Cover-All Holding Corp., Cover-All Building Systems Inc. and its related entities ("Cover-All")

ABOUT CCAA

Q. What is CCAA?

A. The *Companies Creditors Arrangement Act* ("CCAA") is a legal process that is used in Canada for a court-supervised reorganization or restructuring of a company's obligations while the business continues operations.

Q. Why did Cover-All file for CCAA protection?

A. Cover-All has faced some challenges in its business and operations as a result of, among other things, the recent discovery of potential engineering issues with certain of its previously sold and installed product lines to its customers. Cover-All believes the CCAA filing is necessary to provide it with an opportunity to restructure in the best interests of its stakeholders, including creditors, employees, and dealers of Cover-All.

Q. Is the Cover-All bankrupt or in Receivership?

A. No. Cover-All has obtained creditor protection under the CCAA to attempt to restructure its financial affairs. Cover-All will continue operating under the CCAA proceedings but in a very limited fashion.

Q. Is Cover-All carrying on business while under CCAA

A. Yes. Cover-All is continuing operations during the restructuring process, but in a very limited fashion. It is Cover-All's intention that payment for products or services provided subsequent to March 24, 2010 will be made in the normal course.

Q. What about the obligations prior to March 24, 2010?

A. Creditors are prohibited from taking any action against Cover-All with respect to obligations incurred on or before March 24, 2010. Additional information will be provided in due course with respect to the submission of claims.

Q. When do creditors get paid?

A. Pursuant to the CCAA Order, all payments to creditors owed monies as at March 24, 2010 are stayed. Additional information will be provided in due course with respect to the submission of claims.

Q. Who is the Monitor and what is their role?

A. The Monitor is typically an independent firm of accountants appointed by the Court, who are experienced in insolvency matters. Ernst & Young Inc. has been appointed as the Monitor of Cover-All.

The Monitor's role is detailed in the Initial Order of the Court granted March 24, 2010 and may be modified by further Court Order. Generally, the Monitor's role is to monitor the operations of Cover-All to ensure they are operating in compliance with the Court Orders and to report to the Court. The Monitor is also responsible for distributing and reviewing creditors' Proof of Claim forms, providing an independent opinion on the provisions of the Plan and chairing the meeting of creditors.

Q. How do I ensure that I will receive a copy of the Plan and participate in the vote?

A. Additional information will be provided in due course with respect to the status of any Plan of Compromise or Arrangement that may be filed by Cover-All, as well as the submission of claims and the voting on the Plan.

Q. When completing the Proof of Claim, am I a Secured Creditor?

A. Additional information will be provided in due course with respect to the submission of claims.

Generally, unless you hold a specific charge over an asset, which charge has been registered pursuant to applicable provincial legislation or you have a special right pursuant to one of the provincial or federal lien acts, you are an unsecured creditor. If you consider yourself to be a secured creditor, you will be required to provide sufficient information on your Proof of Claim to enable the Monitor to confirm your understanding.