’ “center of main interests,” as referred to in section 1517(b)(1) of the Bankruptcy Code, of the Debtors is located, and accordingly, the Canadian Proceeding is a “foreign main proceeding” pursuant to section 1502(4) of the Bankruptcy Code, and is entitled to recognition as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code.

9. The Foreign Representative is the duly appointed foreign representative of the Debtors within the meaning of section 101(24) of the Bankruptcy Code.

10. The Foreign Representative is entitled to all the relief provided pursuant to sections 1520 and 1521(a)(4) and (5) of the Bankruptcy Code without limitation, because those protections are necessary to effectuate the purposes of chapter 15 of the Bankruptcy Code and to protect the assets of the Debtors and the interests of the Debtors’ creditors.

BASED ON THE FOREGOING FINDINGS OF FACT AND AFTER DUE DELIBERATION AND SUFFICIENT CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Petition is granted.
2. The Canadian Proceeding is recognized as a foreign main proceeding pursuant to section 1517(a) and 1517(b)(1) of the Bankruptcy Code, and all the effects of recognition as set forth in section 1520 of the Bankruptcy Code shall apply.
3. Upon entry of this Order: pursuant to section 1520 of the Bankruptcy Code, the Canadian Proceeding shall be given its full force and effect; and, among other things:

- a. the protections of sections 361 and 362 of the Bankruptcy Code apply with respect to the Debtors and the property of the Debtors in the territorial jurisdiction of the United States;
- b. all persons and entities are enjoined from seizing, attaching and/or enforcing or executing liens or judgments against the Debtors' property in the United States or from transferring, encumbering or otherwise disposing of or interfering with the Debtors' assets or agreements in the United States without the express consent of the Foreign Representative; and
- c. all persons and entities are enjoined from commencing or continuing, including the issuance or employment of process of, any judicial, administrative or any other action or proceeding involving or against the Debtors or their assets or proceeds thereof that are located in the United States, or to recover a claim or enforce any judicial, quasi-judicial, regulatory, administrative or other judgment, assessment, order, lien or arbitration award against the Debtors or their assets or proceeds thereof that are located in the United States.

4. The Foreign Representative and the Debtors shall be entitled to the full protections and rights enumerated under section 1521 (a)(4) and (5) of the Bankruptcy Code, and accordingly, the Foreign Representative:

- a. is entrusted with the administration or realization of all or part of the Debtors' assets located in the United States; and
- b. has the right and power to examine witnesses, take evidence or deliver information concerning the Debtors' assets, affairs, rights, obligations, or liabilities.

5. The Foreign Representative is hereby established as the representative of the Debtors with full authority to administer the Debtors' assets and affairs in the United States, including, without limitation, making payments on account of the Debtors' prepetition and postpetition obligations.

6. The banks and financial institutions with which the Debtors maintain bank accounts or on which checks are drawn or electronic payment requests made in payment of prepetition or postpetition obligations are authorized and directed to continue to service and

administer the Debtors' bank accounts without interruption and in the ordinary course and to receive, process, honor and pay any and all such checks, drafts, wires and automatic clearing house transfers issued, whether before or after the Petition Date and drawn on the Debtors' bank accounts by respective holders and makers thereof and at the direction of the Foreign Representative or the Debtors, as the case may be.

7. All orders entered, or actions taken, by the Canadian Court in the Canadian Proceeding (including, without limitation, any order or action converting the Canadian Proceeding to another proceeding under Canadian insolvency or receivership law) shall be given full faith, effect and credit in the United States pursuant to section 1521(a) of the Bankruptcy Code, and shall be upon their entry in the Canadian Proceeding immediately valid and fully enforceable and effective as to the Debtors and their property and assets in the United States.

8. The stay set forth in this Order shall upon entry of this Order be lifted for the sole purpose of and solely to the extent necessary to allow United Farmers Cooperative and Nationwide Agribusiness Insurance Company, as subrogee to United Farmers Cooperative (collectively, "Nationwide"), to seek judgment against Cover-All Building Systems, Inc. and other non-Debtor parties in that certain state court litigation pending in the Douglas County District Court, Douglas County, Nebraska, titled United Farmer's Cooperative v. Ranco Fertiliservice, Inc., Case No. 1098 (Neb. Dist. Ct. 2009) (the "State Court Litigation"); provided that to the extent a judgment, award or settlement, if any, is obtained by Nationwide in the State Court Litigation, such judgment, award or settlement shall be satisfied solely from the proceeds of the Debtors' ' general liability insurance applicable to the subject matter of the State Court Litigation. For the avoidance of doubt, the Debtors shall not, nor shall they incur any obligation

to, make any payment in any respect on account of or related to any award, judgment or settlement in the State Court Litigation.

9. The Debtors are hereby authorized to consent to modify the stay, without further notice to or order by the Court, to permit litigation against the Debtors (the "Additional Litigation") to be commenced by (a) Nationwide, QBE Agribusiness , or State Farm Insurance Company, each as a subrogee of a party with claims (collectively, the "Insurers"), if any, against the Debtors, and (b) Twin Willow Equestrian Center, LLC and Laura Wright and Michael Gerkenmeyer (collectively, the "Insureds") for claims, if any, asserted on account of any deductibles under such Insureds' respective policies with the Insurers, and such Insured's uninsured claims, in each instance, solely to the extent necessary for such Insurer or such Insured, as applicable, to obtain a judgment, award or settlement, if any, of the Additional Litigation; provided, however, that any such judgment, award or settlement shall be satisfied solely from the proceeds of the Debtors' general liability insurance applicable to the subject matter of the Additional Litigation. For the avoidance of doubt, and notwithstanding anything to the contrary herein, the Debtors shall not, nor shall they incur any obligation to, make any payment in any respect on account of or related to any award, judgment or settlement in the Additional Litigation.

10. The Foreign Representative is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

11. The Foreign Representative, the Debtors and their respective agents are authorized to serve or provide any notices required under the Bankruptcy Rules or local rules of this Court.

12. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

13. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this Order, any requests for additional relief or any adversary proceeding brought in and through the Chapter 15 Cases, and any request by an entity for relief from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

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Dated: Reading, Pennsylvania
April 21, 2010



United States Bankruptcy Judge

**** 14. If any interested person objects to the relief granted in Paragraphs 8 and 9 of this Revised Order, such person may file an objection with this Court on or before May 11, 2010, whereupon a hearing on the objection will be promptly scheduled.*