

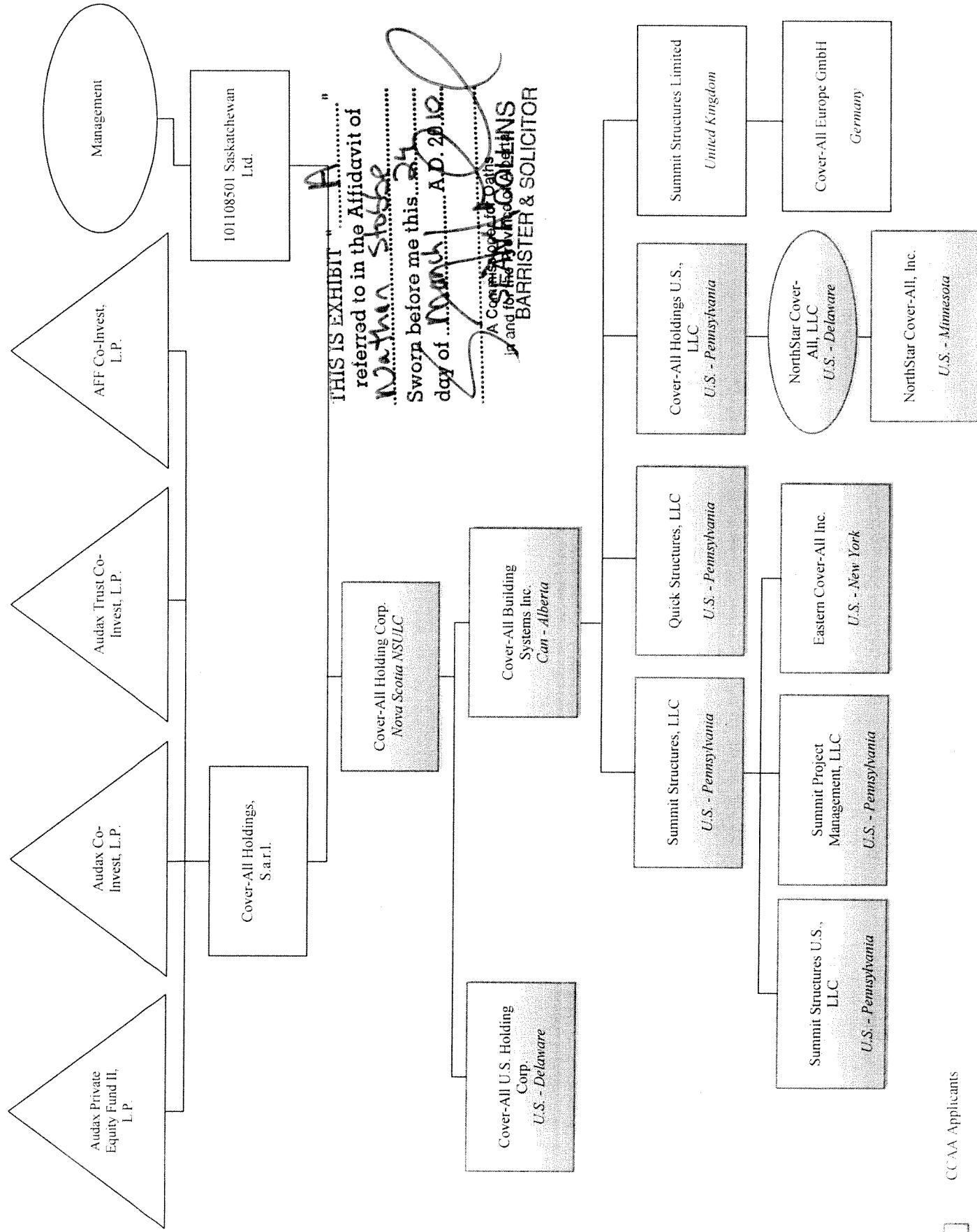
APPLICANTS

Cover-All Holding Corp.
Cover-All Building Systems Inc.
Cover-All U.S. Holding Corp.
Summit Structures, LLC
Quick Structures, LLC
Cover-All Holdings U.S., LLC
Summit Structures U.S., LLC
Summit Project Management, LLC
Eastern Cover-All, Inc.
NorthStar Cover-All, LLC
NorthStar Cover-All, Inc.

THIS IS EXHIBIT A1
referred to in the Affidavit of
Nathan Stobbe
Sworn before me this 25
day of March A.D. 2010
A Commissioner for Oaths
in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

COVER-ALL STRUCTURE CHART



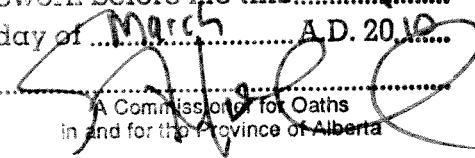
THIS IS EXHIBIT "....."

referred to in the Affidavit of

Nathan Stobbe.....

Sworn before me this 24

day of March A.D. 2010


A Commissioner for Oaths
in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

Consolidated Financial Statements of

COVER-ALL HOLDING CORP.

Year ended January 31, 2009



KPMG LLP
Chartered Accountants
600-128 4th Avenue South
Saskatoon Saskatchewan S7K 1M8
Canada

Telephone (306) 934-6200
Fax (306) 934-6233
Internet www.kpmg.ca

AUDITORS' REPORT

To the Shareholders of Cover-All Holding Corp.

We have audited the consolidated balance sheet of Cover-All Holding Corp. as at January 31, 2009 and the consolidated statements of earnings and retained earnings (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at January 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The prior year financial statements were audited by another firm of chartered accountants.

KPMG LLP

Chartered Accountants

Saskatoon, Canada

April 29, 2009

COVER-ALL HOLDING CORP.

Consolidated Balance Sheet

January 31, 2009, with comparative figures February 2, 2008

	2009	2008
Assets		
Current assets:		
Cash	\$ 2,433,450	\$ 611,502
Accounts receivable (note 2)	26,297,875	13,509,015
Income taxes receivable	-	1,882,938
Inventories (note 3)	11,553,490	9,155,887
Prepaid expenses	547,185	516,588
	<u>40,832,000</u>	<u>25,455,928</u>
Property, plant and equipment (note 4)	17,101,260	17,316,558
Intangible assets and goodwill (note 5)	93,208,922	71,491,945
	<u>\$ 151,142,182</u>	<u>\$ 114,264,431</u>

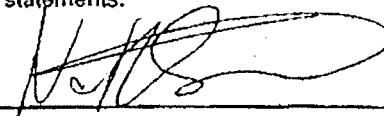
Liabilities and Shareholders' Equity

Current liabilities:		
Bank facilities (note 6)	\$ 4,000,000	\$ 1,550,000
Accounts payable and accrued liabilities (note 7)	23,727,173	10,839,744
Income taxes payable	2,210,242	-
Current portion of long-term debt (note 8)	5,402,955	2,958,511
	<u>35,340,370</u>	<u>15,346,255</u>
Long-term debt (note 8)	49,294,600	52,409,718
Shareholder loans and promissory notes (note 9)	11,090,600	-
Future income taxes (note 12)	12,986,000	10,930,462
Minority interest	73,977	543,424
Shareholders equity:		
Share capital (note 10)	36,939,436	33,321,035
Contributed surplus (note 10)	893,017	1,768,351
Retained earnings (deficit)	4,524,182	(54,814)
	<u>42,358,635</u>	<u>35,034,572</u>
	<u>\$ 151,142,182</u>	<u>\$ 114,264,431</u>

Commitments and contingencies (note 11)

See accompanying notes to consolidated financial statements.

On behalf of the Board:

 Director  Director

COVER-ALL HOLDING CORP.

Consolidated Statement of Earnings and Retained Earnings (Deficit)

Year ended January 31, 2009, with comparative figures for the period from October 23, 2007 to February 2, 2008

	2009	2008
Revenue:		
Gross sales	\$ 129,206,141	\$ 22,749,963
Sales returns, allowances and discounts	<u>(5,158,963)</u>	<u>(812,984)</u>
	124,047,178	21,936,979
Cost of goods sold	94,421,916	14,992,285
Gross profit on sales	29,625,262	6,944,694
Expenses:		
Marketing, sales and administrative	12,673,397	2,870,001
Other expenses	394,345	-
Interest and management fees	6,762,732	1,689,581
Amortization	3,699,950	2,243,912
Unrealized losses on derivatives	2,619,425	-
Foreign exchange (gain) loss	<u>(461,283)</u>	40,930
	25,688,566	6,844,424
Earnings before income taxes and minority interest	3,936,696	100,270
Income taxes (note 12):		
Current	2,423,176	699,034
Future (recovery)	<u>(3,947,059)</u>	<u>(664,881)</u>
	(1,523,883)	34,153
Earnings (loss) before minority interest	5,460,579	66,117
Minority interest	(881,583)	(120,931)
Net earnings (loss)	4,578,996	(54,814)
Deficit, beginning of period	(54,814)	-
Retained earnings (deficit), end of period	\$ 4,524,182	\$ (54,814)

See accompanying notes to consolidated financial statements.

COVER-ALL HOLDING CORP.

Consolidated Statement of Cash Flows

Year ended January 31, 2009, with comparative figures for the period October 23, 2007 to February 2, 2008

	2009	2008
Cash provided by (used in):		
Operations:		
Net earnings (loss)	\$ 4,578,996	\$ (54,814)
Items not involving cash:		
Amortization of intangible assets	2,073,087	1,830,697
Amortization of property, plant and equipment	1,626,863	413,215
Foreign exchange (gains) losses	(300,283)	-
Interest expense	1,150,951	-
Unrealized losses on derivatives	2,619,425	-
Future income taxes recovery	(3,947,059)	(664,881)
Minority interest	881,583	120,931
Change in non-cash operating working capital:		
Accounts receivable	(10,040,640)	(734,030)
Income taxes payable (receivable)	3,873,180	280,642
Inventories	(2,397,603)	(78,373)
Prepaid expenses	(30,599)	257,576
Accounts payable and accrued liabilities	<u>10,407,287</u>	<u>(4,549,882)</u>
	10,495,188	(3,178,919)
Financing:		
Increase in bank facilities	2,450,000	1,550,000
Increase in shareholder loans and promissory notes	7,500,000	-
Dividends paid to minority interest	(857,516)	-
Proceeds from long-term debt	-	136,695
Repayment of long-term debt	<u>(2,926,520)</u>	<u>(192,689)</u>
	6,165,964	1,494,006
Investments:		
Additions to property, plant and equipment	(882,959)	(127,441)
Acquisitions, net of cash acquired (note 13)	<u>(13,956,245)</u>	<u>-</u>
	<u>(14,839,204)</u>	<u>(127,441)</u>
Increase (decrease) in cash position	1,821,948	(1,812,354)
Cash position, beginning of period	611,502	2,423,856
Cash position, end of period	\$ 2,433,450	\$ 611,502
Supplemental cash flow information:		
Interest paid	\$ 5,613,312	\$ 1,068,480

See accompanying notes to consolidated financial statements.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements

Year ended January 31, 2009

Background

The principal business activity of the Cover-All Holding Corp. (the "company") is the manufacturing and sale of pre-engineered membrane buildings systems which can be utilized for storage, military, livestock operations, recreational facilities, warehousing and manufacturing. The company's year end will coincide with the Saturday nearest to January 31 of each year.

The company was reorganized on October 23, 2007. A consolidated combined statement of earnings from January 28, 2007 to October 22, 2007 for Cover-All Holdings Inc. and from October 23, 2007 to February 2, 2008 for the company are included in note 15 to these consolidated financial statements for illustrative purposes.

1. Significant accounting policies:

These financial statements have been prepared to reflect the following significant accounting policies:

(a) Basis of consolidation:

These consolidated financial statements include the accounts of the company, and its subsidiaries, Cover-All Building Systems Inc., Cover-All Holding US LLC, NorthStar Cover-All LLC, Eastern Cover-All Inc., Cover-All Europe GmbH, Summit Structures LLC, Summit Structures US LLC, Summit Project Management LLC, Summit Structures Limited, Quick Structures LLC, Cover-All US Holding Corp.

(b) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, cash at banks and other short term investments with initial terms to maturity of less than 90 days.

(c) Inventories:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw Materials

Purchase cost using the weighted average cost method.

Finished goods and work in process

Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, using the weighted average cost method.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

1. Significant accounting policies (continued):

Spare parts and supplies	Cost using the weighted average cost method.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.	

(d) Property, plant and equipment:

Property, plant and equipment is initially recorded at cost. Buildings and equipment are amortized using the declining balance method. Leasehold improvements are amortized using the straight-line method.

Annual amortization rates are as follows:

Asset	Rate
Automotive equipment	30%
Buildings	4%
Computer hardware	30%
Computer software	30%
Equipment	20-50%
Fences	10%
Leasehold improvements	10 years
Manufacturing equipment	20%
Paving	8%

(e) Intangible assets:

Intangible assets acquired individually or as part of a group of other assets are initially recognized and measured at cost. The cost of a group of intangible assets acquired in a transaction, including those acquired in a business combination that meet the specified criteria for recognition apart from goodwill, is allocated to the individual assets acquired based on their relative fair values.

Customers list represents the value the company has with its customers. It is being amortized over the estimated useful lives of the relationships, depending on region, which is between eight and ten years.

Tradenames represent the value in the registered trade names with in geographic markets, and include Cover-All, Summit Structures, Quick Structure, Titan, Legend, Vipersteel, Duraweave, and Winchloc. Tradenames have an indefinite life and are therefore not

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

1. Significant accounting policies (continued):

amortized.

Territorial sales rights represent the value of the dealer sales rights that were acquired by the company through business combinations. Dealership rights have an indefinite life and therefore are not amortized.

Employment relationship represent the value assigned to the employment relationship with one of the principle employees in an acquired entity representing the amount paid to ensure that the employee continue the employment relationship up to 2011. Amortization is calculated on a straight line basis.

(f) Goodwill:

Goodwill is the residual amount that results when the purchase price of an acquired business exceeds the sum of the amounts allocated to the assets acquired, less liabilities assumed, based on their fair values. The amount recognized as goodwill would include acquired intangible assets that do not qualify for recognition as separate assets in accordance with generally accepted accounting principles. Goodwill is not amortized.

(g) Asset impairment:

Long-lived assets, including property, plant and equipment and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the company uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.

Intangible assets with indefinite useful lives are tested for impairment annually or more frequently if events or changes in circumstances indicate that the assets might be impaired. Impairment is measured by a comparison of the fair value of the asset to the carrying amount. If the carrying amount of the asset exceeds its fair value, an impairment charge is recognized in an amount equal to the excess.

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment test is carried out in two steps. In the first step, the carrying amount of the reporting unit is compared with its fair value. When the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not to be impaired and the second step of the impairment test is

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

1. Significant accounting policies (continued):

unnecessary. The second step is carried out when the carrying amount of a reporting unit exceeds its fair value, in which case the fair value of the reporting unit's goodwill is compared with its carrying amount to measure the amount of the impairment loss, if any.

(h) Income taxes:

The company uses the asset and liability method of accounting for income taxes. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

A valuation allowance is recorded against any future income tax asset if it is more likely than not that the asset will not be realized. Income tax expense or benefit is the sum of the company's provision for the current income taxes and the difference between the opening and ending balances of the future income tax assets and liabilities.

(i) Translation of foreign currencies:

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the balance sheet date. Revenue and expenses are translated into Canadian dollars using the approximate rate of exchange on the date of the transactions. The resulting gains or losses are included in the statement of earnings.

The Canadian dollar is considered the functional currency of the company's subsidiaries. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the balance sheet date and non-monetary items are translated at rates of exchange in effect when assets were acquired or obligations incurred. Revenue and expenses are translated into Canadian dollars using the approximate rate of exchange on the date of the transactions. The resulting gains or losses are included in the statement of earnings.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

1. Significant accounting policies (continued):

(i) Revenue:

Revenue from building sales is recognized on shipment and the customer takes ownership and assumes risk of loss in accordance with customer contracts, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

Installation service revenue and contract maintenance revenue is recognized on a percentage of completion basis. The percentage of completion is determined by the field estimates compared to budget. Field estimates compared to budget is the most reasonably determinable measure of performance which relate as directly as possible to the activities critical to completion of the contract.

(k) Financial instruments:

Financial instruments, excepting freestanding derivatives, are initially recorded at fair value. Equity instruments are thereafter carried at cost. Interest-bearing assets and liabilities are subsequently accounted for at amortized cost using the effective interest method.

When there is a loss in value of a financial asset that is other than temporary, the asset is written down and the loss is recorded in income. The write-down is not reversed if there is a subsequent increase in value.

Freestanding derivatives, including currency swaps on long-term debt and forward sales contracts are used by the company in the management of foreign currency exposure. These freestanding derivatives are recorded at fair value with changes in fair value being recorded in net earnings.

No financial statement recognition is given to embedded derivatives or non-financial contracts with derivative characteristics.

During 2008, Canada's Accounting Standards Board withdrew the requirement for non-publicly accountable enterprises to adopt the new standards and the company has elected to continue with the cost-based model.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

1. Significant accounting policies (continued):

(l) Use of estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amount of property, plant and equipment, intangibles and goodwill; valuation allowances for receivables, inventories and future income taxes and valuation of derivative financial instruments. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

(m) Recently adopted standards:

(i) Inventories:

In May 2007, the Accounting Standards Board issued Handbook Section 3031, Inventories, which supersedes Handbook Section 3030.

The standard introduces significant changes to the measurement and disclosure of inventory. The measurement changes include; the elimination of LIFO, the requirement to measure inventories at the lower of cost and net realizable value, the allocation of overhead based on normal capacity, the use of the specific cost method for inventories that are not ordinarily interchangeable or goods and services produced for specific purposes, the requirement for an entity to use a consistent cost formula for inventory of a similar nature and use, and the reversal of previous write-downs to net realizable value when there is a subsequent increase in the value of inventories. Disclosures of inventories have also been enhanced. Inventory policies, carrying amounts, amounts recognized as an expense, write-downs and the reversals of write-downs are required to be disclosed.

The new standard became effective to the Company as of February 3, 2008. The adoption of this standard did not have a material impact on the financial statements.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

1. Significant accounting policies (continued):

(ii) Accounting changes:

CICA 1506, Accounting Changes revises current standards on changes in accounting policy, estimates or errors. An entity is permitted to change an accounting policy only when it results in financial statements that provide reliable and more relevant information or results from a requirement under a primary source of Canadian GAAP. The guidance also addresses how to account for a change in accounting policy, estimate or corrections of errors, and establishes enhanced disclosures about their effects on the financial statements. The application of the guide did not have an impact on the consolidated financial statements.

(h) Recently issued standards:

(i) Goodwill and intangible assets:

Handbook Section 3064, Goodwill and Other Intangible Assets replaces Section 3062, Goodwill and Other Intangible Assets and Section 3450, Research and Development. This section establishes standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. The Company will adopt the new accounting standard on the annual periods beginning February 1, 2009 and its adoption is not expected to have a material impact on the Company's financial statements.

(ii) Business combinations:

Handbook Section 1582, Business Combinations replaced the former Handbook Section 1581, Business Combinations. Section 1582 will require additional use of fair value measurements, recognition of additional assets and liabilities, the expensing of transaction costs, and increased disclosure. This standard will become effective for business combinations for which the acquisition date is on or after February 1, 2011.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

1. Significant accounting policies (continued):

(iii) Consolidated financial statements and non-controlling interest

Handbook Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-controlling Interests* replaced the former Handbook Section 1600, *Consolidated Financial Statements* and establishes a new section for accounting for a non-controlling interest and subsidiary. These sections will require a change in the measurement of non-controlling interest and will require the change to be presented as part of shareholders' equity. The Company will adopt this new accounting standard concurrently with the adoption of the new Handbook Section 1582 and is currently assessing the impact that the adoption of this standard will have on its consolidated financial statements.

2. Accounts receivable:

	2009	2008
Trade receivables	\$ 23,152,353	\$ 11,899,712
Other	3,607,763	2,309,303
Less: allowance for doubtful accounts	462,241	700,000
	<hr/> \$ 26,297,875	<hr/> \$ 13,509,015

3. Inventories:

	2009	2008
Raw materials	\$ 3,593,246	\$ 1,894,946
Manufactured goods	1,297,238	1,381,929
Finished goods	6,613,866	5,821,641
Supplies and spares	49,140	57,371
	<hr/> \$ 11,553,490	<hr/> \$ 9,155,887

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

4. Property, plant and equipment:

	Cost	Accumulated amortization	2009 Net book value	2008 Net book value
Automotive equipment	\$ 1,150,155	\$ 852,546	\$ 297,609	\$ 301,093
Buildings	12,113,807	1,996,544	10,117,263	10,081,442
Computer hardware	1,522,684	1,086,747	435,937	455,791
Computer software	1,506,377	716,515	789,862	1,008,211
Equipment	2,591,414	1,689,691	901,723	919,645
Fences	41,646	22,453	19,193	21,326
Leasehold improvements	99,341	44,674	54,667	6,239
Manufacturing equipment	4,759,357	3,905,848	853,509	875,058
Paving	789,582	358,085	431,497	447,753
	24,574,363	10,673,103	13,901,260	14,116,558
Land	3,200,000		3,200,000	3,200,000
	\$ 27,774,363	\$ 10,673,103	\$ 17,101,260	\$ 17,316,558

Amortization during the period was \$1,626,863 (2008-\$413,215).

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

5. Intangible assets and goodwill:

	Cost	Accumulated amortization	2009	2008
			Net book value	Net book value
Tradenames	\$ 6,293,000	\$ -	\$ 6,293,000	\$ 6,293,000
Customer lists	15,175,000	2,417,065	12,757,935	14,664,303
Territorial sales rights	16,787,749	-	16,787,749	-
Employment relationships	1,000,000	166,719	833,280	-
Goodwill	56,536,958	-	56,536,958	50,534,642
	\$ 95,792,707	\$ 2,583,784	\$ 93,208,922	\$ 71,491,945

Amortization during the period was \$2,073,087 (2008 - \$1,830,697)

6. Bank facilities:

The company has an operating line of credit with CIBC (Lead arranger and administration agent) and the Bank of Nova Scotia with a maximum combined availability of \$10,000,000 and a revolving credit facility with both banks for up to \$4,000,000. The debt is secured by a general security agreement covering the assets of the group of companies and an assignment of insurance coverage.

7. Accounts payable and accrued liabilities:

	2009	2008
Trade payables	\$ 8,801,550	\$ 3,516,023
Customer deposits	4,011,008	2,149,058
Other accruals	8,295,189	5,174,663
Unrealized loss on derivatives (note 14)	2,619,426	-
	\$ 23,727,173	\$ 10,839,744

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

8. Long-term debt:

	2009	2008
CIBC term loan bearing interest at prime plus 1.5%, with quarterly principal payments of \$360,000 in fiscal 2009, \$450,000 in fiscal 2010, \$540,000 in fiscal 2011, \$630,000 in fiscal 2012 and \$720,000 in the first three quarters of fiscal 2013, plus interest paid monthly, secured by general security agreement, due October 2012	\$ 18,560,000	\$ 20,000,000
Bank of Nova Scotia term loan bearing interest at prime plus 1.5%, with quarterly principal payments of \$360,000 in fiscal 2009, \$450,000 in fiscal 2010, \$540,000 in fiscal 2011, \$630,000 in fiscal 2012 and \$720,000 in the first three quarters of fiscal 2013, plus interest paid monthly, secured by general security agreement, due October 2012	18,560,000	20,000,000
CIBC subordinate term loan bearing interest at 14.25%, with monthly payments of 11% of the monthly interest and remaining 3.25% being added to the outstanding principal loan balance, secured by general security agreement subordinate to CIBC and Bank of Nova Scotia term loans, due April 2013	7,804,792	7,577,268
Roynat Capital Inc. subordinate term loan bearing interest at 14.25%, with monthly payments of 11% of the monthly interest and remaining 3.25% being added to the outstanding principal loan balance, secured by general security agreement subordinate to CIBC and Bank of Nova Scotia term loans, due April 2013	7,786,794	7,559,427
Various loans bearing interest between 0% to 8.5%, with total monthly payments of approximately \$3,500, with no security on specific assets, maturity dates between April 2009 and January 2013	183,014	229,534
Note payable related to the acquisition of NorthStar Cover-All non-interest bearing due on April 10, 2009	1,802,955	-
	54,697,555	55,366,229
Less current portion	5,402,955	2,956,511
	<u>\$ 49,294,600</u>	<u>\$ 52,409,718</u>

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

8. Long-term debt (continued):

Principal payments due in each of the next five years, based on current repayments schedules, are as follows:

2010	\$ 3,661,209
2011	4,365,907
2012	5,070,605
2013	5,775,302
2014 thereafter	35,824,532
	<hr/>
	\$ 54,697,555

Interest on long-term debt was \$4,916,643.

9. Shareholder loans and promissory note:

	2009	2008
Shareholder loans bearing interest at 14.9% annually, due November 1, 2013 or the next major share transaction which ever occurs first	\$ 7,984,615	\$ -
Vendor take back promissory notes bearing interest at 10% annually, with interest payments made from time to time at the discretion of the company. Principal payment due November 1, 2013 or the next major share transaction, which ever occurs first.	3,105,985	-
	<hr/>	<hr/>
	\$ 11,090,600	\$ -

Interest on shareholder loans was \$484,615 and the promissory note was \$150,000.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

10. Share capital:

	2009	2008
Authorized:		
1,000,000,000 Class A voting , common shares		
1,000,000,000 Class B voting common shares, with one vote of each Class B share equal to 1.0001 Class A share vote		
1,000,000,000 Class O voting , common shares, with one vote of each Class O share equal to 1.0002 Class A share vote		
Issued:		
29,798,481 Class A shares (2008-29,798,481)	\$ 29,798,581	\$ 29,798,581
5,890,400 Class B shares (2008-3,522,454).	7,140,855	3,522,454
	<hr/> \$ 36,939,436	<hr/> \$ 33,321,035

During the year the following shares were issued:

- 1,230,313 Class B shares as consideration of \$2,276,079 to acquire the remaining 49% of NorthStar Cover-All (note 13).
- 253,551 Class B shares as consideration of \$466,988 to acquire the assets of Friedman Distributors Inc. (note 13).
- 884,082 Class B shares for options exercised by key management.

Stock option plan

On October 23, 2007, the company implemented a formal stock plan with a maximum number of shares reserved under the plan of 26,195,346. On October 23, 2007, the company authorized the issuance of 24,937,207 options on Class O shares to employees. The options will vest at 20% each year for five years from the anniversary date, provided the grantee is still employed. The options have exercise prices that range from \$1 to \$15.

As of February 2, 2008, 24,937,207 options had been granted and outstanding subject to the conditions noted above. The fair value of the options issued in the year was estimated using the Black Scholes option pricing model, with assumptions being made for each of the following variables: risk free rate of 3.48%, volatility factor of nil, dividend yield of nil, weighted average expected option life of five years. The value of the issued options using the option model, along with forfeiture assumptions, was determined to be normal.

During the year the company granted an additional 400,000 share options to its key employees. The terms are similar to the shares granted in 2007. The value of options granted are nominal.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

10. Share capital (continued):

Employee stock option transactions were as follows:

Number of shares	2009	2008
Beginning of year	24,937,207	
Options granted	400,000	24,937,207
Options cancelled	(100,000)	
	25,237,207	24,937,207

Also, as part of the company's acquisition of Cover-All Holdings Inc., key management contributed \$1,768,163 towards the purchase price by exchanging options to purchase shares of Cover-All Holdings Inc. for 1,786,023 options to purchase Class B Shares of the company at a strike price of \$.01 per share. The fair value of these options issued is estimated using the Black Scholes option pricing model, with assumptions being made for each of the following variables: risk free rate of 3.48%, volatility factor of nil, dividend yield of nil, weighted average expected option life of five years and expected forfeiture rate of nil. The value of the issued options using the option model described above was \$1,768,163, which was recognized as part of the purchase price for Cover-All Holdings Inc., with a corresponding increase in contributed surplus.

During the year 884,082 option shares were exercised by key management.

11. Commitments and contingencies:

The company has been named in legal proceedings with customers. Management and legal counsel believe the likelihood of liability is low or will be covered by insurance.

The company is contingently liable under three letter of credit in the amount of \$700,000 (CAD), \$200,000 (USD), and \$3,230 (USD) as at January 31, 2009.

The company has entered into lease and administration agreements with the following minimum annual payments over the next five years:

2010	\$ 54,689
2011	27,796
2012	11,685
2013	679
2014	

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

12. Income taxes:

The provision for income taxes differs from the amount computed by applying the federal and provincial statutory income tax rates to earnings before income taxes of 26% (2008 - 32%). The reasons for the differences and the related tax effects are as follows:

	2009	2008
Tax at statutory tax rate	\$ 1,023,541	\$ 32,086
Tax effects resulting from changes in tax rates	(2,563,000)	
Other permanent differences	15,626	2,067
Income tax (recovery) expense	\$ (1,523,833)	\$ 34,153

The significant components of the company's future tax assets and liabilities are as follows:

	2009	2008
Future income tax assets:		
Working capital	\$ 403,000	\$ 368,000
Property, plant and equipment	256,000	
Future income tax liabilities:		
Property, plant and equipment		2,511,859
Intangible assets	13,645,000	8,786,603
Net future income tax liability	\$ 12,986,000	\$ 10,930,462

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

13. Acquisitions:

a) Acquisition of Cover-All Alberta Ltd.

Effective July 9, 2008, the company acquired 100% of Cover-All Alberta, previously a dealer for the company. The initial purchase price was \$10,000,000, of which \$7,500,000 was paid in cash and \$2,500,000 was paid by way of a promissory note due on November 1, 2013. The purchase price was adjusted by \$621,248 for working capital changes before the closing date. The costs associated with the acquisition amounted to \$657,845.

The purchase price allocation is as follows:

Working capital	\$ 1,265,961
Property, plant and equipment	105,286
Intangible assets:	
Territorial sales rights	8,907,846
Employment relationships	1,000,000
Goodwill	2,850,513
Future income tax liability	(2,850,513)
	\$ 11,279,093

b) Acquisition of Friedman Distributing Inc.

Effective August 29, 2008, the company acquired the assets of Friedman Distributing Inc., previously a dealer for the company. The initial purchase price was \$1,600,000 (US), of which \$800,000 (US) was paid in cash, \$400,000 (US) paid by way of a promissory due on November 1, 2013 and \$400,000 (US) paid in shares. Costs attributable to the acquisition amounted to \$129,750 (US). The purchase price was adjusted by \$545,721 (US) for working capital changes before the closing date.

The purchase price allocation is as follows:

Property and equipment	\$ 71,798
Working capital	945,288
Intangible assets - territorial sales rights	1,767,846
Future income tax liability	(707,058)
Goodwill	707,058
	\$ 2,784,732

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

13. Acquisitions (continued):

(c) Acquisition of Cover-All North West Iowa

Effective August 24, 2008, the company acquired the assets of Cover-All North West Iowa, previously a dealer for the company. The initial purchase price was paid in cash of \$1,750,000 (US) with costs of \$128,700 (US) attributable to the acquisition. The purchase price was adjusted by \$171,000 (US) for working capital changes before the closing date.

The purchase price allocation of Cover-All North West Iowa is as follows:

Property and equipment	\$ 37,609
Working capital	265,000
Intangible assets - territorial sales rights	2,211,424
Future income tax liability	(884,520)
Goodwill	884,520
	<hr/>
	\$ 2,514,033

(d) Acquisition of 49% minority interest in NorthStar Cover-All LLC

Effective November 8, 2008, the company acquired the 49% minority interest in Northstar Cover-All. The initial purchase price for the acquisition was \$3,920,000 (US), of which \$1,960,000 (US) by way of cash and notes payable and \$1,960,000 (US) was paid through the issuance of shares. The costs attributable to the acquisition amounted to \$221,422 (US).

The purchase price allocation is as follows:

Working capital	\$ 271,970
Property, plant and equipment	152,913
Minority interest	493,514
Intangible assets-territorial sales rights	3,900,563
Goodwill	1,560,225
Future income tax liability	(1,560,225)
	<hr/>
	\$ 4,818,960

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

14. Financial instruments:

Fair values:

The fair value of the company's cash, accounts receivable, accounts payable and bank facilities of credit approximate their carrying amounts due to the short term nature of these items.

Interest on long-term loans, shareholder loans and promissory notes approximate market rates for similar debt instruments. As such, the fair value of those loans approximate these carrying values.

Credit risk:

The company primarily sells to North American and European distributors and customers. The company's credit risk associated with the non performance of these customers can be directly impacted by a decline in economic conditions which would impair the customers' ability to satisfy their obligations to the company. In order to reduce this economic risk, the company has credit procedures in place whereby analyses are performed to control the granting of credit to any high risk customer.

Currency risk:

The company manages its exposure to fluctuations in exchange rates, principally on United States dollar denominated revenues, by forward foreign exchange contracts. At year end, the forward foreign exchange contracts covered periods of up to 1 year.

At January 31, 2009, the company had forward contracts to purchase \$30,650,000 (USD) at an average exchange rate of \$1.11 during the period from February 1, 2009 to January 28, 2010. The company had also forward contracts to purchase € 750,000 at an average value of \$1.59 during the period from February 1, 2009 to April 27, 2009. These contracts have not been designated as hedges for accounting purposes and therefore mark to market adjustments on these contracts are recognized in the statement of earnings each reporting period. At January 31, 2009, these contracts had unrealized losses of \$2,541,612, which have been included as part of unrealized losses on derivatives.

Interest rate risk

The company is exposed to interest rate risk on its interest bearing financial instruments. To partially mitigate the foreign exchange risk on cash inflows and to manage interest rate risk, the company entered into cross currency swaps with a notional face value of \$52.8 million, and interest rate swaps with a notional value of \$14 million. As of January 31, 2009 these swap contracts had unrealized losses of \$77,814 which have been included as part of unrealized losses on derivatives.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

15. Comparative figures:

Certain prior year balances have been reclassified to conform to the current financial statement presentation.

The company was incorporated on October 9, 2007 for the sole purpose of acquiring 100% control of Cover-All Holdings Inc. On October 23, 2007, the company, through a series of transactions acquired 100% of the outstanding common shares of Cover-All Holdings Inc., then immediately thereafter the company and Cover-All Holdings Inc. were amalgamated. The comparative figures reflect the operating results and cash flows of Cover-All Holdings Inc. and its subsidiaries since that date.

The following is provided as supplemental comparative information.

COVER-ALL HOLDING CORP.

Notes to Consolidated Financial Statements (continued)

Year ended January 31, 2009

15. Comparative figures (continued):

	January 28 to October 22	October 23 to February 2	Combined
Gross sales	\$ 67,656,387	\$ 22,749,963	\$ 90,406,350
Sales returns, allowances and discounts	2,798,259	812,984	3,611,243
Net sales	64,858,128	21,936,979	86,795,107
Cost of sales	47,114,234	14,992,285	62,106,519
Gross profit	17,743,894	6,944,694	24,688,588
Expenses			
Amortization	913,274	2,243,912	3,157,186
Interest and other	715,217	1,689,581	2,404,798
Marketing, sales and administration	9,393,288	2,910,931	12,304,219
	11,021,779	6,844,424	17,866,203
Earnings (loss) before undernoted	6,722,115	100,270	6,822,385
Other accrued expenses	(5,381,863)	-	(5,381,863)
Earnings (loss) before taxes	1,340,252	100,270	1,440,522
Income taxes:			
Current (recovery)	(842,122)	699,034	(143,088)
Future (recovery)	972,586	(664,881)	307,705
	130,464	34,153	164,617
Earnings before minority interest	1,209,788	66,117	1,275,905
Minority interest	288,236	120,931	409,167
Net earnings (loss)	921,552	(54,814)	866,738

Cover-All
 Projected Cash-Flow Statement (1)
 For the period of March 22, 2010 to May 14, 2010 (the "Reporting Period")
 (in CDN Dollars)

Week ending	Notes	March 26, 2010	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Total
RECEIPTS			April 2, 2010	April 9, 2010	April 16, 2010	April 23, 2010	April 30, 2010	May 7, 2010	May 14, 2010		
Cash receipts from sales	2	237,864	221,780	207,572	195,022	172,270	152,172	134,418	118,736	1,439,834	
Professional fee retainers	7	396,000	-	-	-	-	-	-	-	396,000	
Total receipts		633,864	221,780	207,572	195,022	172,270	152,172	134,418	118,736	1,835,834	
DISBURSEMENTS											
Manufacturing overhead costs	3	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	296,000
Project management cost	4	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	240,000
Overhead costs	5	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	64,000
Selling, general & administrative cost ("SG&A")	6	388,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	1,074,000
Legal fees	7	396,000	-	195,000	-	-	-	-	100,000	-	691,000
Engineering fees	8	50,000	50,000	-	-	-	-	-	-	-	100,000
Monitor fees	9	125,000	-	-	-	-	-	-	200,000	-	325,000
Lender advisors' fees	10	-	200,000	-	-	200,000	-	-	-	-	400,000
Intercompany transfer to UK operations	11	100,000	-	-	-	-	-	-	-	-	100,000
Contingency	12	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	80,000
Total disbursements		1,194,000	483,000	428,000	353,000	153,000	153,000	153,000	153,000	153,000	3,370,000
NET CHANGE IN CASH		(560,136)	(261,220)	(220,428)	(157,978)	19,270	(828)	(318,582)	(34,264)	(1,534,166)	
OPENING CASH		1,596,662	1,036,526	775,306	554,878	396,901	416,170	415,342	96,760	1,596,662	
Net change in cash		(560,136)	(261,220)	(220,428)	(157,978)	19,270	(828)	(318,582)	(34,264)	(1,534,166)	
ENDING CASH		1,036,526	775,306	554,878	396,901	416,170	415,342	96,760	62,496	62,496	

SEAN F. COLLINS
 BARRISTER & SOLICITOR

D
 THIS IS EXHIBIT D
 referred to in the Affidavit of
 Sean F. Collins
 Sworn before me this 24th
 day of May, 2010
 A Commissioned Notary Public
 in and for the Province of Alberta

Cover-All
Projected Cash-Flow Statement ⁽¹⁾
For the period of March 22, 2010 to May 14, 2010 (the "Reporting Period")
(in CDN Dollars)

Notes and Assumptions:

- 1 Management of Cover-All Building Systems Inc., Cover-All Holding Corp. and its related entities ("Cover-All") has prepared this Projected Cash-flow Statement based on the probable and hypothetical assumptions detailed in Notes 2-12. Consequently, actual results will likely vary from the financial performance projected and such variations may be material. It is assumed that all costs incurred during the CCAA filing are forecast to be paid cash on demand ("COD"), as the forecast assumes that suppliers will no longer extend credit to Cover-All. The CND/US exchange rate is assumed to be par.
- 2 Management intends to cease all shipments during the Reporting Period, until the independent engineering review for each of its product lines are completed. After each product line specifications have been determined to meet the required building code standards, the product lines will be re-launched. Management believes that the engineering review will be completed within 8 weeks; therefore, the cash flow projection assumes no new sales during the Reporting Period. Management believes it is difficult to determine the extent to which receivable collection will be affected due to the filing of the CCAA Initial Order and Chapter 15 of the US Bankruptcy Code. Cover-All's total account receivables as at March 15, 2010 was approximately \$7.8 million; however, management believes that given the above uncertainty, approximately \$2 million of accounts receivables will only be collectible. Historically, Cover-All has been able to collect its receivables within 50 days (on average); however, given the uncertainty as presented above, management has assumed that collection of its receivables may take 60 days (on average).
- 3 Manufacturing overhead costs of approximately \$296,000 relate to steel, fabric, plant supervisor wages, utilities, and insurance related costs over the Reporting Period.
- 4 Project management costs are anticipated to be 68% of project management revenue based on historical results.
- 5 Overhead cost is approximately \$8,000 per week during the Reporting Period and relate to various costs within the engineering and operations group of Cover-All and other general overhead costs.
- 6 SG&A costs mainly relate to the salaries and wages of its head office employees, various office lease costs, utilities and other miscellaneous costs. Cover-All has forecasted a significant reduction in its current staffing levels that is reflected in Week 2.
- 7 Professional fee retainers were provided by Cover-All to its Canadian and US legal advisors in connection with the filing of the Initial Order and Chapter 15 materials, respectively. As at March 22, 2010, Cover-All had approximately \$396,000 of unused retainer amounts remaining with its respective legal counsel. It is forecast that approximately \$295,000 of additional legal fees will be incurred over the Reporting Period (over and above the \$396,000 of retainers) for total legal fees of approximately \$691,000. The Projected Cash Flow Forecast demonstrates the draw down of these retainers over the Reporting Period.
- 8 Engineering costs of approximately \$100,000 are expected to be incurred in completing the independent engineering reports required on all of Cover-All's product lines.
- 9 Monitor costs relate to estimated fees for the Monitor and its legal counsel during the Reporting Period.
- 10 Lender advisor fees relate to estimated fees of the lender's advisors over the Report Period.
- 11 Intercompany transfer of approximately \$100,000 to Cover-All's UK operations relate to funds required to cover certain SG&A costs over the Reporting Period.
- 12 Contingency costs are forecast at \$10,000 per month to cover unforeseen costs that may arise during the Reporting Period that were not previously captured in the Projected Cash Flow Forecast.



March 24, 2010

Ernst & Young Inc.
Ernst & Young Tower
1000, 440 – 2nd Avenue SW
Calgary, Alberta T2P 5E9

Attention: Neil Narfason, CA, CIRP, CBV

Dear Sirs:

Re: **Proceedings under the Companies' Creditors Arrangement Act ("CCAA")
Responsibilities/Obligations and Disclosure with Respect to Cash Flow Projections**

In connection with the application by Cover-All Holding Corp., Cover-All Building Systems Inc. and its related entities ("Cover-All") for the commencement of proceedings under the CCAA in respect of Cover-All, the management of Cover-All ("Management") has prepared the attached Cash-Flow Statement and the assumptions on which the Cash-Flow Statement is based.

Cover-All confirms that:

1. The Cash-Flow Statement and the underlying assumptions are the responsibility of Cover-All;
2. All material information relevant to the Cash-Flow Statement and to the underlying assumptions has been made available to Ernst & Young Inc., in its capacity as Monitor; and
3. Management has taken all actions that it considers necessary to ensure:
 - a. That the individual assumptions underlying the Cash-Flow Statement are appropriate in the circumstances; and
 - b. That the individual assumptions underlying the Cash-Flow Statement, taken as a whole, are appropriate in the circumstances.

Yours truly,

A handwritten signature in black ink, appearing to read "Todd Payne".

Todd Payne, CMA
Chief Financial Officer

www.coverall.net

Cover-All Building Systems Inc.
3815 Wanuskewin Road • Saskatoon, SK Canada S7P 1A4
Phone: 306.657.2888 • Fax: 306.664.7979 • Toll Free: 1.877.615.4776

Action No. 1001-

IN THE COURT OF QUEEN'S BENCH
OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED;

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR
ARRANGEMENT OF COVER-ALL HOLDING
CORP.,
COVER-ALL BUILDING SYSTEMS INC.
AND THOSE ENTITIES LISTED IN
SCHEDULE "A" HERETO

AFFIDAVIT OF NATHAN STOBBE

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