(ii) Liens created under the Loan Documents;

(iii) Liens existing as of the Closing Date and listed on Schedule 4.22, provided that (A) such Liens shall apply only to the property or assets to which they apply on the Closing Date and (B) such Liens shall secure only those obligations that they secure on the Closing Date;

(iv) Liens securing Indebtedness permitted by Section 7.01(d), provided that any such Lien shall apply only to the property that is the subject of such Indebtedness and, if applicable, the principal amount of Indebtedness secured by any such Lien shall at no time exceed 100% of the fair market value (as determined in good faith by Borrower or a Subsidiary, as applicable) of the respective property at the time it was so acquired plus taxes, transportation and installation costs;

(v) Liens securing Indebtedness constituting mortgage or purchase money financings, Capital Lease Obligations or similar financings assumed or incurred pursuant to Section 7.01(g) in connection with a Permitted Acquisition, provided that (A) such Liens attach only to property or assets acquired in connection with such acquisition, (B) such Liens were not created in contemplation of such acquisition and (C) such Liens shall secure only those obligations that they secure at the time of such acquisition and refinancings thereof permitted hereunder so long as the principal amount of obligations secured under this clause (v) is not increased;

(vi) Liens securing Indebtedness permitted under Section 7.01 except where such Indebtedness is stated therein to be unsecured;

(vii) extensions, renewals or replacements of any Lien referred to above, provided that such extension, renewal or replacement is limited to the Indebtedness and property originally secured and encumbered thereby; and

(viii) other Liens not listed above and not exceeding $500,000 at any time; provided that such Liens (other than purchase money financing and capital lease obligations) shall not rank prior to the Liens securing the Obligations.

(b) Enter into any agreement prohibiting the creation or assumption of any Lien upon properties or assets, whether now owned or hereafter acquired, except any such restriction that exists under (i) this Agreement, (ii) any documents governing secured Indebtedness permitted hereunder, provided that such restrictions only relate to the assets securing such Indebtedness, (iii) restrictions by reason of customary provisions contained in leases, licenses, governmental contracts and similar agreements entered into in the ordinary course of business, provided that such restrictions are limited to the property or assets subject to such leases, licenses, contracts or agreements), and (iv) any agreement with respect to a permitted sale or disposition of any assets, provided such restrictions are limited to the assets to be sold or disposed of.

SECTION 7.03. Financial Assistance.

Use any of the proceeds of any Loan under this Agreement or act in any way that infringes Section 151 of the Companies Act 1985 of the United Kingdom (as amended or otherwise re-enacted from time to time.

SECTION 7.04. Sale/Leaseback Transactions. Enter into any Sale/Leaseback Transaction.

SECTION 7.05. Investments, Loans and Advances. Have outstanding or make any loan or advance to, or have or make any Investment in, any other Person or suffer to exist any such loan, advance or Investment, or any obligation to make such loan, advance or Investment, except Permitted Investments; provided however, that a Loan Party may acquire all of the Equity Interests in the capital of a Person, or the Equipment and assets of a Business Unit (each such acquisition, a "Permitted Acquisition") if each of the following conditions is satisfied (unless waived by the Required Lenders):

(a) Borrower is in compliance, on a pro forma basis after giving effect to such Permitted Acquisition, with the covenants contained in Sections 7.14, 7.15 and 7.16 recomputed as of the last day of the most recently ended Fiscal Quarter of Borrower as if such Permitted Acquisition had occurred on the first day of each relevant period for testing such compliance;

(b) no Default or Event of Default then exists (both before and after giving effect to such Permitted Acquisition);

(c) the aggregate cash purchase price for all Permitted Acquisitions from and after the Closing Date will not exceed $5,000,000 plus the amount of capital contributions the proceeds of which are used toward the purchase price for such Permitted Acquisitions (including any earnout payments, the value of which is determined in good faith by the board of directors of Borrower, or deferred purchase price payments);

(d) after giving effect to the Permitted Acquisition of the Business Unit to be acquired, Borrower will be in compliance with Section 7.10;

(e) if the Permitted Acquisition will be structured as a merger, amalgamation or other reorganization, the Loan Party that is the acquiror will be the surviving or continuing entity;

(f) the Permitted Acquisition has been approved by the board of directors or the requisite partnership vote of each of the subject Persons;

(g) each Business Unit acquired in a Permitted Acquisition shall have its primary operations in Canada, the United States, England or Germany;

(h) Borrower shall provide written notice of a Permitted Acquisition to the Administrative Agent and the Lenders at least 15 days prior to the consummation of such Permitted Acquisition, and all material documentation governing such Permitted Acquisition shall be delivered to the Administrative Agent in advance of the consummation of such Permitted Acquisition;

(i) Borrower shall have taken all actions set forth in, and fully complied with, Section 6.10 on or prior to the consummation of such Permitted Acquisition with respect to such Person or Business Unit so acquired; and

(j) Borrower shall, if requested by the Agent or the Required Lenders acting reasonably, have delivered to the Administrative Agent and the Lenders environmental reports with respect to any owned real property to be acquired in such Permitted Acquisition, reasonably satisfactory in scope and substance to the Administrative Agent and the Required Lenders.

SECTION 7.06. Mergers, Consolidations, Amalgamations and Acquisitions. Merge, consolidate, form a joint venture or partnership with, or wind up into or amalgamate with any other person; provided, the foregoing shall not prohibit (i) the merger, consolidation or wind up into or amalgamation of (A) Borrower with any Subsidiary (provided that Borrower shall survive, or continue after, any such merger, consolidation, wind up or amalgamation) or (B) a Subsidiary with any other Subsidiary, and (ii) the merger of a Business Unit with and into a Loan Party pursuant to a Permitted Acquisition.

SECTION 7.07. Sales of Assets. Consummate any Asset Sale; provided, the foregoing shall not prohibit (a) Asset Sales the aggregate proceeds of which do not exceed $5,000,000 in any Fiscal Year (the proceeds of such Asset Sales also being subject to mandatory prepayment as set out in Section 2.12(c)), (b) sales of inventory in the ordinary course of business on customary trade terms, (c) sales of Equipment which has become worn out, damaged or otherwise unsuitable for its intended purpose, (d) the lease of any assets by Borrower or any of the Subsidiaries to any other Subsidiary or to Borrower, (e) granting of discounts or forgiveness of account receivables in the ordinary course of business or in connection with collection or compromise thereof, (f) the sale or other disposition of Permitted Investments, (g) making of Investments permitted hereunder, and (h) making of Restricted Payments permitted hereunder.

SECTION 7.08. Restricted Payments.

(a) Declare or make, directly or indirectly, any Restricted Payment or set aside any amount for any such purpose.

(b) Notwithstanding the provisions of paragraph (a) above:

(i) the Subsidiaries may pay dividends or make other distributions to Borrower and other Subsidiaries (and in the case on NorthStar Cover-All, LLC and Cover-All Deutschland GmbH, may on a *pro rata* basis pay dividends or make other distributions to minority holders of Equity Interests in them);

(ii) so long as no Default or Event of Default exists or would result therefrom, the Loan Parties may pay management fees not exceeding an aggregate of $600,000 in each Fiscal Year or $150,000 in any Fiscal Quarter, such management fees to be paid no more frequently than once each Fiscal Quarter; provided that the existence of a Default or an Event of Default shall not restrict the Loan Parties from paying in the ordinary course of business expense reimbursements and indemnities in connection with management fees;

(iii) the Loan Parties may make payments to Borrower and/or Holdco and Holdco may make payments to Cover-All Holdings S.a.r.l. to permit Borrower and/or Holdco and/or Cover-All Holdings S.a.r.l. to (A) pay federal, provincial and other taxes then due and owing and franchise and similar licensing expenses incurred in the ordinary course of business in connection with the Loan Parties, (B) reimburse Borrower and/or Holdco for audit fees and related expenses as well as maintenance fees, and (C) make payments required under the Purchase Agreement;

(iv) the Loan Parties may make payments in cash or upon notes issued to former employees, officers or directors of a Loan Party in connection with the redemption or repurchase of equity interests from such former employees, officers or directors upon termination of employment with a Loan Party or their death or disability, not to exceed $500,000 in any Fiscal Year or $2,000,000 during the term of this Agreement; and

(v) the Loan Parties may make deferred payments of fees to Audax (that would otherwise be due on the Closing Date in connection with the Transactions) on or before the end of the Borrower's 2008 Fiscal Year, in an aggregate amount not to exceed $1,282,500.

SECTION 7.09. Transactions with Affiliates. Effect any transaction with any Affiliate (other than with Borrower or a Loan Party) on a basis less favourable to Borrower or to such Loan Party than would be the case if such transaction had been effected with a Person not an Affiliate, provided the foregoing shall not prohibit:

(a) compensation, expense reimbursement and indemnities paid to directors of the Loan Parties in the ordinary course of business;

(b) stock option and compensation plans of the Loan Parties established in the ordinary course of business;

(c) employment contracts with officers and management of the Loan Parties established in the ordinary course of business;

(d) transactions among the Loan Parties expressly permitted herein;

(e) reimbursement of *bona fide* expenses incurred by Audax for the sole benefit of the Loan Parties in the ordinary course of business, such expenses not to exceed what would reasonably be incurred on an arm's length basis; and

(f) transactions described on Schedule 7.05 and agreed to by the Administrative Agent in its Permitted Discretion

SECTION 7.10. Business. Engage at any time in any business other than the businesses engaged in by Borrower or any Subsidiary on the Closing Date and businesses that are reasonably similar or reasonably related thereto, or are reasonable extensions thereof.

SECTION 7.11. Limitation on Dispositions of Stock of Subsidiaries. Directly or indirectly sell or otherwise dispose of, or permit Borrower or any Subsidiary to issue to any other Person (other than to Borrower or any Subsidiary), any shares of capital stock or other Equity Interests of Borrower or any Subsidiary, other than, in the case of Cover-All Deutschland GmbH, as required under the option right described in Schedule 4.08.

SECTION 7.12. Restrictions on Ability of Subsidiaries to Pay Dividends. Permit any Subsidiary to, directly or indirectly, voluntarily create or otherwise voluntarily cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Subsidiary to (a) pay dividends or make any other distributions on its capital stock or any other Equity Interest or (b) make or repay loans or advances to any Loan Party, except for encumbrances or restrictions under this Agreement and the other Loan Documents or under applicable law, or the restrictions contained in Section 10 of the amended articles of association of Cover-All Deutschland GmbH (which as of the Closing Date have been filed for registration but not yet registered with the commercial register) and any agreement with respect to dividends or other distributions entered into with the minority shareholder of Cover-All Deutschland GmbH prior to the Closing Date.

SECTION 7.13. Capital Expenditures. Incur Capital Expenditures in any Fiscal Year in an aggregate amount in excess of $1,000,000. Notwithstanding the preceding sentence, to the extent that the aggregate amount of Capital Expenditures made by the Loan Parties during any Fiscal Year is less than $1,000,000, 50% the amount of such difference (as used in this Section, the "**Rollover Amount**") may be carried forward and used to make Capital Expenditures during the succeeding Fiscal Year (with the amount of Capital Expenditures made in such succeeding Fiscal Year being applied first to the Rollover Amount).

SECTION 7.14. Total Leverage Ratio. Permit the Total Leverage Ratio during any Fiscal Quarter to exceed the amount set out next to that Fiscal Quarter in Schedule 7.14.

SECTION 7.15. Senior Leverage Ratio. Permit the Senior Leverage Ratio during any Fiscal Quarter to exceed the amount set out next to that Fiscal Quarter in Schedule 7.15.

SECTION 7.16. Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio any times during the last four quarters most recently ended to be less than 1.10 to 1.00.

SECTION 7.17. Fiscal Year. Cause the Fiscal Year of Borrower or any Subsidiary to end on a date other than the last day of Period 13 of such Fiscal Year.

SECTION 7.18. Amendments of Organizational Documents and Other Agreements.

(a) Cause or suffer to exist any amendment, restatement, supplement or other modification to the Organizational Documents of Borrower, any Subsidiary or any other Loan Party without the prior written consent of the Required Lenders, unless such amendment, restatement, supplement or modification is not adverse to the interests of the Lenders hereunder or under the other Loan Documents or, in the case of Cover-All Deutschland GmbH, is contemplated as part of the satisfaction hereunder of the German Conditions Precedent.

(b) Amend in any way (i) the interest rate, principal amount or schedule of payments of principal and interest with respect to the Subordinated Loan (except as explicitly permitted by any agreement governing such Subordinated Loan or the Intercreditor Agreement between the Borrower, the Administrative Agent hereunder, and the administrative agent in respect of the Subordinated Loan), (ii) the Purchase Agreement in any manner adverse to the Lenders or (iii) the maturity date, interest rate, principal amount or schedule of payments of principal and interest with respect to German Secured Indebtedness or the German Non-Prepayable Indebtedness.

SECTION 7.19. Deferred Purchase Price. Make any payments (other than payments solely in the form of Holdco capital stock or options to purchase Holdco capital stock and other than payments made in connection with working capital adjustments or indemnification obligations) in respect of deferred purchase price, earn-outs or other payments to former owners of an acquired Business Unit or Investment after the closing date of a Permitted Acquisition unless (i) no Default or Event of Default has occurred and is continuing and no Default or Event of Default would result therefrom and (ii) Borrower would have been in pro forma compliance with the financial covenants set forth in Sections 7.14 and 7.16 had such payment been made on the last day of the immediately preceding Fiscal Quarter.

SECTION 7.20. Limitation on Creation of Subsidiaries. Not establish, create, acquire or suffer to exist any Subsidiary, except that any Borrower or any Subsidiary may establish or create one or more wholly-owned Subsidiaries (or such non wholly-owned Subsidiaries as the Required Lenders may permit in their sole discretion) and transfer assets to such newly established or created Subsidiaries so long as (i) the creation, establishment, acquisition, or existence of any such new Subsidiary is in compliance with Section 7.05 (with the transfer of any assets constituting an Investment under Section 7.05), (ii) 100% (or such lesser amount as the Required Lenders permit in their sole discretion) of the Equity Interests of such Subsidiary is upon the creation, establishment or acquisition of any such new Subsidiary pledged and delivered to the Administrative Agent for the benefit of the Lenders under the Pledge Agreement, and (iii) upon the creation, establishment or acquisition of any such new Subsidiary, such Subsidiary executes the documents required to be executed by it in accordance with Section 6.10.

SECTION 7.21. Swap Liability

Not allow net obligations of the Loan Parties in respect of Swap Agreements (such net obligations to be equal at any time to the termination value of such Agreements or other arrangements that would be payable by or to the Loan Parties at such time) to exceed $4,000,000 at any time, excluding net obligations in respect of Swap Agreements required to be entered into pursuant to Section 6.18.

SECTION 7.22. Advances to Cover-All Deutschland GmbH

Not make or allow any other Loan Party to make any loans, advances or other payments to Cover-All Deutschland GmbH prior to the satisfaction in full of the German Conditions Precedent.

ARTICLE VIII

Events of Default

SECTION 8.01. Events of Default

In case of the happening of any of the following events (each, an "Event of Default"):

(a) any representation or warranty made or deemed made in any Loan Document, or any representation, warranty, statement or information contained in any report, certificate, financial statement or other instrument furnished pursuant to any Loan Document, shall prove to have been false or misleading in any material respect when so made, deemed made or furnished;

(b) default shall be made in the payment of any mandatory prepayment of any Loan when and as the same shall become due and payable, and such default shall continue unremedied for a period of five (5) Business Days;

(c) default shall be made in the payment of any principal of any Loan or LC Disbursement (other than payment of principal described in paragraph (b)) when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise;

(d) default shall be made in the payment of any interest on any Loan or any Fee or any other amount (other than an amount referred to in paragraphs (b) and (c)) above) due under any Loan Document, when and as the same shall become due and payable, and such default shall continue unremedied for a period of five (5) Business Days;

(e) default shall be made in the due observance or performance by any Loan Party of (i) any covenant, condition or agreement contained in Section 6.03,Section 6.06, 6.10, 6.11, 6.12 or 6.14 and such default shall continue unremedied for a period of ten (10) Business Days, or (ii) any covenant, condition or agreement contained Article VI (other than those defaults specified in clause (i) above) or VII;

(f) default shall be made in the due observance or performance by any Loan Party or any of their respective Subsidiaries of any covenant, condition or agreement contained in any Loan Document (other than those defaults specified in paragraph (b), (c), (d) or (e) above) and such default shall continue unremedied for a period of thirty (30) days after written notice thereof from the Administrative Agent or any Lender to Borrower;

(g) Borrower or any Subsidiary shall (i) fail to pay any principal or interest, regardless of amount, due in respect of any Indebtedness (excluding the Obligations) in a principal amount in excess of $500,000, when and as the same shall become due and payable (after giving effect to any applicable grace period), or (ii) fail to observe or perform any other term, covenant, condition or agreement contained in any agreement or instrument evidencing or governing any such Indebtedness (after giving effect to any applicable grace period), if the effect of any failure referred to in this clause (ii) is to cause, or to permit the holder or holders of such Indebtedness in a principal amount in excess of $500,000 or a trustee on its or their behalf to cause, such Indebtedness to become due prior to its stated maturity;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of Borrower, any Subsidiary or any other Loan Party, or of a substantial part of the property or assets of any such Person, under any Insolvency Law, (ii) the appointment of a receiver, interim receiver, receiver and manager, trustee, custodian, sequestrator, conservator or similar official for any such Person or for a substantial part of the property or assets of any such Person or (iii) the winding-up or liquidation of any such Person; and such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) Borrower, any Subsidiary or any other Loan Party shall (i) voluntarily commence any proceeding or file any petition seeking relief under any Insolvency Law, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or the filing of any petition described in paragraph (h) above, (iii) apply for or consent to the appointment of a receiver, interim receiver, receiver and manager, trustee, custodian, sequestrator, conservator or similar official for any such Person or for a substantial part of the property or assets of any such Person, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) become unable, admit in writing its inability or fail generally to pay its debts as they become due or (vii) take any action for the purpose of effecting any of the foregoing;

(j) one or more judgments for the payment of money, individually or in the aggregate, in an amount in excess of $500,000 (excluding any amounts covered by insurance or an indemnification in favour of a Loan Party), shall be rendered against Borrower, any Subsidiary or any other Loan Party or any combination thereof and the same shall remain undischarged for a period of 30 days during which execution shall not be effectively stayed, vacated, discharged or satisfied;

(k) a Pension Plan Event shall have occurred that, when taken together with all other Pension Plan Events that have occurred, could reasonably be expected to result in liability of Borrower and the other Loan Parties in an aggregate amount exceeding $500,000;

(l) there shall have occurred a Change in Control;

(m) any Lien purported to be created by any Security Document shall cease to be, or shall be asserted by any Loan Party not to be, a valid, perfected first priority Lien on any material portion of Collateral (except as otherwise expressly provided in this Agreement or such Security Document);

(n) any material Loan Document shall not be for any reason, or shall be asserted by any Loan Party (except as otherwise expressly provided in this Agreement or such Loan Document) not to be, in full force and effect and enforceable in all material respects in accordance with its terms (except as otherwise expressly provided in this Agreement or such Loan Document);

(o) any Guarantor seeks, or gives notice to the Administrative Agent of its intention, to terminate or limit its liability under its Guarantee with respect to present or future Obligations of Borrower;

(p) Holdco or any of the Subsidiaries shall default in the payment when due or in the performance or observance of any material obligation or condition of any agreement, contract or lease (other than the Security Documents or any such agreement, contract or lease relating to Indebtedness), if the exercise of remedies thereunder by the other party to such agreement could reasonably be expected to have a Material Adverse Effect;

(q) warrants or writs of attachment or execution or similar process which exceed $500,000 (excluding any amounts covered by insurance or an indemnification in favour of a Loan Party) in aggregate value shall be issued against any property of Holdco or any of its Subsidiaries and such warrant or process shall continue undischarged or unstayed for 30 days; or

(r) there occurs any act, omission, event, undertaking or circumstance or series of acts, omissions, events, undertakings or circumstances which have or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

then, and in every such event (other than an event with respect to Borrower or any other Loan Party described in paragraph (h) or (i) above), and at any time thereafter during the continuance of such event, the Administrative Agent at the request of the Required Lenders, shall, by notice to Borrower, take any of or all the following actions, at the same or different times: (i) terminate forthwith the Commitments, (ii) declare the Loans then outstanding to be forthwith due and payable, in whole or in part, whereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Loan Parties accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by each Loan Party, anything contained herein or in any other Loan Document to the contrary notwithstanding, and (iii) exercise any remedies available under any Loan Document or otherwise (and for greater certainty, proceeds of realization by the Administrative Agent on the real and property charged by the Security Documents shall be applied as provided in the Intercreditor Agreement); and in any event with respect to Borrower or any other Loan Party described in paragraph (h) or (i) above, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Loan Parties accrued hereunder and under any other Loan Document, shall automatically become due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by each Loan Party, anything contained herein or in any other Loan Document to the contrary notwithstanding.

ARTICLE IX

Administrative Agent

SECTION 9.01. Appointment of Administrative Agent. Each of the Lenders and the Operating Lenders hereby irrevocably designate and appoint CIBC as the agent (and as security trustee under the Security Agreements governed by English law or German law) of such Lender and Operating Lender under this Agreement and the other Loan Documents, and each such Lender and Operating Lender irrevocably authorizes the Administrative Agent, as the agent for such Lender and Operating Lender, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to Administrative Agent by the terms of this Agreement and such other Loan Documents, including to make determinations as to the eligibility of Accounts, together with such other powers as are reasonably incidental thereto. For this purpose the Administrative Agent shall be released from any restriction of self-dealing and double representation under any applicable law. Notwithstanding any provision to the contrary elsewhere in this Agreement or such other Loan Documents, Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein and therein, or any fiduciary relationship with any Lender or Operating Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or the other Loan Documents or otherwise exist against the Administrative Agent.

SECTION 9.02. Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care. The Administrative Agent shall be released, to the extent applicable, from any restrictions arising under Section 181 of the German Civil Code (i.e. self-dealing restrictions).

SECTION 9.03. Exculpatory Provisions. Neither the Administrative Agent nor any of its respective trustees, officers, directors, employees, agents, attorneys-in-fact or Affiliates shall (a) be liable to any Lender (or any Lender's participants) or Operating Lender for any action lawfully taken or omitted to be taken by them or such Person under or in connection with this Agreement or the other Loan Documents (except for its or such Person's own gross negligence or wilful misconduct), (b) be responsible in any manner to any Lender (or any Lender's participants) or Operating Lender for any recitals, statements, representations or warranties made by Borrower or any of the Subsidiaries or any officer thereof contained in this Agreement or the other Loan Documents or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or the other Loan Documents, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or the other Loan Documents or for any failure a Loan Party to perform its obligations hereunder or thereunder, or (c) have any obligation whatsoever to any of the Lenders to assure that the Collateral exists or is owned by the Loan Parties or is cared for, protected or insured or has been encumbered, or that the Administrative Agent's Liens have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to the Administrative Agent pursuant to any of the Loan Documents, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, the Administrative Agent may act in any manner it may deem appropriate, in its sole discretion, given the Administrative Agent's own interest in the Collateral in its capacity as one of the Lenders and that the Administrative Agent shall have no other duty or liability whatsoever to any Lender as to any of the foregoing. The Administrative Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement, or to inspect the properties, books or records of Borrower or any of the Subsidiaries.

SECTION 9.04. Reliance by the Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any Note, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to Borrower or any of the Subsidiaries), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless such Note shall have been transferred in accordance with Section 10.04. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement and the other Loan Documents unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the Notes in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Notes.

SECTION 9.05. Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received notice from a Lender or Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall promptly give notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) continue making Revolving Loans to Borrower on behalf of the Lenders in reliance on the provisions of Section 2.02 and take such other action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

SECTION 9.06. Non-Reliance on Agent and Other Lenders. Each Lender and Operating Lender expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereinafter taken, including any review of the affairs of Borrower and the Subsidiaries, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender and Operating Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of Borrower and the Subsidiaries and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender and Operating Lender also represents that it will, independently and without reliance upon the Administrative Agent or any other Lender or Operating Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of Borrower and the Subsidiaries. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder or by the other Loan Documents, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, financial and other condition or creditworthiness of Borrower and the Subsidiaries which may come into the possession of the Administrative Agent, or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

SECTION 9.07. Indemnification. The Lenders and Operating Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by Borrower and without limiting the obligation of Borrower to do so), in proportion to each Lender's pro rata share (based on its Commitments hereunder (provided that (i) in the case of Term Loans or (ii) in the event that such Commitments shall have expired or been terminated, such pro rata share shall be based on the respective principal amounts of the outstanding Loans (other than Operating Loans)), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including at any time following the payment of the Notes) be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or the other Loan Documents, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Lender or Operating Lender shall be liable to the Administrative Agent hereunder for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting solely from the Administrative Agent's gross negligence or willful misconduct or resulting solely from transactions or occurrences that occur at a time after such Lender has assigned all of its interests, rights and obligations under this Agreement pursuant to Section 10.04 or, in the case of a Lender to which an assignment is made hereunder pursuant to Section 10.04, at a time before such assignment. The agreements in this subsection shall survive the payment of the Notes, the Obligations and all other amounts payable hereunder and the termination of this Agreement.

SECTION 9.08. Administrative Agent in Its Individual Capacity. The Administrative Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Loan Parties as if the Administrative Agent were not the Administrative Agent hereunder. With respect to its Commitments, the Loans made or renewed by it and any Note issued to it and any Letter of Credit, the Administrative Agent shall have and may exercise the same rights and powers under this Agreement and the other Loan Documents and is subject to the same obligations and liabilities as and to the extent set forth herein and in the other Loan Documents for any other Lender or Operating Lender. The terms "Lenders" or "Required Lenders" or any other term shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity as a Lender or one of the Required Lenders.

SECTION 9.09. Successor Administrative Agent. Subject to the appointment and acceptance of a successor Administrative Agent as provided below, the Administrative Agent may resign at any time by notifying the Lenders, the Operating Lenders and Borrower. Upon any such resignation, the Required Lenders shall have the right to appoint a Lender as the successor, which successor agent shall, unless a Default or Event of Default shall have occurred and be continuing, be subject to approval by Borrower (not to be unreasonably withheld or delayed); provided that any successor Administrative Agent shall not be a non-resident of Canada or shall be deemed to be resident in Canada for the purposes of Part XIII of the ITA. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Operating Lenders, appoint a successor Administrative Agent, which shall not be a non-resident of Canada or shall be deemed to be resident in Canada for the purposes of Part XIII of the ITA. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. After the Administrative Agent's resignation hereunder, the provisions of this Article IX and Section 10.05 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent.

SECTION 9.10. Notices from Administrative Agent to Lenders. The Administrative Agent shall promptly, upon the written request from any Lender, forward to Lender copies of any written notices, reports or other information supplied to it by Borrower (but which Borrower is not required to supply directly to the Lenders). All notices and other communications to the Lenders hereunder may be delivered or furnished in accordance with Section 10.01, or by electronic communication (including email and internet or intranet websites) pursuant to procedures approved by the Administrative Agent.

SECTION 9.11. Field Examination Reports; Disclaimer by Lenders. Each Lender: (a) is deemed to have requested that the Administrative Agent furnish such Lender, promptly after it becomes available, a copy of each field examination report (each a "Report" and collectively, "Reports") prepared by the Administrative Agent or its agents; (b) expressly agrees and acknowledges that the Administrative Agent makes no representation or warranty as to the accuracy of any Report or shall be liable for any information contained in any Report; (c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that the Administrative Agent or other party performing any audit or examination will inspect only specific information regarding Borrower and will rely significantly upon Borrower's books and records, as well as on representations of Borrower's personnel; (d) agrees to keep all Reports confidential in accordance with its standard operating procedures and strictly for its internal use, and not to distribute (except to its Affiliates, directors, officers, employees, attorneys, agents, participants, assignees or its prospective participants or assignees) or use any Report in any other manner (except to the extent that disclosure or distribution is made pursuant to law, rule, regulation or legal or other process); and (e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees (i) to hold the Administrative Agent harmless from any action the indemnifying Lender may take or conclusion the indemnifying Lender may reach or draw from any Report in connection with any Loans or other credit accommodations that the indemnifying Lender has made or may make to Borrower, or the indemnifying Lender's participation in Letters of Credit, and (ii) to pay and protect, and indemnify, defend and hold the Administrative Agent harmless from and against, the claims, actions, proceedings, damages, costs, expenses and other amounts (including reasonable attorneys' fees) incurred by the Administrative Agent as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

ARTICLE X

Miscellaneous

SECTION 10.01. Notices. Except as otherwise expressly permitted herein, notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed or sent by fax, as follows:

(a) if to Borrower, to it at 3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4 Attention: Nathan Stobbe &Todd Payne (Fax No. (306) 657-2751);

(b) if to CIBC, as Lender or Administrative Agent, to it at CIBC, BCE Place – 161 Bay Street, 8th Floor, Toronto, Ontario, M1J 2S8, Syndication Agency, Attention: Marina Tellis (Fax No. (416) 956-3830), with a copy to CIBC, 400 Burrard Street, 7th Floor, Vancouver, B.C. V6C 3A6, Attention: Robert Stevens (Fax No. (604) 665-1144);

(c) if to CIBC, as Operating Lender, to it at CIBC, Credit Processing Services, CMA Group, 595 Bay Street, 5th Floor, Toronto, Ontario, M5G 2C2 (Fax No. (416) 980-7611), with a copy to CIBC, as Administrative Agent, at the address set out in (b) above; and

(d) if to any other Lender, at its address (or fax number) set forth in its Administrative Questionnaire.

Any party hereto may change its address or fax number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by fax, or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 10.01. The Administrative Agent shall deliver to Borrower a copy of each Administrative Questionnaire received by it.

SECTION 10.02. Survival of Agreement. All covenants, agreements, representations and warranties made by Borrower herein and by the Loan Parties in the other Loan Documents and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Lenders, the Agents and the Operating Lenders and shall survive the making by the Lenders of the Loans and the issuance of Letters of Credit by the Operating Lenders, regardless of any investigation made by, or on behalf of, the Lenders or the Operating Lenders, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any Fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not been terminated. The provisions of Sections 2.13, 2.14, 2.18 and 10.05,Section 10.15 and Article IX shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 10.03. Counterparts; Binding Effect. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the Loan Parties, the Operating Lender and the Lenders and their respective successors and assigns, except that none of the Loan Parties shall have the right to assign its rights or duties hereunder or any interest herein without the prior consent of all the Lenders, and any attempted assignment by any such Person shall be void (it being understood that a merger of a Loan Party with and into any other Person in which the other Person is the surviving entity shall not be considered an assignment of such Loan Party's duties hereunder and would instead be subject to the restrictions of Section 7.06).

SECTION 10.04. Successors and Assigns.

(a) Subject to Section 10.03, whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the Loan Parties, the Operating Lender or the Lenders that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

(b) Each Lender may assign to one or more assignees (each of which must be a resident of Canada or deemed to be a resident of Canada for purposes of Subsection 212(13.3) of the ITA) (treating any Approved Funds that are administered or managed by the same Person or an Affiliate of such Person as a single assignee) all or a portion of its interests, rights and/or obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it); provided, however, that: (i) except in the case of an assignment to a Lender, an Affiliate of the assigning Lender or an Approved Fund (unless the Lender, Affiliate or Approved Fund is not then a Revolving Lender, the Operating Lender or a Term Lender, as applicable), each of the Administrative Agent and the Borrower, at any time after the earlier of (A) the date upon which the Administrative Agent reasonably determines that the primary syndication of the Term Loans has been completed (it being understood that the Administrative Agent will promptly notify Borrower of the occurrence of such date) and (B) 60 days after the Closing Date, must give its prior written consent to such assignment (which consent shall not be unreasonably withheld or delayed, it being understood that such consent shall be deemed to have been reasonably withheld if such assignment would subject Borrower to additional costs or liabilities under Sections 2.13, 2.14, 2.18 or 10.05); provided that prior to the earlier of (A) and (B) above, the Administrative Agent shall consult with the Borrower prior to any such assignment; and further provided, that the consent of Borrower shall not be required if a Default or Event of Default has occurred and is continuing on the date of the Assignment and Acceptance, (ii) except in the case of an assignment to a Lender, an Affiliate of the assigning Lender or an Approved Fund, or in the case of an assignment of an amount equal to the remaining balance of such Lender's Commitments and Loans of the relevant Class, the amount of the Commitments and Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 (in the case of an assignment of Revolving Loans, Revolving Commitments or Term Loans), unless each of Borrower and the Administrative Agent otherwise consents, and (iii) the parties to each such assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, and a processing and recordation fee of $3,500; provided further that, notwithstanding the foregoing, the sale or assignment by any assignor (which acquired an interest in the Commitments and Loans of any Class in an amount less than $1,000,000 pursuant to an exception to clause (ii) of the immediately preceding proviso) to any Person that is not a Lender or an Affiliate of such assignor or an Approved Fund shall be subject to the minimum assignment requirement set forth in the immediately preceding proviso if all the Affiliates of such Lender hold Commitments and Loans of the relevant Class in the amount of $1,000,000 or more in the aggregate. Upon acceptance and recording pursuant to paragraph (d) below, from and after the effective date specified in each Assignment and Acceptance, (i) the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, shall have the rights and obligations of a Lender under this Agreement and the other Loan Documents and (ii) the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto, but shall continue to be entitled to the benefits of Sections 2.13, 2.14, 2.18 and 10.05, as well as to any Fees accrued for its account and not yet paid).

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the assignee thereunder shall be deemed to confirm to and agree with each other and the other parties hereto as follows: (i) such assigning Lender warrants that it is the legal and beneficial owner of the interest being assigned thereby, free and clear of any adverse claim; (ii) except as set forth in clause (i) above, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement, or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Loan Document or any other instrument or document furnished pursuant hereto, or the financial condition of the Loan Parties or the performance or observance by the Loan Parties of any of their obligations under this Agreement or under any other Loan Document or any other instrument or document furnished pursuant hereto; (iii) such assignee represents and warrants that it is legally authorized to enter into such Assignment and Acceptance; (iv) such assignee confirms that it has received a copy of this Agreement, together with copies of any amendments or consents entered into prior to the date of such Assignment and Acceptance and copies of the most recent financial statements delivered pursuant to Section 6.04 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (v) such assignee will independently and without reliance upon any Operating Lender, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (vi) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof and of the other Loan Documents, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(d) The Administrative Agent, acting for this purpose as agent of Borrower, shall maintain at one of its offices in Toronto a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive in the absence of manifest error and Borrower, the Operating Lender and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by Borrower, the Operating Lender and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, together with an Administrative Questionnaire completed in respect of the assignee (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) above and the written consent to such assignment of any Person whose consent is required pursuant to paragraph (b) above, the Administrative Agent shall (i) accept such Assignment and Acceptance and (ii) record the information contained therein in the Register. No assignment shall be effective unless it has been recorded in the Register as provided in this paragraph (e).

(f) Each Lender may, without the consent of Borrower, the Administrative Agent, the Operating Lender or the Operating Lender, sell participations to one or more banks or other entities in all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided, however, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the participating banks or other entities shall be entitled to the benefit of the cost protection provisions contained in Sections 2.13, 2.14, 2.18 and 10.05 to the same extent as if they were Lenders, provided that Borrower shall not be required to reimburse the participating banks or other entities pursuant to Sections 2.13, 2.14, 2.18 or 10.05 in an amount in excess of the amount that would have been payable thereunder to such Lender had such Lender not sold such participation, and (iv) Borrower, the Administrative Agent, the Operating Lender and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and such Lender shall retain the sole right to enforce the obligations of the Loan Parties under the Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement (provided that the participating bank or other entity may be provided with the right to approve amendments, modifications or waivers affecting it that (v) decrease any Fees payable hereunder, (w) decrease the amount of principal of, or the rate at which interest is payable on, the Loans, (x) extend any scheduled principal payment date or date for the scheduled payment of interest on the Loans, (y) increase the amount of or extend the termination date of the Commitments or (z) release a Guarantor from its guarantee under the Guarantee Agreement (except as expressly contemplated by any Loan Document) or all or substantially all of the Collateral from the Liens created under the Security Documents (except as expressly contemplated by any Loan Document).

(g) Notwithstanding the limitations set forth in paragraph (b) above, (i) any Lender may at any time assign all or any portion of its rights under this Agreement to a Federal Reserve Bank without the prior written consent of Borrower (unless such assignment would subject Borrower to additional costs or liabilities under Sections 2.13, 2.14, 2.18 or 10.05), the Administrative Agent, the Operating Lender or the Operating Lender, (ii) any Lender which is a fund may pledge all or any portion of its rights under this Agreement to its trustee or other creditor in support of its obligations to its trustee or other creditor without the prior written consent of Borrower, the Administrative Agent, the Operating Lender or the Operating Lender and (iii) any Lender may at any time assign or pledge all or any portion of its rights under this Agreement to direct or indirect contractual counterparties in Swap Agreements related to the Loans, provided that no such assignment pursuant to clause (i), (ii) or (iii) shall release a Lender from any of its obligations hereunder or substitute any such Bank or trustee for such Lender as a party hereto.

(h) Except as provided in Article III, neither the Operating Lender nor the Operating Lender may assign or delegate any of its respective rights and duties hereunder without the prior written consent of Borrower and the Administrative Agent.

SECTION 10.05. Expenses; Indemnity.

(a) Borrower agrees to pay all reasonable out-of-pocket expenses incurred by the Administrative Agent and the Operating Lender in connection with the preparation, execution and delivery of this Agreement and the other Loan Documents (including all costs relating to due diligence) or in connection with any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions hereby contemplated shall be consummated) or incurred by the Administrative Agent, the Operating Lender or any Lender in connection with the enforcement or protection of their rights in connection with this Agreement and the other Loan Documents or in connection with the Loans made or the Letters of Credit issued hereunder, including the reasonable fees, disbursements and other charges of Lenders' Counsel, and, in connection with any such enforcement or protection, the reasonable fees, disbursements and other charges of any other counsel for the Administrative Agent, the Operating Lender or any Lender. The Borrower further agree to indemnify the Administrative Agent, the Operating Lender and the Lenders from, and hold them harmless against, any documentary taxes, assessments or similar charges made by any Governmental Authority by reason of the execution and delivery of this Agreement or any of the other Loan Documents.

(b) Borrower agrees to indemnify the Lead Arranger, the Administrative Agent, the Operating Lender and each Lender and each of their respective directors, officers, employees, trustees, advisors and agents (each such person being called an "Indemnitee") against, and to hold each Indemnitee harmless from, any and all out of pocket losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, disbursements and other charges, incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto or thereto of their respective obligations hereunder or thereunder or the consummation of the Transactions and the other transactions contemplated hereby or thereby, (ii) the use of the Letters of Credit or the proceeds of the Loans, (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto or (iv) any actual or alleged presence or release of Hazardous Materials on or from any property currently or formerly owned or operated by Borrower or any of the Subsidiaries or any of their respective predecessors or any liability under any Environmental Law related in any way to Borrower or any of the Subsidiaries, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses have resulted from the gross negligence or wilful misconduct of such Indemnitee or its directors, officers, employees, trustees, advisors or agents, (ii) a dispute among Indemnitees, or (iii) a breach by such Indemnitee of a contractual obligation owed to a Loan Party.

(c) The provisions of this Section 10.05 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Administrative Agent, the Operating Lender or any Lender. All amounts due under this Section 10.05 shall be payable promptly after written demand therefor.

SECTION 10.06. Right of Setoff. Each Lender is hereby authorized, in addition to any other right or remedy that any Lender may have by operation of law or otherwise, at any time and from time to time upon any amount becoming due and payable by any Loan Party under any Loan Document, after the expiration of any grace period with respect thereto, to exercise, without advance notice to Borrower (any such notice being expressly waived by each such Person), its banker's lien or right of combination of accounts or right of setoff and apply any and all deposits (general or special, time or demand, provisional or final, but excluding any tax withholding, payroll or trust accounts) at any time held and other Indebtedness at any time owing by such Lender to or for the credit or the account of any Loan Party against such due and payable amount. Each Lender agrees to promptly notify Borrower and the Administrative Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 10.07. Applicable Law. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ALBERTA (excluding those Loan Documents which by their terms are governed by the laws of another jurisdiction) BUT EXCLUDING ALL CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.**

SECTION 10.08. Waivers; Amendment.

(a) No failure or delay on the part of the Administrative Agent, any Operating Lender or any Lender in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuation of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Operating Lenders and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by the Loan Parties therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on the Loan Parties in any case shall entitle the Loan Parties to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement or any of the other Loan Documents nor any provision hereof or thereof may be waived, amended or modified except (i) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by Borrower and the Required Lenders and (ii) in the case of any other Loan Document, pursuant to an agreement or agreements entered into by the parties to such Loan Document, in each case, except as set forth in the final sentence of this paragraph (b), with the consent of the Required Lenders; provided, however, that no such agreement shall (i) decrease the principal amount of, or extend the maturity of or any scheduled principal payment date or date for the scheduled payment of any interest on any Loan or any date for reimbursement of an LC Disbursement, or waive or excuse any such payment or any part thereof, or decrease the rate of interest on any Loan or LC Disbursement, without the prior written consent of each Lender affected thereby, (ii) increase the amount of or extend the termination date of the Commitment of, or decrease or extend the date for payment of any Fee owing to, any Lender without the prior written consent of such Lender, (iii) amend or modify the pro rata requirements of Section 2.15 or the provisions of Section 10.03 concerning the assignment of Borrower's obligations hereunder, the provisions of this Section 10.08 or release a Guarantor from its guarantee under the Guarantee Agreement (except as expressly contemplated by any Loan Document) or all or substantially all of the Collateral from the Liens created under the Security Documents (except as expressly contemplated by any Loan Document), without the prior written consent of each Lender, (iv) change the provisions of any Loan Document in a manner that by its terms adversely affects the rights in respect of payments due to Lenders holding Loans of one Class differently from the rights of Lenders holding Loans of any other Class without the prior written consent of Lenders holding a majority in interest of the outstanding Loans and unused Commitments of each adversely affected Class or (v) reduce the percentage contained in the definition of the term "Required Lenders" without the prior written consent of each Lender; provided, further, however, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Operating Lender or the Operating Lender hereunder or under any other Loan Document without the prior written consent of the Administrative Agent, the Operating Lender or the Operating Lender, as the case may be. The Lenders hereby authorize the Administrative Agent to enter into such amendments, restatements, supplements or other modifications to the Security Documents as are deemed reasonably necessary by the Administrative Agent to protect and preserve the Liens on the Collateral created or purported to be created thereunder or to reflect or give effect to any transaction permitted under this Agreement.

SECTION 10.09. Release of Collateral and Guarantors. Each Lender hereby directs the Administrative Agent to release the Liens held by it under the Security Documents and the Guarantees made in the Loan Documents as follows:

(a) upon payment in full in cash of the Loans and all the other Obligations (other than unasserted contingent and indemnification obligations), termination of all Commitments (including commitment of the Operating Lender to issue Letters of Credit) and reduction of the LC Exposure to zero (or the making of other arrangements satisfactory to the Administrative Agent and the Operating Lender), the Administrative Agent is authorized to release all of the Liens created, and all the Guarantees made, under the Loan Documents;

(b) upon any sale or other disposition of Collateral permitted hereunder, or consummation of any transaction permitted hereunder as a result of which any Guarantor ceases to be a Subsidiary of Borrower, the Administrative Agent is authorized to release such Liens that relate solely to the Collateral sold or otherwise disposed and the Guarantee made by such Guarantor under the Loan Documents; and

(c) upon consent by the Required Lenders, the Administrative Agent is authorized to release such Liens on any part of the Collateral which release does not require the consent of all of the Lenders as set forth in Section 10.08;

provided, however, that (i) the Administrative Agent shall not be required to execute, or cause any Person to execute, any such document on terms which, in its opinion, would expose it to liability or create any obligation or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Obligations or any Liens upon (or obligations of Borrower or any of the Subsidiaries in respect of) all interests retained by Borrower or any of the Subsidiaries.

SECTION 10.10. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the applicable interest rate, together with all fees and charges that are treated as interest under applicable law (collectively, the "Charges"), as provided for herein or in any other document executed in connection herewith, or otherwise contracted for, charged, received, taken or reserved by any Lender, shall exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by such Lender in accordance with applicable law, the rate of interest payable to such Lender hereunder, together with all Charges payable to such Lender, shall be limited to the Maximum Rate.

SECTION 10.11. Entire Agreement. This Agreement, the other Loan Documents and any separate fee letter agreements with respect to fees payable to any Agent or any Operating Lender constitute the entire contract between the parties relative to the subject matter hereof. Any previous agreement among the parties with respect to the subject matter hereof is superseded by this Agreement and the other Loan Documents. Nothing in this Agreement or in the other Loan Documents, expressed or implied, is intended to confer upon any Person other than the parties hereto and thereto (and their respective successors and assigns permitted hereby and each other Person that is an Indemnitee) any rights, remedies, obligations or liabilities under or by reason of this Agreement or the other Loan Documents.

SECTION 10.12. Waiver of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any legal proceeding directly or indirectly arising out of, under or in connection with this Agreement or any of the other Loan Documents or the transactions contemplated hereby. Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement and the other Loan Documents, as applicable, by, among other things, the mutual waivers and certifications in this Section 10.12.

SECTION 10.13. Severability. In the event any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The parties shall endeavour in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 10.14. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 10.15. Confidentiality. Each Lender agrees not to disclose to any Person the Information (as defined below) in accordance with such Lender's customary procedures for non-disclosure of confidential information of third parties of this nature and in accordance with safe and sound lending practices without the prior written consent of Borrower, which consent shall not be unreasonably withheld, except that any Lender shall be permitted to disclose Information (i) to its and its Affiliates' officers, directors, employees, agents and representatives (including its auditors and counsel) or to any pledgee referred to in Section 10.04(g)(ii) or any direct or indirect contractual counterparty in Swap Agreements or such contractual counterparty's professional advisor (so long as such pledgee, contractual counterparty or professional advisor to such contractual counterparty agrees in writing to be bound by the provisions of this Section 10.05); (ii) to the extent (A) required by applicable laws and regulations or by any subpoena or similar legal process or (B) requested or required by any regulatory authority or The National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio; (iii) to the extent such Information (A) becomes publicly available other than as a result of a breach of this Agreement, (B) becomes available to such Lender on a non-confidential basis from a source other than a Loan Party or its Affiliates or (C) was available to such Lender on a non-confidential basis prior to its disclosure to such Lender by a Loan Party or its Affiliates; (iv) to any actual or prospective assignee of, or prospective purchaser of a participation in, the rights of such Lender hereunder; or (v) in connection with any suit, action or proceeding relating to the enforcement of rights hereunder or under any other Loan Document or in connection with the transactions contemplated hereby. As used in this Section 10.15, as to any Lender, the term "Information" shall mean any written materials, documents and information that Borrower or any of its Affiliates may have furnished or may hereafter furnish to any Lender in connection with this Agreement.

SECTION 10.16. Jurisdiction; Consent to Service of Process.

(a) Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of Alberta, and any court sitting in Alberta, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such jurisdiction. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Loan Party or its properties in the courts of any jurisdiction.

(b) Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any Alberta court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 10.17. Judgment Currency.

(a) Borrower's obligations hereunder and Borrower's and the other Loan Parties' obligations under the other Loan Documents to make payments in Dollars (the "Obligation Currency") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Obligation Currency, except to the extent that such tender or recovery results in the effective receipt by the Administrative Agent, the Operating Lender or the applicable Lender of the full amount of the Obligation Currency expressed to be payable to the Administrative Agent, the Operating Lender or the applicable Lender under this Agreement or the other Loan Documents. If, for the purpose of obtaining or enforcing judgment against Borrower or any other Loan Party in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Obligation Currency (such other currency being hereinafter referred to as the "Judgment Currency") an amount due in the Obligation Currency, the conversion shall be made at the rate of exchange (as quoted by the Administrative Agent or if the Administrative Agent does not quote a rate of exchange on such currency, by a known dealer in such currency designated by the Administrative Agent) determined, in each case, as of the date immediately preceding the day on which the judgment is given (such Business Day being hereinafter referred to as the "Judgment Currency Conversion Date").

(b) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, Borrower covenants and agrees to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c) For purposes of determining the amount of any payment in the Obligation Currency under this Section 10.17, the rate of exchange used shall take into account any premium and costs payable in connection with the purchase of the Obligation Currency.

SECTION 10.18. Certain Relationships. Nothing contained in this Agreement and no action taken by the Administrative Agent, the Operating Lender or any Lender pursuant hereto shall be deemed to constitute the Administrative Agent, the Operating Lender or the Lenders a partnership, an association, a joint venture or other entity. None of the Administrative Agent, the Operating Lender or the Lenders has any fiduciary relationship with or any fiduciary duty to Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agent, the Operating Lender and the Lenders, on the one hand, and Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor.

SECTION 10.19. USA Patriot Act. Each Lender subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") hereby notifies Borrower that pursuant to the Act it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow such Lender to identify Borrower in accordance with the Act.

SECTION 10.20. Waiver of Consequential Damages, Etc. BORROWER AGREES NOT TO ASSERT ANY CLAIM AGAINST ANY OTHER PARTY HERETO, ANY OF ITS AFFILIATES, OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, ATTORNEYS OR AGENT, ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING OUT OF OR OTHERWISE RELATING TO ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR IN ANY OTHER LOAN DOCUMENT OR THE ACTUAL OR PROPOSED USE OF THE PROCEEDS OF THE LOANS.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

1353537 ALBERTA LTD.

by:

Name: Franklin H. Foster

Title: Secretary

CANADIAN IMPERIAL BANK OF COMMERCE, as Administrative Agent

by:

Name:

Title:

Name:

Title:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

1353537 ALBERTA LTD.

by:

____
Name:

Title:

CANADIAN IMPERIAL BANK OF COMMERCE, as Administrative Agent

by:

____
Name: Michael Scott

Title: Authorized Signatory.

____
Name: Robert Stevens

Title: Authorized signatory

CANADIAN IMPERIAL BANK OF COMMERCE, individually and as Lender,

by:

Name: Michael Scott

Title: Authorized Signatory

Name: Robert Stevens

Title: Authorized Signatory

SCHEDULE 1.01

BORROWER'S ACCOUNTING PERIODS

	Quarter Ended	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Period 1		02/24/07	03/01/08	02/28/09	02/27/10	02/26/11	03/03/12
Period 2		03/24/07	03/29/08	03/28/09	03/27/10	03/26/11	03/31/12
Period 3		04/21/07	04/26/08	04/25/09	04/24/10	04/23/11	04/28/12
Period 4	1Q	05/19/07	05/24/08	05/23/09	05/22/10	05/21/11	05/26/12
Period 5		06/16/07	06/21/08	06/20/09	06/19/10	06/18/11	06/23/12
Period 6		07/14/07	07/19/08	07/18/09	07/17/10	07/16/11	07/21/12
Period 7	2Q	08/11/07	08/16/08	08/15/09	08/14/10	08/13/11	08/18/12
Period 8		09/08/07	09/13/08	09/12/09	09/11/10	09/10/11	09/15/12
Period 9		10/06/07	10/11/08	10/10/09	10/09/10	10/08/11	10/13/12
Period 10	3Q	11/03/07	11/08/08	11/07/09	11/06/10	11/05/11	11/10/12
Period 11		12/01/07	12/06/08	12/05/09	12/04/10	12/03/11	12/08/12
Period 12		12/29/07	01/03/09	01/02/10	01/01/11	12/31/11	01/05/13
Period13	4Q	02/02/08	01/31/09	01/30/10	01/29/11	02/04/12	02/02/13

SCHEDULE 2.01

LENDERS AND THEIR COMMITMENTS

Lender	Term Loans $	Term Loans %	Revolving Loans $	Revolving Loans %	Operating Loans $	Operating Loans %
CIBC	$40,000,000	100%	$12,000,000	100%	$2,000,000	100%
Total	$40,000,000	100.0000%	$12,000,000	100.0000%	$2,000,000	100.0000%

SCHEDULE 4.07

EXCEPTIONS TO TITLE TO THE ASSETS OF THE BORROWER AND THE SUBSIDIARIES

NIL.

SCHEDULE 4.08

SUBSIDIARIES

Subsidiary	Ownership	Number of Shares
1353537 Alberta Ltd.	Cover-All Holding Corp.	31,9542,540 common shares
Cover-All U.S. Holding Corp.	Cover-All Holding Corp.	100 common shares (initial formation)
Cover-All Building Systems Inc.	1353537 Alberta Ltd.	13,353,712 Class A Shares 3,037,302 Class G Shares
Summit Structures Limited (UK)	Cover-All Building Systems Inc.	100%
Cover-All Deutschland GmbH (Germany)	Summit Structures Limited (UK)	95%
Summit Structures, LLC	Cover-All Building Systems Inc.	100 units / 100 %
Quick Structures, LLC	Cover-All Building Systems Inc.	100 units / 100%
Cover-All Holdings U.S., LLC	Cover-All Building Systems Inc.	100%
Summit Structures U.S., LLC	Summit Structures, LLC	1,000 units / 100%
Cover-All Building Systems of New York, Inc.	Summit Structures, LLC	100 shares of common stock / 100%
Summit Project Management, LLC	Summit Structures, LLC	1,000 units / 100%
NorthStar Cover-All, LLC	Cover-All Holdings U.S., LLC	51%

Remaining Options

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
Todd Payne	33,334	1.00				

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
	33,333	1.16				
	33,333	1.32				
Dale Calver	33,334	1.00				
	33,333	1.16				
	33,333	1.32				
Galen Sonntag	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Peter Bielefeld	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Randy Crosson	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Wayne Gursky	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Darcy McLean	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Ivan Hein	10,000	1.00				
			10,000	1.16		
					10,000	1.32
Rod Manske			10,000	1.16		
			10,000	1.16		
					10,000	1.32
Rob Roach	10,000	1.00				
			10,000	1.16		
					10,000	1.32
Cote Family Trust			10,000	1.00		
			10,000	1.16		
					10,000	1.32

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
Total Options	303,335		143,335		123,330	
Total Options:	570,000					

Vendors' Options

The senior executives are exchanging their vendor options as follows for options in Cover-All Holding Corp.:

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
Nathan Stobbe	33,334	1.00				
	33,333	1.16				
	33,333	1.32				
Paul Johnson	33,334	1.00	149,997	1.16		
	33,333	1.16				
	33,333	1.32				
Todd Payne			149,997	1.16		

Immediately prior to the amalgamation of all of the Canadian entities forming part of Cover-All Building Systems Inc., all of the remaining options will be assigned to Cover-All Building Systems Inc. in exchange for promissory notes equal to the fair market value of such options less the applicable strike price of such options.

Option Right of Sebastian Huennekens

1. Call-Option Sebastian Hünnekens pursuant to Clause 8.1: acquisition of up to 5%, to be executed in a period between 2008-2017;
2. Put Option Sebastian Hünnekens pursuant to Clause 8.3: in case of revocation as managing director/termination of service agreement, Summit may be requested to acquire Sebastian Hünnekens shares; if put option is not exercised, Summit may acquire all shares of Sebastian Hünnekens;
3. Put option/Right of first Refusal pursuant to Clause 8.5: if third party offers to acquire at least 50% of the shares in the Company from Summit, Sebastian Hünnekens is obligated to sell a proportionate amount of his shares to the same conditions. Furthermore, Sebastian Hünnekens has the right to acquire the share capital for which the offer has been made under the conditions of the offer.

SCHEDULE 4.09

LITIGATION

Parties to action: *Hanover Insurance Company a/s/o Longhorn Trucking Company, Inc. v. All Building Systems of New York, Inc. and Cover-All Building*
Cover-
Systems, Inc.
Jurisdiction: United States District Court Northern District of New York, Case
No. 07-CV- 0993

Class Action Suits

The following civil suits fall under one class action suit. Subject to a Stipulation of Dismissal dated December 29, 2006 from the United States District Court Southern District of New York, Summit Structures was dismissed without prejudice subject to a conditional stipulation of reinstatement whereby the Plaintiffs may reinstate their claim based on the discovery of fact asserted where such facts were not previously provided in discovery as of the date of the Stipulation. There is no set of facts nor any circumstances that, to the knowledge of the Vendors, exist, which could form the basis for the reinstatement of such claims against Summit Structures or any other member of the Cover-All Group.

1. *Boscaino v. Silverstein Properties et al*, filed February 1, 2005, Case No. 1:2005cv01101;

2. *Keary v. The City of New York et al*, filed March 22, 2205, Case No. 1:2005cv03162;

3. *Wales et al v. 1 World Trade Centre, LLC*, filed August 17, 2005, Case No. 1:2005cv07291;

4. *Ahern et al v. 1 World Trade Centre, LLC*, filed September 23, 2005, Case No. 1:2005cv08221;

5. *Gaspar v. 1 World Trade Centre, LLC*, filed December 22, 2005, Case No. 1:2005cv10739.

SCHEDULE 4.14

ENVIRONMENTAL MATTERS

NIL.

SCHEDULE 4.16

LIEN FILING OFFICES

<u>1353537 Alberta Ltd.</u>

Alberta

Ontario

Saskatchewan

<u>Cover-All Holding Corp.</u>

Nova Scotia

Saskatchewan

District of Columbia

<u>Cover-All Building Systems Inc.</u>

Alberta

Saskatchewan

Ontario

United Kingdom

District of Columbia

<u>Summit Structures Limited</u>

UK

<u>Cover-All Deutschland GmbH</u>

N/A

<u>Summit Structures, LLC</u>

Pennsylvania

<u>Quick Structures, LLC</u>

Pennsylvania

<u>Cover-All Holdings U.S., LLC</u>

Pennsylvania

<u>Cover-All U.S. Holding Corp.</u>

Delaware

<u>Summit Structures U.S., LLC</u>

Pennsylvania

<u>Cover-All Building Systems of New York, Inc.</u>

New York

<u>Summit Project Management, LLC</u>

Pennsylvania

SCHEDULE 4.19

REAL PROPERTY OF THE LOAN PARTIES

Owned

1. 3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4

Leased

1. 37651 Amberly Road, R.R. #1, Lucknow, Ontario, N0G 2H0 (head office lease and inventory yard lease)
2. 946 North Van Buren Street, Allentown, Pennsylvania
3. 19500 Country Road 142, South Haven, Minnesota, 55382
4. Offices 1 – 8 Enterprise Glade on the Landlord's Bath Lane in Moira (England)
5. Im Hook 10, 48607 Ochtrup (Germany)
6. 28 McIntosh Road, Headingley, Manitoba, R4H 1G1
7. Milestone Farm, Warboys Road, Bury, Huntingdon, Cambs, PE26 2NF (England)

SCHEDULE 4.20

INTELLECTUAL PROPERTY OF THE LOAN PARTIES

PATENTS

A. United States Patent Registration Serial No. 6,026,613 – TRUSS ARCH FOR FABRIC COVERED BUILDINGS AND THE LIKE

B. United States Continuation-in-part Patent Registration Serial No. 6,085,468 – TRUSS ARCH FOR FABRIC COVERED BUILDINGS AND THE LIKE

C. United States Patent Registration Serial No. 6, 145,526 – TIE DOWN SYSTEM FOR FABRIC COVERED BUILDINGS

D. Canadian Patent Registration No. CA2,258,446 – TIE DOWN SYSTEM FOR FABRIC COVERED BUILDINGS

E. Canadian Patent Registration No. CA-2,226,787 – TIE DOWN SYSTEM FOR FABRIC COVERED BUILDINGS

TRADEMARKS

A. Canadian Trademark Registration Serial No. TMA520,625 - DURAWEAVE

B. United States Trademark Registration Serial No. 2,267,575 – DURAWEAVE

C. Canadian Trademark Registration Serial No. TMA501,217 - WINCHLOC

D. United States Trademark Registration Serial No. 2,559,123 – WINCHLOC

E. Canadian Trademark Registration Serial No. TMA300,009 – COVER-ALL

F. United States Trademark Registration Serial No. 2,372,138 – COVER-ALL

G. European Trademark Registration Serial No. 003116951 – COVER-ALL

H. United States Trademark Registration Serial No. 2,052,613 – COVER-ALL SHELTER SYSTEMS

I. Canadian Trademark Registration Serial No. TMA504,034- COVER-ALL SHELTER SYSTEMS & DESIGN

J. United States Trademark Registration Serial No. 2,714,779 – COVER-ALL SHELTER SYSTEMS & DESIGN

K. Canadian Trademark Registration Serial No. TMA528,327 – TITAN

L. United States Trademark Registration Serial No. 2,562,135 – TITAN

M. Canadian Trademark Registration Serial No. TMA532,215 – VIPERSTEEL

N. United States Trademark Registration Serial No. 2,579,338 – VIPERSTEEL

O. Canadian Trademark Registration Serial No. TMA613,807 – SUMMIT STRUCTURES

P. United States Trademark Registration Serial No. 2,947,659 – SUMMIT STRUCTURES

Q. European Trademark Registration Serial No. 003116894 – SUMMIT STRUCTURES

R. Canadian Trademark Registration No. TMA662,172 – QUICK STRUCTURES

S. United States Supplemental Trademark Registration Serial No. 3,128,211 – QUICK STRUCTURES

T. Canadian Trademark Registration Serial No. TMA623,170 – LEGEND

U. United States Trademark Registration Serial No. 2,918,155 – LEGEND

V. Canadian Trademark Registration No. TMA662,142 – QUICK STRUCTURES & DESIGN

W. United States Trademark Registration Serial No. 3,155,991 – QUICK STRUCTURES & DESIGN

X. Canadian Trademark Application No. 1,356,969 - MEDALLION

Y. Canadian Trademark Application No. 1,356,967 - MERIDIAN

Z. Canadian Trademark Application No. 1,356,791 - GEMINI

AA. United States Trademark Application Serial No. 77240283 - MEDALLION

BB. United States Trademark Application Serial No. 77240240 - MERIDIAN

CC. United States Trademark Application Serial No. 77237912 – GEMINI

INTERNET DOMAIN NAMES

Coverall.net
Coverall.ca
Coverall.bz
Summitstructures.com
Summitstructures.de
Quickstructures.com
Quickstructures.net
Coverallbuildings.on.ca

Northstarcoverall.com

Password Protected sites available to the dealer network only:

dcs.coverall.net

scs.summitstructures.com

qcs.quickstructres.com

OTHER WEB SERVICES

Product Catalogues/ Product Documentation Library

- transitioning to Microsoft SharePoint

Online Order Guide

- transitioning to a new system based on DriveWorks which leverages 3D models created in SolidWorks to generate the necessary order documents

IN-HOUSE SOFTWARE

1. Excel Component lists	Numerous Excel 'programs' used to generate component lists
2. Access CO-OP program.	Program to manage and maintain Marketing CO-OP program.
3. Wizards	Building wizards (CDN, USA, EUR)
4. Time Cards.	Uses the access cards to create time cards instead of manual punch clocks.
5. Promotions	Manage promotions which in turn will be applied to the SO during import.
6. PDMWorks Email Trigger	Creates an email for when drawings are released from PDMWorks.
7. Warranty card website	Automated submission of warranty registration and photos
8. DriveWorks Order Guide	New order guide, the ASP.NET front-end.
9. DriveWorks Backend Processor	Persistent application running on our server which processes specifications entered into the order guide
10. DriveWorks Live Image Generator	Persistent application running on our server which processes requests for end wall images for the order guide.
11. Cover-All Dealership Management Application (CDMA)	Application containing embedded web browsers for accessing PDL, US Wizard uploader and the DW Order Guide as well as the new Canadian Building Wizard.

12. Wizard Web Service	Web service running on our servers which provides a data gateway for the new Canadian Building Wizard to get and send data.
13. Programming Time Tracker	Application which interfaces with the OnTime tracking software to keep track of programmer time.
14. Files.coverall.net	Web application for providing access to large files for people located outside the Cover-All network
15. Mailer.coverall.net	Web application for sending mass promotional emails to mailing lists. A MySQL database and two Python scripts located on WOPR provide back end support for queuing and throttling of email transmission
16. Support.coverall.net	Web application interface to helpdesk and OnTime project tracking software allowing internal users to register helpdesk requests, programming feature requests and program bug reports.
17. OURS	Sales, logistics, and manufacturing ERP system
18. DCS Internal	CRM system – Internal interface
19. DCS Website – CRM system	External interface
20. Catalog Cleaner	Clears out the defunct files in the website catalogs
21. Systems Notifications	Group notification workflow system
22. ERP Packaging	Manages the packaging, picking, and label creation
23. ERP Traffic	Manages the planning and shipping of orders
24. ERP Operations	Manages the order processing and shipping of orders
25. ERP Engineering	Handles the tracking of orders through Engineering
26. ERP Manufacturing	Handles the dispatch list for the production floors
27. Add-in Manager and Reports	Manages custom Excel based report add-ins for users.

SCHEDULE 4.21

BUSINESS OF THE LOAN PARTIES

Providing pre-engineered membrane building systems for the North American and European non residential construction market.

SCHEDULE 4.22

LIENS

NIL.

SCHEDULE 4.23

INDEBTEDNESS AND GUARANTEES OF THE LOAN PARTIES

Indebtedness

Bonding Facility with a single contract limit of $5,000,000; aggregate contract limit of $5,000,000, granted by Travelers Guarantee Company of Canada to the Cover-All Group, by letter dated May 7, 2007.

Cover-All Germany
Net Third Party Debt Detail for October 23, 2007 Closing

Debt	Account	Authorized	Balance In Euros	1.39 Cdn	Notes
Sparkasse	85164	125000	56,836	79,003	Revolver
Sparkasse	608182564	110000	81,714	113,582	Term
Sparkasse	608186917	50,000	37,500	52,125	Government Guaranteed Term
Sparkasse	608186931	50,000	50,000	69,500	Government Guaranteed Term
Sparkasse	608181373	40,000	20,458	28,437	Term
Volksbank	34444400	80000	-	-	Facility not drawn, used to collateralize Deposit Guarantees
Volksbank	34444403	80000	-	-	Facility not drawn, used to collateralize Deposit Guarantees
Volksbank	34444420	13,000	308	428	Trailer Loan
Third Party Debt			**$ 246,816**	**$ 343,074**	

Cash	Account	Authorized	Euros	Cdn	
Sparkasse	208055417		107,689	149,688	Cash Restricted for Deposit Guarantee's
Sparkasse	288052038		31,701	44,065	Cash Restricted for Deposit Guarantee's
Volksbank	34444403	500,000	272,252	378,431	Facility Requires Cash Collateral – Cash Restricted for Deposit Guarantee's
Volksbank	34444402		99,093	137,739	
Deutche Bank	26197400		7,332	10,192	
Commerce Bank	26740044		(104)	(144)	
Outstanding Cheques			(16,743)	(23,273)	
Cash			**$ 501,221**	**$ 696,697**	

Deposit Guarantee's Outstanding as of October 22nd, 2007	539,000
Deposit Guarantee's Collateralize By Above Cash	411.643
Deposit Guarantee's Collateralize By Above VolksBank Facilities	127,357

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Auto Loans

Agreement Name	Date	Parties	Authorized Amount	Amount Owing as of Closing	Agreement Sub-Category	Notes
NorthStar Cover-All Auto Loans	January, 2007	Ford Credit	14,066			
		Ford Credit	49,649			
		Ford Credit	27,833			
		1st National Bank	21,841			
Cover-All Ontario Auto Loan			28,359			

Guarantees

NIL

SCHEDULE 4.25

CHIEF EXECUTIVE OFFICE AND LEGAL NAMES OF THE LOAN PARTIES

Exact Legal Names

Cover-All Holding Corp.
1353537 Alberta Ltd.
Cover-All Building Systems Inc.
Summit Structures Limited
Cover-All Deutschland GmbH
Summit Structures, LLC
Quick Structures, LLC
Cover-All Holdings U.S., LLC
Cover-All U.S. Holding Corp.
Summit Structures U.S., LLC
Cover-All Building Systems of New York, Inc.
Summit Project Management LLC

Chief Executive Office (the "CEO") and the Location of the Books and Records if Different from the CEO

1. Cover-All Holding Corp.

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4

2. 1353537 Alberta Ltd.

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4

3. Cover-All Building Systems Inc.

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4

4. Summit Structures Limited

6 Charter Point Way, Ashby Park, Ashby de la Zouch, Leicestershire, LE65 1 NF

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4

5. Cover-All Deutschland GmbH

Im Hook 10, 48607 Ochtrup (Germany)

6. Summit Structures, LLC

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4; 946 North Van Buren St., Allentown, PA 18109

7. Quick Structures, LLC

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4; 946 North Van Buren St., Allentown, PA 18109

8. Cover-All Holdings U.S., LLC

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4; 946 North Van Buren St., Allentown, PA 18109

9. Cover-All U.S. Holding Corp.

101 Huntington Ave., Boston, MA 02199

10. Summit Structures U.S., LLC

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4; 946 North Van Buren St., Allentown, PA 18109

11. Cover-All Building Systems of New York, Inc.

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4; 946 North Van Buren St., Allentown, PA 18109

12. Summit Project Management LLC

3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4; 946 North Van Buren St., Allentown, PA 18109

SCHEDULE 4.27

PRIOR LEGAL NAMES AND TRADE NAMES

1. Cover-All Holding Corp.

NIL

2. 1353537 Alberta Ltd.

NIL

3. Cover-All Building Systems Inc.

101003052 Saskatchewan Ltd.
629224 Saskatchewan Ltd.
101008739 Saskatchewan Ltd.
1210876 Ontario Inc.
1210877 Ontario Inc.
Cover-All Shelter Systems

4. Summit Structures Limited

NIL

5. Cover-All Deutschland GmbH

NIL

6. Summit Structures, LLC

NIL (was organized in Delaware under the same name until mid-2002)

7. Quick Structures, LLC

NIL

8. Cover-All Holdings U.S., LLC

NIL

9. Cover-All U.S. Holding Corp.

NIL

SCHEDULE 4.28

DEPOSIT ACCOUNTS

Bank Accounts held by Cover-All Building Systems Inc. with Bank of Montreal

Account Number	Account Name	Currency
00341068628	MANAGEMENT	CAD
00341068636	PAYROLL	CAD
00341068644	HOLDINGS	CAD
00341068919	GENERAL	CAD
00341069276	SUMMIT LLC	CAD
00341072512	COVERALL	CAD
00341074227	SUMMITT STRUCTURES	CAD
00344504762	USD GENERAL	USD
00344504770	COVER ALL	USD
00344504973	QUICK STRUCTURES	USD
00344505001	SUMMIT US LLC	USD
00344506645	SUMMIT LLC	USD
00344602178	SUMMIT PROJECT MGMT	USD
23661017768	COVER ALL ONTARIO	CAD
23664600245	COVER ALL ONTARIO	USD

Bank Account held by Cover-All Building Systems of New York Inc. with Bank of America

Account Number	Account Name	Currency
0093 9009 2916	N/A	USD

Bank Account held by Summit Structures, LLC with M&T Bank

Account / ABA Numbers	Account Name	Currency
(Account) 8889702406 (ABA) 022 000 046	PAYROLL	USD

Bank Accounts held by Northstar Cover-All, LLC with First National Bank of Cold Springs

Account Number	Account Name	Currency
320-685-8611 000548500	N/A	USD

SCHEDULE 7.05

INVESTMENTS AND TRANSACTIONS

German Restrictions on Dividends: Restrictions on distribution of profits pursuant to Section 10 *Distribution of Profits* of the articles of association of Cover-All Deutschland GmbH as resolved by the shareholders in the shareholders' resolution dated April 13, 2007, notarial deed W 378/2007 of the notary public Dr. Gerrit Wenz.

SCHEDULE 7.14

TOTAL LEVERAGE RATIO MAXIMUMS

Fiscal Year	End of Fiscal Quarter	Total Leverage Ratio Maximum
2008	Q3	4.75 to 1.00
2008	Q4	4.75 to 1.00
2009	Q1	5.00 to 1.00
2009	Q2	4.75 to 1.00
2009	Q3	4.50 to 1.00
2009	Q4	4.25 to 1.00
2010	Q1	4.75 to 1.00
2010	Q2	4.50 to 1.00
2010	Q3	4.00 to 1.00
2010	Q4	3.75 to 1.00
2011	Q1	4.25 to 1.00
2011	Q2	4.00 to 1.00
2011	Q3	3.50 to 1.00
2011	Q4	3.25 to 1.00
2012	Q1	3.25 to 1.00
2012	Q2	3.25 to 1.00
2012	Q3	3.25 to 1.00
2012	Q4	3.25 to 1.00
2013	Q1	3.25 to 1.00
2013	Q2	3.25 to 1.00
2013	Q3	3.25 to 1.00

SCHEDULE 7.15

SENIOR LEVERAGE RATIO MAXIMUMS

Fiscal Year	End of Fiscal Quarter	Maximum Senior Leverage Ratio
2008	Q3	3.75 to 1.00
2008	Q4	3.75 to 1.00
2009	Q1	3.75 to 1.00
2009	Q2	3.75 to 1.00
2009	Q3	3.25 to 1.00
2009	Q4	3.00 to 1.00
2010	Q1	3.50 to 1.00
2010	Q2	3.25 to 1.00
2010	Q3	2.75 to 1.00
2010	Q4	2.50 to 1.00
2011	Q1	3.00 to 1.00
2011	Q2	2.75 to 1.00
2011	Q3	2.25 to 1.00
2011	Q4	2.00 to 1.00
2012	Q1	2.00 to 1.00
2012	Q2	2.00 to 1.00
2012	Q3	2.00 to 1.00
2012	Q4	2.00 to 1.00
2013	Q1	2.00 to 1.00
2013	Q2	2.00 to 1.00
2013	Q3	2.00 to 1.00
	Q4	

EXHIBIT A

FORM OF ASSIGNMENT AND ACCEPTANCE

___________________, Assignee

Dated: _____________ ____, ______

Reference is made to the Credit Agreement dated for reference October ___, 2007 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") by and among 1353537 Alberta Ltd., the Persons party thereto as Lenders and Canadian Imperial Bank of Commerce, as Lead Arranger, Administrative Agent and Operating Lender. Terms used herein that are defined in the Credit Agreement are used with the meanings therein ascribed to them.

________________ (the "Assignor") and _______________ (the "Assignee") hereby agree as follows:

1. The Assignor hereby sells and assigns to the Assignee without recourse and without representation or warranty (other than as expressly provided herein), and the Assignee hereby purchases and assumes from the Assignor, that interest in and to all of the Assignor's rights and obligations under the Credit Agreement as of the date hereof which represents the percentage interest specified in Item 2(b) of Annex I hereto (the "Assigned Share") of all of the outstanding rights and obligations under the Credit Agreement relating to the facilities listed in Item 2 of Annex I, including, without limitation, (i) in the case of any assignment of all or any portion of the Assignor's outstanding Term Loans, all rights and obligations with respect to the Assigned Share of such outstanding Term Loans, (ii) in the case of any assignment of all or any portion of the Assignor's Revolving Commitment, all rights and obligations with respect to the Assigned Share of such Revolving Commitment and of any outstanding Revolving Loans.

2. The Assignor (i) represents and warrants that, subject to clause (ii) below, it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the other Loan Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or the other Loan Documents or any other instrument or document furnished pursuant thereto; and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of Holdco, Borrower or any of the Subsidiaries or the performance or observance by Holdco, Borrower or any of the Subsidiaries of any of their obligations under the Credit Agreement or the other Loan Documents to which they are a party or any other instrument or document furnished pursuant thereto.

3. The Assignee (i) confirms that it has received a copy of the Credit Agreement and the other Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption Agreement; (ii) agrees that it will, independently and without reliance upon the Administrative Agent, the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) confirms that it is an eligible assignee under Section 10.04(b)(b) of the Credit Agreement; (iv) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the

other Loan Documents as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (v) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

4. Following the execution of this Assignment and Assumption Agreement by the Assignor and the Assignee, an executed original hereof (together with all attachments) will be delivered to the Administrative Agent. The effective date of this Assignment and Assumption Agreement shall be the date of execution hereof by the Assignor and the Assignee and the receipt of the consent of the Administrative Agent and Borrower to the extent required by Section 10.04(b)(b) of the Credit Agreement and receipt by the Administrative Agent of the administrative fee referred to in such Section 10.04(b)(b) to the extent required thereby, unless otherwise specified in Item 3 of Annex I hereto (the "Settlement Date").

5. Upon the delivery of a fully executed original hereof to the Administrative Agent, as of the Settlement Date, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Assumption Agreement, have the rights and obligations of a Lender thereunder and under the other Loan Documents and (ii) the Assignor shall, to the extent provided in this Assignment and Assumption Agreement, relinquish its rights and be released from its obligations under the Credit Agreement and the other Loan Documents other than as provided therein.

6. It is agreed that upon the effectiveness hereof, the Assignee shall be entitled to (i) all interest on the Assigned Share of the Loans at the rates specified in Item 4 of Annex I; and (ii) all Commitment Fees (if applicable) on the Assigned Share at the rate specified in Item 5 of Annex I hereto; which, in each case, accrue on and after the Settlement Date, such interest and, if applicable, Commitment Fees to be paid by the Administrative Agent directly to the Assignee. It is further agreed that all payments of principal made on the Assigned Share of the Loans which occur on and after the Settlement Date will be paid directly by the Administrative Agent to the Assignee. Upon the Settlement Date, the Assignee shall pay to the Assignor an amount specified by the Assignor in writing which represents the Assigned Share of the principal amount of the respective Loans made by the Assignor pursuant to the Credit Agreement which are outstanding on the Settlement Date, net of any closing costs, and which are being assigned hereunder. The Assignor and the Assignee shall make all appropriate adjustments in payments under the Credit Agreement for periods prior to the Settlement Date directly between themselves.

7. **THIS ASSIGNMENT AND ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ALBERTA BUT EXCLUDING ALL CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.**

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Assignment and Assumption Agreement, as of the date first above written, such execution also being made on Annex I hereto.

Accepted this _____ day
of _______, ____

[NAME OF ASSIGNOR],
as Assignor

By:______________________

Name:______________________

Title:______________________

[NAME OF ASSIGNEE],
as Assignee

By:______________________

Name:______________________

Title:______________________

Acknowledged and Agreed:

CANADIAN IMPERIAL BANK OF COMMERCE,
as Administrative Agent[1]

By:______________________

Name:______________________

Title:______________________

1 The consent of Canadian Imperial Bank of Commerce (not to be unreasonably withheld or delayed) is required for assignments that are not to existing Lenders or Affiliates of existing Lenders.

1353537 ALBERTA LTD.
as Borrower[2]

By:____________________________

Name:__________________________

Title:___________________________

[2] The consent of Borrower (not to be unreasonably withheld or delayed) is required for assignments that are not to existing Lenders, or Affiliates of existing Lenders unless a Default or Event of Default has occurred and is continuing.

ANNEX FOR ASSIGNMENT AND ASSUMPTION AGREEMENT

ANNEX I

1. Date of Assignment Agreement:

2. Amounts (as of date of Item #1 above):

	Revolving Credit Commitments	Outstanding Principal of Term Loans
a. Aggregate Amount for all Lenders	$__________	$__________
b. Assigned Share	__________%	__________%
c. Amount of Assigned Share	$__________	$__________

3. Settlement Date:

4. Rate of Interest to the Assignee:	As set forth in <u>Section 2.06</u> of the Credit Agreement (unless otherwise agreed to by the Assignor and the Assignee)
5. Commitment Fee:	As set forth in <u>Section 2.05(a)(a)</u> (unless otherwise agreed to by the Assignor and the Assignee)

7. Notice:

ASSIGNOR:

____
____
____
____
Attention:________________________
Telephone:________________________
Telecopier:________________________
Reference:________________________

ASSIGNEE:

____
____
____
____
Attention:________________________
Telephone:________________________
Telecopier:________________________
Reference:________________________

Payment Instructions: See Attached

ASSIGNOR:

____
____
____
____
Attention:________________________
Reference:________________________

ASSIGNEE:

____
____
____
____
Attention:________________________
Reference:________________________

Accepted and Agreed:

[NAME OF ASSIGNEE]

By:______________________________
Name:____________________________
Title:_____________________________

[NAME OF ASSIGNOR]

By:______________________________
Name:____________________________
Title:_____________________________

EXHIBIT B

FORM OF BORROWING BASE CERTIFICATE

Date of Reports:

Accounts Receivable		
Total Trade Accounts Receivable		
Less: Ineligible Accounts		
Less: Customer Deposits (without duplication)		
Eligible Accounts Receivable		
Less: Reserves		
Net Accounts Receivable		
Times: Accounts Receivable Advance Rate[3]		(x 75%)
Borrowing Base Attributed to Accounts Receivable Value (A)		

Inventory		
Inventory		
Work in Progress (up to $1,000,000)		
Less: Ineligible Inventory		
Less: 30 days unpaid Inventory		
Times: Inventory Advance Rate		(x 50%)
Borrowing Base Attributed to Inventory Value (no greater than $7,000,000) (B)		

Credit Limit Calculation		
Borrowing Base Attributed to Accounts Receivable Value (A)		
Borrowing Base Attributed to Inventory Value (no greater than $7,000,000) (B)		
Total Borrowing Base (C)		
Maximum Availability Under Operating Commitment and Revolving Commitment (D)	$14,000,000	
Availability Under Operating Commitment and Revolving Commitment (lesser of C and D)		

(1) As of [____________], the uninsured Inventory of Summit Structures Limited totals [$____________], and the uninsured Accounts of Summit Structures Limited total [$____________].

(2) As of [____________], the uninsured Inventory of Cover-All Deutschland GmbH totals [$____________], and the uninsured Accounts of Cover-All Deutschland GmbH total [$____________].

The undersigned represents and warrants that the information set forth above is true and complete. The undersigned grants a security interest in the collateral reflected above to Canadian Imperial Bank of Commerce, as Administrative Agent (the "Administrative Agent") and reaffirms the representations, warranties and covenants contained in the Credit Agreement dated as of October 23 by and among 1353537 Alberta Ltd., as Borrower, the Lenders party thereto, the Administrative Agent and Canadian Imperial Bank of Commerce as Lead Arranger and Operating Lender, and in the other Loan Documents.

1353537 ALBERTA LTD.

By: ______________________
Name:
Title:
Date:

---

[3] Revise calculation to reflect 90% advance rate for insured Eligible Account, if any.

(3) Attached as Exhibit B is a true and correct summary of the Loan Parties' cash position and outstanding Revolving Loans after giving effect to the Transactions occurring on the Closing Date.

(4) As of [____________], the uninsured Inventory of Summit Structures Limited totals [$____________], and the uninsured Accounts of Summit Structures Limted total [$____________].

(4) As of [____________], the uninsured Inventory of Cover-All Deutschland GmbH totals [$____________], and the uninsured Accounts of Cover-All Deutschland GmbH total [$____________].

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of Borrower.

1353537 ALBERTA LTD.

By: ______________________________

Name: ______________________________

Title:

Date: ______________________

EXHIBIT C

FORM OF NOTICE OF BORROWING

Canadian Imperial Bank of Commerce,
as Administrative Agent
Credit Capital Markets, Syndication Agency
BCE Place, 161 Bay Street, 8th Floor
Toronto, Ontario M5J 2S8
Attn: Marina Tellis
Fax No.: (416) 956-3830

Ladies and Gentlemen:

The undersigned refers to the Credit Agreement dated for reference October [__], 2006 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined) among the undersigned, the lenders from time to time party thereto (the "Lenders"), and Canadian Imperial Bank of Commerce as administrative agent (the "Administrative Agent"), Lead Arranger and Operating Lender, and hereby irrevocably gives you notice, pursuant to Section 2.03 of the Credit Agreement that the undersigned hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Loan (the "Proposed Borrowing"):

(i) The Business Day of the Proposed Borrowing is __________ __, _____.

(ii) The Class of Borrowing comprising the Proposed Borrowing is a Revolving Borrowing.

(iii) The Type of Borrowing comprising the Proposed Borrowing is a **[Prime Rate Borrowing] [B/A Borrowing]**.

(iv) The aggregate amount of the Proposed Borrowing is $_______.

[(v) The initial Contract Period for each B/A Borrowing made as part of the Proposed Borrowing is _________ month[s].]

[(vi) The disbursement instructions pursuant to which the proceeds of the Proposed Borrowing are to be disbursed, are ______________________.]

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) the representations and warranties contained in Article IV of the Credit Agreement are true and correct in all material respects on and as of the date of the Proposed Borrowing, before and after giving effect to the Proposed Borrowing and to the application of the proceeds therefrom, as though made on and as of such date (other than any such representations or warranties that, by their terms, refer to a specific date other than the date of the Proposed Borrowing, in which case, as of such specific date);

(B) no event has occurred and is continuing, or would result from such Proposed Borrowing or from the application of the proceeds therefrom, that constitutes a Default or an Event of Default; and

(C) the Revolving Credit Utilization does not exceed the Revolving Credit Commitments after giving effect to the Proposed Borrowing.

Very truly yours,

1353537 ALBERTA LTD.

By: ______________________________

Name: ____________________________

Title:

EXHIBIT D

FORM OF NOTICE OF CONVERSION OR CONTINUATION

Canadian Imperial Bank of Commerce,
as Administrative Agent
Credit Capital Markets, Syndication Agency
BCE Place, 161 Bay Street, 8th Floor
Toronto, Ontario M5J 2S8
Attn: Marina Tellis
Fax No.: (416) 956-3830

Ladies and Gentlemen:

The undersigned refers to the Credit Agreement dated for reference October [___], 2007 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined) among the undersigned, the lenders from time to time party thereto (the "Lenders"), and Canadian Imperial Bank of Commerce as administrative agent (the "Administrative Agent"), Lead Arranger and Operating Lender, and hereby irrevocably gives you notice, pursuant to Section 2.09 of the Credit Agreement that the undersigned hereby requests the following under the Credit Agreement, and in that connection sets forth below the information relating to such request (the "Proposed Conversion/Continuation"):

(a) on **[date]** convert $[__________] of the aggregate outstanding principal amount of the **[Revolving/Term]** Loan that is a **[B/A Borrowing/Prime Rate Borrowing]**, into a(n) [____________] Borrowing **[and, in the case of a B/A Borrowing, having a Contract Period of [_________] month(s)]**;

(b) on **[date]** continue $[___________] of the aggregate outstanding principal amount of B/A Borrowings, maturing on _________, as B/A Borrowings having a Contract Period of [___________] **month(s)]**.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Conversion/Continuation requested herein:

(A) no event has occurred and is continuing, or would result from such Proposed Conversion/Continuation or from the application of the proceeds therefrom, that constitutes a Default or an Event of Default; and

(B) the Revolving Credit Utilization does not exceed the Revolving Credit Commitments after giving effect to the Proposed Conversion/Continuation.

Very truly yours,

1353537 ALBERTA LTD.

By: ______________________

Name: ______________________

Title: ______________________

EXHIBIT E

FORM OF COMPLIANCE CERTIFICATE

TO: Canadian Imperial Bank of Commerce,
as Administrative Agent
Credit Capital Markets, Syndication Agency
BCE Place, 161 Bay Street, 8th Floor
Toronto, Ontario M5J 2S8
Attn: Marina Tellis
Fax No.: (416) 956-3830

The undersigned, the **[Title]** of 1353537 Alberta Ltd. (the "Borrower"), gives this certificate to Canadian Imperial Bank of Commerce, in its capacity as administrative agent for the below-described Lenders (the "Administrative Agent"), in accordance with the Credit Agreement dated for reference October [___], 2007, among Borrower, the lenders party thereto from time to time (the "Lenders") the Administrative Agent, and Canadian Imperial Bank of Commerce as Lead Arranger and Operating Lender (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used in this Certificate, unless otherwise defined herein, shall have the meanings ascribed to them in the Credit Agreement.

(1) Based on an examination sufficient to enable me to make an informed statement, no Default or Event of Default exists on the date hereof.

(2) Based upon a review of the financial statements of the Loan Parties for the period ending [__________], I hereby certify that, as of [__________]:

(a) The Total Leverage Ratio for the immediately preceding four Fiscal Quarters is [___] to 1.00. Pursuant to the Credit Agreement, the maximum for such ratio as of such fiscal quarter end is [___] to 1.00.

(b) The Senior Leverage Ratio for the immediately preceding four Fiscal Quarters is [___] to 1.00. Pursuant to the Credit Agreement, the maximum for such ratio as of such fiscal quarter end is [___] to 1.00.

(c) The Fixed Charge Coverage Ratio for the immediately preceding four Fiscal Quarters is greater than 1.10 to 1.00.

(d) Capital Expenditures for the Fiscal Year to date period ending [________] are $[______]. Pursuant to the Credit Agreement, the maximum Capital Expenditures for such fiscal year are $1,000,000.

(e) Net obligations of the Loan Parties in respect of Swap Agreements are [$__________] (A). Obligations in respect of Swap Agreements required to be entered into pursuant to Section 6.18, are $[__________] (B). Net obligations in respect of Swap Agreements are (A) – (B) = [$__________] Pursuant to the Credit Agreement the maximum amount of such net obligations is $4,000,000.

Attached hereto as Exhibit A are complete and correct calculations of such financial covenants.

(3) Attached as Exhibit B is a true and correct summary of the Loan Parties' cash position and outstanding Revolving Loans after giving effect to the Transactions occurring on the Closing Date.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of Borrower.

1353537 ALBERTA LTD.

By: ______________________________

Name: ____________________________

Title:

VAN01: 2416633: v9

EXHIBIT A TO COMPLIANCE CERTIFICATE

FINANCIAL COVENANT CALCULATIONS

Section 7.13 Capital Expenditures.

Capital Expenditures	$________
Maximum Capital Expenditures for such Fiscal Year	$1,000,000
Compliance?	[Yes/No]

Section 7.14 Total Leverage Ratio.

(a) *Indebtedness*

	Indebtedness under Credit Agreement	$__________
plus	Other Indebtedness*:	
	(i) borrowed money	$__________
	(ii) evidenced by bonds, debentures, notes, etc.	$__________
	(iii) conditional sale or other title retention agreements	$__________
	(iv) deferred purchase price of property or services	$__________
	(v) Indebtedness of others secured by Liens**	$__________
	(vi) Guarantees of other "Indebtedness"	$__________
	(vii) Capital Lease Obligations	$__________
	(viii) letter of credit obligations	$__________
	Indebtedness	$__________ (x)
minus	Cash and cash equivalents on hand	$__________ (y)
	Total Leverage Ratio Numerator	$__________) (x) - (y)

* Indebtedness of Loan Parties on a consolidated basis, to be calculated without duplication

** Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed by such Person (and in the event such Person has not assumed or otherwise become liable for payment of such obligation, the amount of such Indebtedness shall be the lesser of the amount of such obligation and the fair market value of such property)

(b) *Operating Cash Flow*

	Consolidated Net Income	$__________
*plus**	Federal, provincial, local and foreign taxes	$__________
plus	Consolidated Interest Expense	$__________
plus	Depreciation and amortization expense	$__________
plus	management fees paid**	$__________
plus	fees and expenses related to the Transactions	$__________
plus	proceeds of business interruption insurance	$__________
plus	costs, fees, etc. of certain permitted transactions***	$__________
plus	expenses etc. indemnified or reimbursed by unaffiliated Persons	$__________
plus	director fees, reimbursements and indemnifications	$__________
plus	indemnifications paid to officers and employees	$__________
plus	one-time compensation re: Transactions or Permitted Acquisitions	$__________
	Consolidated Operating Cash Flow	$__________

(c) *Total Leverage Ratio*

Total Leverage Ratio (Ratio of Total Leverage Ratio Numerator (calculated in (a)) to Consolidated Operating Cash Flow calculated in (b))	__________ Total Leverage Ratio
Maximum Total Leverage Ratio	__________
Compliance?	**[Yes/No]**

* each item to be added only to the extent deducted in determining Consolidated Net Income

** not to exceed $600,000 in any Fiscal Year or $150,000 in any Fiscal Quarter, and payable not more than once each Fiscal Quarter

*** all costs, fees, expenses, charges and any one time payments made related to any Permitted Investment, Permitted Acquisition, permitted issuance of equity, permitted recapitalization, permitted reorganization, permitted Asset Sale, or issuance of Permitted Indebtedness

Section 7.16 Fixed Charge Coverage Ratio.

(a) *Numerator of Ratio*

	Operating Cash Flow (as calculated above in (a) for *Total Leverage Ratio*)	$__________
	Numerator of Ratio	$__________

(b) *Fixed Charges*

	Consolidated Interest Expense (in cash)	$__________
plus	Unfunded Capital Expenditures	$__________
plus	Payments of cash Taxes	$__________
plus	Scheduled payments of principal actually made with respect to Indebtedness, including the principal component of payments with respect to Capital Leases	$__________
plus		
	Fixed Charges	$__________

(c) *Fixed Charge Coverage Ratio*

Fixed Charge Coverage Ratio (Ratio of Numerator (calculated in (a)) to Fixed Charges (calculated in (b))	__________
Minimum Fixed Charge Coverage Ratio	1.10 to 1.00
Compliance?	[Yes/No]

EXHIBIT B TO COMPLIANCE CERTIFICATE

D

EXHIBIT D

This is the Exhibit marked "D" referred to in the Affidavit of John McMurray sworn before me this 20^{th} day of April, 2010.

____

Notary Public in and for the Province of Ontario

SUBORDINATE CREDIT AGREEMENT

dated as of

October 23, 2007

among

1353537 ALBERTA LTD.
as Borrower,

The Lenders Party Hereto,

and

CANADIAN IMPERIAL BANK OF COMMERCE,
as Lead Arranger and Administrative Agent,

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SCHEDULES:

EXHIBITS:

CREDIT AGREEMENT

THIS CREDIT AGREEMENT, dated as of October 23, 2007, is by and among 1353537 Alberta Ltd., a corporation incorporated in the province of Alberta, the Lenders from time to time party hereto, and CANADIAN IMPERIAL BANK OF COMMERCE, as Lead Arranger and Administrative Agent.

W I T N E S S E T H:

WHEREAS, Borrower has requested the Lenders (such term and each other capitalized term used but not otherwise defined in the preamble or in the recitals having the meaning specified in Article I) to make the Term Loan to Borrower in the principal amount of $15,000,000 on the Closing Date on a non-revolving basis;

WHEREAS, on the Closing Date the proceeds of the Term Loan will be used to partially finance the Transactions and to pay fees and expenses in connection therewith; and

WHEREAS, the Lenders are willing to extend such credit to Borrower on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, for and in consideration of the above premises and the mutual covenants and agreements contained herein, the Borrower, the Lenders and the Administrative Agent hereby agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Agreement (including the Schedules hereto), the following terms shall have the meanings specified below:

"Account" shall have the meaning given such term in the PPSA.

"Account Debtor" shall have the meaning given such term in the Security Agreement granted by the Borrower to the Administrative Agent.

"Administrative Agent" shall mean CIBC, in its capacity as administrative agent (and as security trustee under the Security Documents governed by English law or German law) for the Lenders.

"Administrative Questionnaire" shall mean an Administrative Questionnaire in the form supplied from time to time by the Administrative Agent.

"Affiliate" shall mean, when used with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. For purposes of this definition, neither any Lender nor any Affiliate of a Lender shall be deemed to be an Affiliate of a Loan Party solely by reason of its ownership of or right to vote any Indebtedness or equity securities of such Loan Party.

"Agreement" shall mean this Credit Agreement.

"Approved Fund" shall mean any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Asset Sale" shall mean the sale, transfer or other disposition (including any casualty or condemnation) by a Loan Party or any Subsidiary to any Person other than a Loan Party of (a) any capital stock in any Person (other than its own capital stock) or (b) any other asset or right of such Loan Party.

"Assignment and Acceptance" shall mean an assignment and acceptance entered into by a Lender and an assignee (with the consent of any Person whose consent is required by Section 9.04(b), in the form of Exhibit A or such other form as shall be approved by the Administrative Agent.

"Audax" means each of Audax Private Equity Fund II, L.P., Audax Co-Invest, L.P., Audax Trust Co-Invest, L.P. and AFF Co-Invest, L.P.

"Bank Act Security" shall mean security delivered by Borrower to each Lender that is a bank listed under Schedule I, II or III of the Bank Act (Canada).

"Beneficiaries" shall mean (a) the Lenders and the Administrative Agent, (b) the beneficiaries of each indemnification obligation undertaken by any Loan Party under any Loan Document and (c) the successors and assigns of each of the foregoing.

"Board" shall mean the Board of Governors of the Federal Reserve System of the United States.

"Borrower" shall mean 1353537 Alberta Ltd., a corporation incorporated under the laws of the Province of Alberta.

"Borrower Security Agreement" shall mean the security agreement in form acceptable to the Administrative Agent, between Borrower and the Administrative Agent, for the benefit of the Beneficiaries.

"Business Day" shall mean any day (other than a Saturday, Sunday or legal holiday in the Province of Ontario or the Province of Saskatchewan) on which banks are open for business in Toronto and Saskatoon.

"Business Unit" shall mean the assets constituting the business, or a division or operating unit thereof, of any Person.

"Canadian Benefit Plans" shall mean all employee benefit plans of any nature or kind whatsoever (other than the Canadian Pension Plans) that are maintained or contributed to by a Loan Party.

"Canadian Pension Plans" shall mean each plan that is considered to be a pension plan for the purposes of the ITA or any applicable pension benefits standards statute and/or regulation in Canada and that is established, maintained or contributed to by a Loan Party for its current or former employees.

"Capital Expenditures" shall mean, for any period, all amounts that would be included as additions to property, plant and equipment and other capital expenditures on a consolidated statement of cash flows for the Loan Parties during such period in accordance with GAAP (excluding capitalized interest but including the amount of assets leased under any Capital Lease; provided, however, that Capital Expenditures shall not include the capitalized portion of any Permitted Acquisitions).

"Capital Lease" is defined in the definition of the term "Capital Lease Obligations".

"Capital Lease Obligations" of any Person shall mean the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof (each, a "Capital Lease"), which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP. For the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time, determined in accordance with GAAP.

A "Change in Control" shall be deemed to have occurred if (a) Audax and its affiliates shall cease to beneficially own, directly or indirectly, at least a majority of the voting and economic Equity Interests of Holdco on a fully diluted basis, or (b) Holdco shall cease to beneficially own, directly or indirectly, 100% of the voting and economic Equity Interests of Borrower and the Subsidiaries (except that the 100% figure above shall be 51% in the case of NorthStar Cover-All, LLC and 95% in the case of Cover-All Deutschland GmbH).

"CIBC" shall mean Canadian Imperial Bank of Commerce.

"Closing Date" shall mean the date upon which the Term Loan is advanced by the Lenders.

"Code" shall mean the Internal Revenue Code of 1986, or any successor statute thereto, as the same may be amended from time to time.

"Collateral" shall mean all the "Collateral" or the "Security Assets" as defined in any Security Document and/or any assets which are the subject of a security interest created under a Security Document.

"Compliance Certificate" is defined in Section 5.04(d).

"Contribution Notice" means a contribution as issued by the Pensions regulator under Section 38 or Section 47 of the UK Pensions Act 2004.

"Control" of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities or other Equity Interests, by contract or otherwise. "Controlling" and "Controlled" shall have meanings correlative thereto.

"Credit Transactions" is defined in Section 3.02.

"Default" shall mean any event or condition described in Article VIII that upon notice or expiration of any cure period set forth therein, or both will constitute an Event of Default.

"Default Rate" is defined in Section 2.07.

"Deposit Account" shall mean, with respect to any Person, any demand, time, savings, passbook or similar account of such Person maintained with a bank, savings and loan association, credit union or similar organization, whether now owned or existing or hereafter acquired or arising.

"Deposit Account Pledge Agreements" shall mean the Deposit Account Pledge Agreements entered into by the Loan Parties from time to time, in form and substance reasonably satisfactory to the Administrative Agent, in connection with all of the Deposit Accounts maintained by the Loan Parties (other than (i) payroll, tax withholding and trust accounts and (ii) any Deposit Accounts with an average monthly balance of less than $100,000).

"Dollars" and "$" shall mean lawful currency of Canada.

"Environmental Laws" shall mean all current and future federal, state, provincial, local and foreign laws, rules or regulations, codes, ordinances, orders, decrees, judgments or injunctions issued, promulgated, approved or entered thereunder or other requirements of Governmental Authorities or the common law, relating to protection of health and safety from environmental hazards, or pollution or protection of the environment, including laws relating to emissions, discharges, releases or threatened releases of, or exposure to, pollutants, contaminants, chemicals or industrial, toxic or hazardous substances, or wastes into the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, generation, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals, or industrial, toxic or hazardous substances, or wastes, or underground storage tanks and emissions or releases therefrom.

"Equity Interests" shall mean, with respect to any Person, any and all shares, interests, participations or other equivalents, including membership interests (however designated, whether voting or nonvoting), of capital of such Person, including, if such Person is a partnership, partnership interests (whether general or limited) and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, such partnership, whether outstanding on the Closing Date or thereafter.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, or any successor statute, as the same may be amended from time to time.

"ERISA Affiliate" shall mean any trade or business (whether or not incorporated) under common control with the Borrower or any other Loan Party within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"Event of Default" is defined in Article VII.

"Equipment" shall mean all of the equipment of the Loan Parties, from time to time necessary or desirable for the conduct of the business of the Loan Parties.

"Excluded Issuances" shall mean the sale or issuance of equity securities of Holdco (i) to any Person who holds Equity Interests of Holdco as of the Closing Date or an Affiliate of such Person, (ii) to management, or (iii) the proceeds of which are used to (A) make permitted Capital Expenditures, (B) make Permitted Investments, or (C) make Restricted Payments permitted hereunder.

"Fees" shall mean the fees described in Section 2.05.

"Financial Officer" of any Person shall mean the chief financial officer, principal accounting officer, treasurer, controller or assistant treasurer of such Person.

"Financial Support Direction" means a financial support direction issued by the Pension Regulator under Section 43 of the UK Pensions Act 2004.

"Fiscal Quarter" shall mean, with respect to any Loan Party, a period of time covering Periods 1 to 4 (first Fiscal Quarter), Periods 5 to 7 (second Fiscal Quarter), Periods 8 to 10 (third Fiscal Quarter) or Periods 11 to 13 (fourth Fiscal Quarter) of each Fiscal Year of such Loan Party.

"Fiscal Year" shall mean the Fiscal Year of the Borrower, Holdco and the Subsidiaries beginning in each case on the first day of Period 1 of a calendar year and ending on the last day of Period 13 in the following calendar year.

"Fixed Charges" means, for any period, the sum, without duplication, of (a) cash Interest Expense (including, without limitation, the interest component of Capital Lease expense, commitment fees and letter of credit fees), and (b) scheduled amortization payments of principal actually made (specifically excluding prepayments of term loans under the credit agreement in relation to the Senior Loans) or scheduled to be made with respect to Indebtedness (other than payments of the revolving loans under the credit agreement in relation to the Senior Loans), including the principal component of payments with respect to Capital Leases as such scheduled payments may be reduced by the application of prepayments.

"Fixed Charge Coverage Ratio" shall, on any date of determination, mean the ratio of (a) Operating Cash Flow less payments of cash Taxes and unfunded Capital Expenditures (excluding any Capital Expenditures made through a Sale Proceeds Reinvestment), to (b) Fixed Charges, all determined for the period of four consecutive Fiscal Quarters ending on or most recently prior to such date.

For all reporting periods ending prior to the first anniversary of the Closing Date, (x) Fixed Charges shall be annualized and (y) cash Taxes and unfinanced Capital Expenditures shall be equal to the actual amounts expended in cash on such after the Closing Date through the end of such testing period.

"GAAP" shall mean generally accepted accounting principles in Canada which are in effect from time to time, as published in the Handbook of the Canadian Institute of Chartered Accountants, applied on a consistent basis.

"German Conditions Precedent" means (i) the repayment in full of the German Secured Indebtedness, (ii) the release and discharge of all Liens securing the German Secured Indebtedness, (iii) the resolution and filing of an amendment of the Organizational Documents of Cover-All Deutschland GmbH to remove any restriction as to the payment of dividends or other distributions to its shareholders, (iv) the granting by Cover-All Deutschland GmbH of a Guarantee Agreement, Guarantor Security Agreements and all related Loan Documents as required hereunder, and (v) the perfecting (of equivalent thereto under German law) of all Liens in favour of the Administrative Agent pursuant to the Guarantor Security Agreements granted by Cover-All Deutschland GmbH.

"German Non-Prepayable Indebtedness" means the outstanding indebtedness under two loan agreements each dated May 22, 2003 and made between Cover-All Deutschland GmbH and Stadtsparkasse Ochtrupp (renamed Verbundsparkasse Emsdetten – Ochtrupp) in a principal amount not exceeding €87,500, with respect to which no more than €37,500 may be secured by a Lien over the Accounts (but not over any other property) of Cover-All Deutschland GmbH; and for certainty, the principal amount of the German Non-Prepayable Indebtedness in excess of €37,500 shall be unsecured.

"German Secured Indebtedness" means Indebtedness of Cover-All Deutschland GmbH to, without limitation, VerbundSparkasse Emsdetten-Ochtrup, and Volksbank Ochtrup eG, pursuant to certain operating and term loan credit facilities set out in detail in Schedule 3.23 hereof, which Indebtedness shall not exceed the amount owing in respect thereof as of the Closing Debt, and which shall be fully cash collateralized except for (i) no more than €162,500 of the principal amount thereof plus (ii) the German Non-Prepayable Indebtedness (which for purposes of this Agreement shall not form part of the German Secured Indebtedness).

"Governmental Authority" shall mean any federal, state, provincial, regional, local or foreign court or governmental agency, authority, instrumentality or regulatory body.

"Guarantee" of or by any Person shall mean any obligation, contingent or otherwise (whether or not denominated as a guarantee), of such Person guaranteeing any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Indebtedness, (b) to purchase property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment of such Indebtedness or (c) to maintain working capital, equity capital or other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness; provided, however, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee at any time shall be deemed to be an amount equal to the least at such time of (x) the stated or determinable amount of the primary obligation in respect of which such Guarantee is made or (y) the maximum amount for which such Person may be liable pursuant to the terms of the instrument embodying such Guarantee (or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof), or (z) if recourse is limited to a specified asset, the fair market value of such asset.

"Guarantee Agreements" shall mean the guarantee agreements in form acceptable to the Administrative Agent entered into by each of the Guarantors for the benefit of the Beneficiaries.

"Guarantor Security Agreements" shall mean the security agreements in form acceptable to the Administrative Agent, between each Guarantor and the Administrative Agent, for the benefit of the Beneficiaries. For certainty, the Guarantor Security Agreements shall include any charge agreements, assignment agreements, pledge agreements, debentures, or other security agreements granted by a guarantor for the benefit of the Beneficiaries.

"Guarantors" shall mean Holdco and each Subsidiary that from time to time guarantees the Obligations pursuant to a Guarantee Agreement. For certainty, NorthStar Cover-All, LLC shall not be a Guarantor hereunder.

"Hazardous Materials" is defined in Section 3.14(d).

"Holdco" shall mean Cover-All Holding Corp., a Nova Scotia unlimited liability company.

"Indebtedness" of any Person shall mean all obligations of such Person for borrowed money, including without limitation (a) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (b) all obligations of such Person under conditional sale or other title retention agreements relating to assets purchased by such Person, (c) all obligations of such Person issued or assumed as the deferred purchase price of property or services (excluding trade accounts payable and similar accrued liabilities arising in the ordinary course of business), (d) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed by such Person (and in the event such Person has not assumed or otherwise become liable for payment of such obligation, the amount of Indebtedness under this clause (d) shall be the lesser of the amount of such obligation and the fair market value of such property), (e) all Guarantees of obligations that otherwise constitute "Indebtedness" hereunder by such Person, (f) all Capital Lease Obligations of such Person, (g) all obligations of such Person as an account party to reimburse any bank or any other Person in respect of amounts drawn under letters of credit. The Indebtedness of any Person shall include the Indebtedness of any partnership in which such Person is a general partner, except to the extent such Indebtedness is expressly non-recourse to such Person.

"Indemnitee" is defined in Section 9.05(b).

"Information" is defined in Section 9.15.

"Insolvency Law" shall mean, to the extent applicable, (a) Title 11 of the United States Code, (b) the Bankruptcy and Insolvency Act (Canada), (c) the Companies' Creditors Arrangement Act (Canada) and (d) any similar federal, provincial, state, local or foreign bankruptcy or insolvency law, in each case as now constituted or hereafter amended or enacted.

"Intercreditor Agreement" shall mean an intercreditor agreement among the Borrower, the Administrative Agent and the administrative agent with respect to the Senior Loans, on terms satisfactory to the Lenders acting reasonably.

"Interest Expense" shall mean, for any period, the interest expense of the Loan Parties for such period determined on a consolidated basis in accordance with GAAP.

"Interest Payment Date" shall mean the last day of the Interest Period applicable to the Term Loan.

"Interest Period" shall mean the period commencing on the first day of each calendar month (except during calendar month in which the Term Loan is advanced, in which case the period shall commence on the Closing Date), and ending on the earlier of (i) the last day of such calendar month and (ii) the Maturity Date. Interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period.

"Inventory" shall have the meaning given such term in the Borrower Security Agreement.

"Investment" shall mean, as applied to any Person (the "investor"), any direct or indirect purchase or other acquisition by the investor of, or a beneficial interest in, stock or other securities of any other Person, including any exchange of equity securities for Indebtedness, or any direct or indirect loan, advance (other than advances to employees for moving and travel expenses, drawing accounts and similar expenditures in the ordinary course of business) or capital contribution by the investor to any other Person, including all Indebtedness and accounts receivable owing to the investor from such other Person that did not arise from sales or services rendered to such other Person in the ordinary course of the investor's business. Except for any Investment described in the immediately succeeding sentence, the amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment minus any amounts (a) realized upon the disposition of assets comprising an Investment (including the value of any liabilities assumed by any Person other than Borrower or any Subsidiary in connection with such disposition), (b) constituting repayments of Investments that are loans or advances or (c) constituting cash returns of principal or capital thereon (including any dividend, redemption or repurchase of equity that is accounted for, in accordance with GAAP, as a return of principal or capital). For purposes of this Agreement, the redemption, purchase or other acquisition for value by Borrower or any Subsidiary of any shares of its capital stock from a Person other than Borrower or any other Subsidiary shall be deemed to be an "Investment" by Borrower or such Subsidiary in its shares of capital stock.

"ITA" shall mean the Income Tax Act (Canada), as amended, and any successor thereto, and any regulations promulgated thereunder.

"Lead Arranger" shall mean CIBC.

"Lenders" shall mean the Persons listed on Schedule 2.01 (and their respective successors, which shall include any entity resulting from a merger or consolidation) and any other Person that shall have become a party hereto pursuant to an Assignment and Acceptance, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Acceptance.

"Lenders' Counsel" shall mean Borden Ladner Gervais LLP.

"Lien" shall mean, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, assignment for security, hypothecation, encumbrance, charge or security interest in or on such asset, and (b) the interest of a vendor or a lessor under any conditional sale agreement, Capital Lease or title retention agreement relating to such asset.

"Loan Documents" shall mean this Agreement, the Notes, the Security Documents, the Guarantee Agreements, all agreements, instruments and documents which create or perfect any of the Liens securing the Obligations or create any obligation between any Loan Party and the Administrative Agent or any Lender, each Notice of Borrowing and Compliance Certificate, and all agreements, instruments and documents that are agreed to by Borrower and the Administrative Agent to constitute a "Loan Document" hereunder heretofore, now or hereafter executed by or on behalf of any Loan Party and delivered to or for the benefit of the Administrative Agent or any Lender in connection this Agreement, and all renewals, replacements, consolidations, substitutions and extensions of any of the foregoing.

"Loan Party" shall mean Holdco, Borrower and each Subsidiary.

"Margin Stock" shall have the meaning given such term under Regulation U.

"Material Adverse Effect" shall mean any act, omission, event or undertaking which would, singly or in the aggregate, have a materially adverse effect upon (a) the business, assets, properties, liabilities, financial condition or results of operations or business prospects of the Loan Parties taken as a whole, (b) the ability of the Loan Parties taken as a whole to perform any obligations under the Loan Documents, (c) the legality, validity, binding effect, enforceability or admissibility into evidence of the Loan Documents or the ability of the

Administrative Agent or any Lender to enforce any rights or remedies under or in connection with the Loan Documents or (d) the perfection or priority of the Administrative Agent's Lien on the Collateral.

"Material Contract" shall mean any contract to which as Loan Party is or becomes a party that provides for payments by or to a Loan Party in excess of $250,000.

"Maturity Date" shall mean the date which is 66 months after the Closing Date.

"Mortgages" means such mortgages of the Loan Parties' interests in real property as are required by the Administrative Agent and the Lender, in form and on terms satisfactory to the Administrative Agent and the Lenders.

"Multiemployer Plan" shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which Borrower or any ERISA Affiliate (other than one considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code) is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

"Net Income" shall mean, for any period, the net income (or loss) of Borrower and the Subsidiaries on a consolidated basis for such period taken as a single accounting period determined in conformity with GAAP (incuding, for certainty, adjustments to reflect minority interests in non-wholly owned Subsidiaries), provided that there shall be excluded from such calculation: (a) the net income (or net loss) of any other Person accrued prior to the date it becomes a Subsidiary of, or is merged into or consolidated with, the Person whose Net Income is being determined or a Subsidiary of such Person, (b) any restoration of any contingency reserve not in the ordinary course of business, except to the extent that provision for such reserve was made out of income during such period, (c) any net gains or losses on the sale or other disposition, not in the ordinary course of business, of any assets, or discontinued operations, (d) any net gain arising from the collection of the proceeds of any insurance policy, (e) any writeup of any asset, except any write-up of any asset in the ordinary course of such Person's business in accordance with the percentage of completion rules under GAAP, and (f) any other non-cash, extraordinary, unusual or non-recurring item.

"NorthStar Negative Pledge" means an agreement granted by NorthStar Cover-All, LLC in favour of the Administrative Agent for the benefit of the Beneficiaries, whereby NorthStar Cover-All, LCC covenants and agrees, on terms acceptable to the Administrative Agent, not to incur any Indebtedness other than Indebtedness expressly permitted thereby.

"Notes" shall mean the promissory notes executed by Borrower and delivered to the Lenders evidencing such Lender's Term Loan.

"Notice of Borrowing" is defined in Section 2.03.

"Obligations" shall mean, without duplication, (a) the due and punctual payment by Borrower of (i) the principal of and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Term Loan made to Borrower, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (ii) all other monetary obligations of Borrower to any of the Administrative Agent and the Lenders under this Agreement and each of the other Loan Documents, including obligations to pay Fees, expense reimbursement obligations and indemnification obligations, whether primary, secondary, direct, contingent, fixed or otherwise, arising under the Loan Documents (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), (b) the due and punctual payment of all the monetary obligations of each other Loan Party under or pursuant to this Agreement and each of the other Loan Documents, including obligations in respect of overdrafts, temporary advances, interest and fees.

"Operating Cash Flow" shall mean, for any period, the sum (without duplication) of the amounts for such period of Net Income plus, in each case to the extent deducted in determining such Net Income (except in the case of (f)), (a) all federal, provincial, state, local and foreign taxes, (b) Interest Expense, (c) depreciation and amortization expense, (d) management fees and transaction fees and expense reimbursements and indemnities paid in the ordinary course of business in connection therewith (e) all fees and expenses related to the Transactions, (f) the proceeds of any business interruption insurance, (g) all costs, fees, expenses, charges and any one time payments made related to any Permitted Investment, Permitted Acquisition, permitted issuance of equity, permitted recapitalization, permitted reorganization, permitted Asset Sale, or issuance of Indebtedness permitted pursuant to Section 6.01, (h) all expenses and charges indemnified or reimbursed by unaffiliated Persons, (i) all director fees, expense reimbursements and indemnifications paid in the ordinary course of business, (j) all indemnifications paid to officers and employees in the ordinary course of business, and (k) all one-time compensation expenses paid in connection with the Transactions or any Permitted Acquisition; and provided that solely for the purpose of calculating compliance with Section 6.13,and Section 6.14, (i) the Operating Cash Flow of any Persons acquired during such period shall be calculated as though such Person had been acquired on the first day of such period, and (ii) the Operating Cash Flow shall be calculated with the addition or subtraction of the following adjustments and such other adjustments as are reasonably acceptable to the Required Lenders:

Fiscal Year 2007	Periods 11-13	($417,000)
Fiscal Year 2008	Periods 1-4	$58,000
Fiscal Year 2008	Periods 5-7	$171,000
Fiscal Year 2008	Periods 8-10	($125,000)

"Organizational Documents" means, with respect to any Person, such Person's memorandum, notice of articles, articles, certificate of incorporation or formation, bylaws, partnership agreement, operating agreement, joint venture agreement or other similar governing documents and any document setting forth the designation, amount and/or relative rights, limitations and preferences of any class of such Person's capital stock, partnership interests, membership interests or other equivalent interests.

"Other Taxes" is defined in Section 2.15(b).

"Original Obligations" has the meaning given to that term in Section 3.17.

"Parallel Debt Security" has the meaning given to that term in Section 3.17.

"Parallel Obligations" has the meaning given to that term in Section 3.17.

"Pension Plan Event" shall mean (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30 day notice period is waived); (b) the existence with respect to any Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by any Loan Party or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by any Loan Party or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by any Loan Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; (g) the receipt by any Loan Party or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from any Loan Party or any ERISA Affiliate of any notice, concerning the imposition of a withdrawal liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA; (h) a Governmental Authority gives notice of its intention to terminate, in whole or in part, a Canadian Pension Plan, or to appoint an administrator of a Canadian Pension Plan, or Borrower, any Subsidiary or any other Loan Party declares or gives notice of intention to declare a wind up of a Canadian Pension Plan, in whole or in part, or any of the Canadian Pension Plans individually or in the aggregate have an unfunded actuarial liability or solvency deficiency (within the meaning of applicable laws) that exceeds $500,000; or (i) the Pensions Regulator issues a Financial Support Direction or a Contribution Notice to any Loan Party.

"Pensions Regulator" means the body corporate called the Pensions Regulator established under Part I of the UK Pensions Act 2004.

"Period" means any one of the periods in Borrower's Fiscal Year, such periods from the Closing Date to the Maturity Date being set out specifically in Schedule 1.01; and any Period referred to in this Agreement followed by a numerical indicator shall mean the Period identified by that number for a particular Fiscal Year in Schedule 1.01.

"Permitted Acquisition" shall have the meaning set out in Section 6.05.

"Permitted Acquisition Expenses" means (a) cash consideration paid by Borrower or any of its or Holdco's wholly-owned Subsidiaries to acquire assets, capital stock or a Business Unit in connection with a Permitted Acquisition made in accordance with Section 6.05, (b) bona fide direct costs and expenses incurred as a result of a Permitted Acquisition (including costs and expenses related to the shutdown of facilities and employee severance) to the extent such costs and expenses (i) are capitalized as part of the cost of the Permitted Acquisition in the consolidated financial statements of Borrower and (ii) are paid by a Loan Party no more than 365 days from the date of such Permitted Acquisition, and (c) bona fide direct costs and expenses paid in connection with such Permitted Acquisition, including reasonable commissions and fees and expenses of professional advisors and any title and recordation expenses.

"Permitted Discretion" shall mean the Administrative Agent's reasonable judgment exercised in good faith based upon its consideration of any factor which the Administrative Agent believes in good faith: (a) will or could adversely affect the value of any Collateral, the enforceability or priority of the Administrative Agent's Liens thereon or the amount which the Administrative Agent, the Lenders would be likely to receive (after giving consideration to delays in payment and costs of enforcement) in the liquidation of such Collateral; (b) suggests that any collateral report or financial information delivered to the Administrative Agent by Borrower is incomplete, inaccurate or misleading in any material respect; or (c) materially increases the likelihood of a bankruptcy, reorganization or other insolvency proceeding involving a Loan Party.

"Permitted Investments" shall mean any of the following:

(a) any evidence of Indebtedness, maturing not more than one year after the acquisition thereof, issued by Canada or the United States of America, or any instrumentality or agency thereof and guaranteed fully as to principal, interest and premium, if any, by Canada or the United States of America;

(b) any certificate of deposit, maturing not more than one year after the date of purchase, issued by a commercial banking institution that has long-term debt rated "A" or higher by Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Ratings Services ("S&P") and which has a combined capital and surplus and undivided profits of not less than U.S.$500,000,000;

(c) commercial paper (i) maturing not more than 365 days after the date of purchase and (ii) issued by a corporation (other than a Loan Party or any Affiliate of a Loan Party) with a rating, at the time as of which any determination thereof is to be made, of "P-1" or higher by Moody's or "A-1" or higher by S&P (or equivalent rating in the case of a Permitted Investment made by a foreign Subsidiary);

(d) demand deposits with any bank or trust company;

(e) loans by a Loan Party to any other Loan Party; provided that if such loan is evidenced by a demand note or other instrument which is secured or by chattel paper, such note, instrument or chattel paper shall be delivered to the Administrative Agent;

(f) loans to elderly part-time employees (*Altersteilzeitgesetz*), to the extent required under German law;

(g) repurchase agreements with a term of not more than 30 days with respect to Indebtedness issued by Canada or the United States of America, or any instrumentality or agency thereof and guaranteed fully as to principal, interest and premium, if any, by Canada or the United States of America;

(h) Any mutual or money market funds composed exclusively of the foregoing (other than (e);

(i) Investments in securities of Account Debtors received pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such Account Debtors;

(j) Investments listed on Schedule 6.09and agreed to by the Administrative Agent in its Permitted Discretion;

(k) earnest money required in connection with permitted Investments;

(l) any Loan Party may make a loan or an Investment that could otherwise be made as a Restricted Payment;

(m) any Loan Party may capitalize or forgive any Debt owed to it by any other Loan Party (other than non wholly-owned Subsidiaries);

(n) (A) travel and moving advances given to employees and directors in the ordinary course of business and (B) other emergency or special circumstance advances given to employees not to exceed in the case of (A) and (B) taken together $250,000 in the aggregate outstanding at any time;

(o) Investments received as the non-cash portion of consideration received in connection with dispositions permitted under this Agreement;

(p) Equity Investments in Subsidiaries; and

(q) other Investments not listed above in an aggregate amount not to exceed $100,000 at any one time in the aggregate.

"Permitted Liens" shall mean, with respect to any Person, any of the following:

(a) Liens for taxes, assessments or other governmental charges or levies not yet due and payable or which are being contested in good faith by appropriate proceedings diligently pursued, provided that (i) any proceedings commenced for the enforcement of such Liens shall have been duly suspended and (ii) full provision for the payment of all such taxes known to such Person has been made on the books of such Person if and to the extent required by GAAP;

(b) Builders', mechanics', materialmen's, carriers', warehousemen's, landlord's and similar Liens arising by operation of law and in the ordinary course of business and securing obligations of such Person that are either (i) less than $200,000 in the aggregate or (ii) not overdue for a period of more than 60 days or are being contested in good faith by appropriate proceedings diligently pursued, provided that in the case of any such contest (A) any proceedings commenced for the enforcement of such Liens shall have been suspended and (B) full provision for the payment of such Liens has been made on the books of such Person if and to the extent required by GAAP;

(c) Liens arising in connection with worker's compensation, unemployment insurance, old age pensions and social security benefits that are not overdue or are being contested in good faith by appropriate proceedings diligently pursued, provided that in the case of any such contest (i) any proceedings commenced for the enforcement of such Liens shall have been duly suspended and (ii) full provision for the payment of such Liens has been made on the books of such Person if and to the extent required by GAAP;

(d) Liens required under or created by German law in favour of elderly part-time employees (*Altersteilzeitgesetz*);

(e) (i) Liens incurred or deposits made in the ordinary course of business to secure the performance of bids, tenders, statutory obligations, fee and expense arrangements with trustees and fiscal agents (exclusive of obligations incurred in connection with the borrowing of money or the payment of the deferred purchase price of property) and (ii) Liens securing surety, indemnity, performance, appeal and release bonds, in the case of either clause (i) or (ii), securing such obligations and (A) also fully secured by a letter of credit issued by the operating lender under the credit agreement in relation to the Senior Loans, or (B) otherwise in an amount outstanding at any time not to exceed individually or in the aggregate $20,000,000, provided that full provision for the payment of all such obligations has been made on the books of such Person if and to the extent required by GAAP, and that any Lien in favour of the Administrative Agent under this Agreement and the credit agreement in respect of the Subordinated Loan has priority over any consensual Lien in favour of such surety or similar Person;

(f) imperfections of title, covenants, restrictions, rights of way, easements, servitudes, mineral interest reservations, municipal and zoning ordinances, general real estate taxes and assessments not yet delinquent and other encumbrances on real property that (i) do not arise out of the incurrence of any Indebtedness for money borrowed and (ii) do not interfere with or impair in any material respect the utility, operation, value or marketability of the real property on which such Lien is imposed;

(g) the rights of collecting banks or other financial institutions having a right of setoff, revocation, refund, pledge, chargeback or similar rights under customary general terms and conditions with respect to money or instruments on deposit with or in the possession of such financial institution;

(h) leases or subleases granted to others not interfering in any material respect with the business of Borrower or any Subsidiary and any interest or title of a lessor under any lease (whether a Capital Lease or an operating lease) permitted by this Agreement or the Security Documents;

(i) Liens on accounts receivable for which attempts at collection have been undertaken by a third party authorized by the Person owning such accounts receivable;

(j) Liens arising from UCC or PPSA financing statements (or analogous personal property security filings or registrations in other jurisdictions) regarding operating leases;

(k) Liens in favour of the Administrative Agent on behalf of the Lenders;

(l) all reservations in the original grant from the Crown of any lands or interests therein and statutory exceptions, qualifications and reservations in respect of title;

(m) attachments, appeal bonds, judgments and other similar Liens with respect to judgements not otherwise constituting an Event of Default under Section 8(j);

(n) Liens exclusively on the proceeds of insurance and premium refunds in connection with the financing of insurance premiums;

(o) Liens encumbering customary initial deposits and margin deposits, and similar Liens in favour of the broker thereof attaching to commodity trading accounts and other brokerage accounts incurred in the ordinary course of business to the extent that the underlying Investment is permitted hereunder;

(p) Liens on goods in the possession of customs authorities in favour of such customs authorities which secure payment of customs duties in connection with importation of goods;

(q) Liens deemed to exist in connection with permitted repurchase obligations or set-off rights;

(r) Liens in favour of collecting banks arising under Section 4-210 of the UCC;

(s) Liens in respect of the Senior Loans;

(t) Liens existing on the Closing Date (and for up to 30 days thereafter) against the property of Cover-All Deutschland GmbH and securing the German Secured Indebtedness; and

(u) Liens existing on the Closing Date against the Accounts of Cover-All Deutschland GmbH and securing up to €37,500 of the German Non-Prepayable Indebtedness.

Any reference in any of the Loan Documents to a Permitted Lien is not intended to and shall not be interpreted as subordinating or postponing, or as any agreement to subordinate or postpone, any Lien created by any of the Loan Documents to any Permitted Lien.

"Person" shall mean any natural person, corporation, legal person, business trust, joint venture, association, company, limited liability company, partnership or government, or any agency or political subdivision thereof.

"PIK Interest" the amount of interest payable by the Borrower in respect of the Term Loan on an Interest Payment Date, multiplied by (3.25 / 14.25).

"Plan" shall mean any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by the Borrower or any ERISA Affiliate or to which the Borrower or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding five plan years.

"PPSA" shall have the meaning given such term in the Borrower Security Agreement.

"Prime Rate" shall mean, for each day in any period, a fluctuating interest rate per annum as shall be in effect from time to time, which rate per annum shall at all times for such day be equal to the higher of (a) the annual rate of interest announced publicly by the Administrative Agent and in effect as its prime rate at its principal office in Toronto, Ontario on such day for determining interest rates on Dollar-denominated commercial loans made in Canada and (b) 1.00% per annum above the CDOR Rate in effect on such date. Each change to the Prime Rate shall be effective on the date such change is publicly announced as being effective.

"Purchase Agreement" shall mean that certain Share Purchase Agreement dated as of the Closing Date by and among Holdco, the Borrower, the Vendors (as defined therein) and the various other parties thereto, in respect of, *inter alia*, the purchase and sale of the Purchased Shares (as defined therein).

"Purchase Transactions" is defined in Section 3.02.

"Real Properties" shall mean each parcel of real property identified on Section 3.19, together with all fixtures thereon.

"Register" is defined in Section 9.04(d).

"Regulation T" shall mean Regulation T of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation U" shall mean Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation X" shall mean Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Required Lenders" shall mean, as of the date of determination thereof, the Lenders having at least 66 2/3% of the sum of the aggregate principal amount of Term Loan; provided that if there are only two Lenders, then "Required Lenders" shall mean both Lenders.

"Responsible Officer" of any Person shall mean the chief executive officer, president, any Financial Officer or any vice president of such Person and any other officer or similar official thereof responsible for the administration of the obligations of such Person in respect of this Agreement.

"Restricted Payment" shall mean (a) any dividend or other distribution, direct or indirect, on account of any Equity Interests of any Loan Party, now or hereafter outstanding, (b) any redemption, retirement, sinking fund or similar payment, purchase, exchange or other acquisition for value, direct or indirect, of any Equity Interests of any Loan Party, now or hereafter outstanding, (c) any payment made to redeem, purchase, repurchase or retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire Equity Interests of any Loan Party; (d) any payment of a claim for the rescission of the purchase or sale of, or for material damages arising from the purchase or sale of, any Equity Interests of any Loan Party or of a claim for reimbursement, indemnification or contribution arising out of or related to any such claim for damages or rescission; (e) any payment, loan, contribution, or other transfer of funds or other property to any holder of Equity Interests of any Loan Party other than payment of compensation (which compensation shall exclude any shareholder or equity distributions) in the ordinary course of business to holders who are employees or directors of such Loan Party; (f) any redemption, repurchase or prepayment or other retirement, prior to the stated maturity thereof or prior to the due date of any regularly scheduled instalment or amortization payment with respect thereto, of any Indebtedness of a Person (other than the Obligations and trade debt); and (g) any payment of management fees (or other fees of a similar nature) or out-of-pocket expenses in connection therewith by any Loan Party to any holder of Equity Interests of any Loan Party or its Affiliates.

"Sale/Leaseback Transaction" shall mean an arrangement, direct or indirect, whereby any Loan Party shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred.

"Schedule I Bank" shall mean a bank that is a Canadian chartered bank listed on Schedule I under the Bank Act (Canada).

"Security Agreements" shall mean the Borrower Security Agreement and the Guarantor Security Agreements.

"Security Documents" shall mean the Mortgages, Security Agreements, the Deposit Account Pledge Agreements, the Bank Act Security, the Notes, the NorthStar Negative Pledge, financing statements and all other similar agreements, assignments, instruments and documents delivered to the Administrative Agent from time to time to create, evidence or perfect Liens securing the Obligations, and all renewals, replacements, consolidations, substitutions and extensions of any of the foregoing.

"Senior Loans" means the loans made pursuant to credit facilities in the aggregate principal amount of up to $54,000,000, pursuant to a credit agreement of even date herewith among the Borrower, the lenders party thereto and Canadian Imperial Bank of Commerce as administrative agent and lead arranger, and includes any extension, renewal, refunding or refinancing of any Senior Loans.

"Standard Time" shall mean eastern standard time or eastern daylight savings time, as applicable on the relevant date.

"Subordinated Debt" means Indebtedness of the Borrower that has been subordinated and postponed to the Obligations on terms and conditions, and pursuant to documentation, reasonably acceptable to the Lenders.

"subsidiary" shall mean, with respect to any Person (herein referred to as the "parent"), any corporation, partnership, association or other business entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or more than 50% of the general partnership or membership interests are, at the time any determination is being made, owned, controlled or held by, or otherwise Controlled by, the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Subsidiary" shall mean, unless the context indicates otherwise, any direct or indirect subsidiary of Holdco or Borrower.

"Swap Agreement" means any interest rate, currency or commodity swap agreement, cap agreement or collar agreement, and any other agreement or arrangement designed to protect a Loan Party against fluctuations in interest rates, currency exchange rates or commodity prices.

"Taxes" is defined in Section 2.15(a).

"Term Borrowing" shall mean a Borrowing comprised of the Term Loan.

"Term Commitment" shall mean, with respect to each Lender, the commitment of such Lender to make the Term Loan hereunder as set forth on Schedule 2.01 or in the Assignment and Acceptance pursuant to which such Lender assumed its Term Commitment, as applicable, as the same may be (a) reduced from time to time pursuant to Section 2.08 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04.

"Term Lenders" shall mean the Lenders having Term Commitments or holding a Term Loan and which shall not be non-residents of Canada or which shall be deemed to be residents in Canada for purposes of Subsection 212(13.3) of the ITA in respect of any amount paid or credited hereunder in respect of such Term Commitments and Term Loans.

"Term Loan" shall mean a term loan made by a Lender to Borrower pursuant to Section 2.02 or the aggregate term loan made to the Borrower by the Lenders on the Closing Date, as the context may warrant.

"Total Leverage Ratio" shall mean, on any date of determination, the ratio obtained by dividing (a) Indebtedness of Borrower and the Subsidiaries on such date less (i) all cash and cash equivalents on hand and (ii) the cash collateralized portion of the German Secured Indebtedness, by (b) Operating Cash Flow for the period of four consecutive Fiscal Quarters ending on or most recently prior to such date.

"Transactions" is defined in Section 3.02.

"Transferee" is defined in Section 2.15(a).

"U.S. Newco" means Cover-All U.S. Holding Corp.

"Vendors" means the vendors under the Purchase Agreement.

"wholly owned", when used in reference to any subsidiary of a Person, shall mean any subsidiary of such Person of which securities (except for directors' qualifying shares) or other ownership interests representing 100% of the equity or 100% of the ordinary voting power or 100% of the general partnership or membership interests are, at the time any determination is being made, owned, controlled or held by such Person or one or more wholly owned subsidiaries of such Person or by such Person and one or more wholly owned subsidiaries of such Person.

SECTION 1.02. Terms Generally. The definitions in Section 1.01 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context shall otherwise require, all references herein to Articles, Sections, Exhibits and Schedules shall be deemed to be references to Articles and Sections of, and Exhibits and Schedules to, this Agreement, and the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof. Each reference to any Loan Document or any other document or agreement shall be deemed to be a reference to such Loan Document, document or agreement as amended, restated, waived, supplemented or otherwise modified from time to time in accordance with the provisions hereof and thereof.

SECTION 1.03. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if Borrower notifies the Administrative Agent that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if Administrative Agent notifies Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding the foregoing, for purposes of this Agreement, to the extent that insurance is prepaid by issuance of a promissory note or other debt instrument (an "insurance note") by the insured party, the obligations under the insurance note shall not be considered to be a liability of the insured party, and the insurance premiums so prepaid shall not be considered to be an asset of the insured party.

ARTICLE II

The Credits

SECTION 2.01. Term Commitments.

Subject to the terms and conditions and relying on the representations and warranties set forth herein, each Term Lender agrees, severally and not jointly, to make to Borrower on the Closing Date a Term Loan in an aggregate principal amount equal to its Term Commitment. Each Term Loan shall be denominated in Dollars.

SECTION 2.02. Term Loan.

(a) The Term Loan shall be made by the Lenders rateably in accordance with their respective applicable Term Commitments; provided, however, that the failure of any Lender to make a Term Loan shall not in itself relieve any other Lender of its obligation to lend hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to make the Term Loan required to be made by such other Lender).

(b) Each Lender may at its option fulfill its Term Commitment by causing any domestic or foreign branch or Affiliate of such Lender to make such Term Loan; provided, however, that any exercise of any such option shall not (A) affect the obligation of Borrower to repay such Term Loan in accordance with the terms of this Agreement or (B) require any reimbursement or other payment to be made to such Lender or its Affiliates pursuant to Section 2.15 in an amount in excess of the amounts that would have been payable thereunder to such Lender had such Lender not exercised such option.

(c) Each Lender shall make a Term Loan in the amount of its pro rata portion, as determined under Section 2.12, of each Borrowing hereunder on the Closing Date by wire transfer of immediately available funds not later than 2:00 p.m., Standard Time, to the account of the

Administrative Agent most recently designated by such agent for such purpose, and the Administrative Agent shall promptly credit the amounts so received to the general Deposit Account of Borrower or, if a Borrowing shall not occur on such date because any condition precedent specified herein shall not have been met, return the amounts so received to the respective Lenders. Unless the Administrative Agent shall have received notice from a Lender prior to the Closing Date that such Lender will not make available to the Administrative Agent such Lender's portion of the Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of the Borrowing in accordance with this paragraph (b), and the Administrative Agent may, in reliance upon such assumption, make available to Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have made such portion available to the Administrative Agent, such Lender and Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount, together with interest thereon for each day from the date such amount is made available to Borrower until the date such amount is repaid to the Administrative Agent at (i) in the case of Borrower, the interest rate applicable at the time to the Term Loan comprising such Borrowing and (ii) in the case of such Lender, the rate determined by the Administrative Agent to represent its cost of obtaining overnight Dollars. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount shall be deemed to constitute such Lender's Term Loan as part of such Borrowing for purposes of this Agreement.

SECTION 2.03. Notice of Borrowings. To request the advance of the Term Loan on the Closing Date, Borrower shall give the Administrative Agent written or fax notice substantially in the form of Exhibit C hereto (a "Notice of Borrowing") (or telephone notice promptly confirmed in writing or by fax), not later than 1:00 p.m. Standard Time, one Business Day before the Closing Date. Such notice shall be irrevocable and shall refer to this Agreement and specify the following information:

(i) the date of the Borrowing (which shall be a Business Day); and

(ii) the number and location of the account to which funds are to be disbursed;

provided, however, that, notwithstanding any contrary specification in any such notice, the Borrowing shall comply with the requirements set forth in Section 2.02. The Administrative Agent shall promptly advise the applicable Lenders of any notice given pursuant to this Section 2.03, and of each such Lender's portion of the requested Borrowing.

SECTION 2.04. Repayment of Loans; Evidence of Debt.

(a) Borrower hereby unconditionally promises to pay to the Administrative Agent, for the account of Lender, the then unpaid principal amount of each Term Loan of such Lender in such amounts and on such dates as provided in Section 2.09. The Term Loan shall bear interest from and including the Closing Date on the outstanding principal balance thereof as set forth in Section 2.06.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness to such Lender resulting from the Term Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time under this Agreement.

(c) The Administrative Agent shall maintain accounts in which it will record (i) the amount of the Term Loan made hereunder, (ii) the amount of any principal or interest due and payable or to become due and payable from Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from Borrower or any Guarantor, and each Lender's share thereof.

(d) The entries made in the accounts maintained by the Lenders and the Administrative Agent pursuant to paragraphs (b) and (c) above shall, to the extent permitted by applicable laws, be prima facie evidence of the existence and amounts of the obligations therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of Borrower to repay the Term Loan in accordance with their terms.

(e) Any Lender may request that Term Loans made by it hereunder be evidenced by a promissory note. In response to any such request, Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender and its registered assigns substantially in the form acceptable to such Lender. Notwithstanding any other provision of this Agreement, in the event that any Lender shall request and receive such a promissory note, the Term Loan evidenced by such promissory note and interest payable on such Term Loan shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes, if any, payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

SECTION 2.05. Fees.

(a) Borrower agrees to pay to the Administrative Agent, for its own account, the administration fees at the times and in the amounts agreed upon by Borrower and the Administrative Agent. Such fees shall be paid on the dates due, in Dollars in immediately available funds, to the Administrative Agent. Once paid, none of the fees shall be refundable under any circumstances (other than corrections of errors in payment).

SECTION 2.06. Interest on Term Loan.

(a) Subject to the provisions of Section 2.07, the Term Loan shall bear interest (payable monthly in arrears, and computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as the case may be) at 14.25% per annum.

(b) Interest on the Term Loan shall be payable on the Interest Payment Dates applicable and at such other times as are specified in this Agreement.

(c) Notwithstanding (b) above, unless the Borrower gives prior written notice to the contrary to the Administrative Agent, the PIK Interest payable on any Interest Payment Date shall not be required to be paid in cash by the Borrower, but instead shall be added to and form part of the principal amount of the Term Loan from and including such Interest Payment Date.

(d) For the purposes of the Interest Act (Canada) and disclosure thereunder, whenever any interest or fee to be paid hereunder or in connection herewith is to be calculated on the basis of any period of time that is less than a calendar year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 365 or 366, as applicable. The rates of interest under this Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.

SECTION 2.07. Default Interest. If there shall occur and be continuing an Event of Default, and the Borrower shall have received written notice that the Required Lenders have so elected, from and after the date of receipt of such notice, the unpaid principal amount of the Term Loan and other Obligations shall bear interest for each day from the date of such Event of Default until such Event of Default shall have been cured or waived at 16.25% per annum (the "Default Rate"), payable on demand. The interest rate provided for in the preceding sentence shall, to the extent permitted by applicable law, apply to and accrue on the amount of any judgment entered with respect to any Obligation and shall continue to accrue at such rate during any bankruptcy proceeding.

SECTION 2.08. Termination and Reduction of Term Commitments.

(a) The Term Commitments shall terminate at 5:00 p.m., Standard Time, on the Closing Date.

(b) Nothing in this Section 2.08 shall prejudice any rights that either Borrower may have against any Lender that fails to lend as required hereunder prior to the date of termination of any Term Commitment.

SECTION 2.09. Repayment of Term Borrowings.

The Term Loan shall be due and payable in full on the Maturity Date, along with all other Obligations then outstanding.

SECTION 2.10. Optional Prepayments.

(a) Borrower shall have the right at any time and from time to time to prepay the Term Loan, in whole or in part, upon written or fax notice (or telephone notice promptly confirmed by written or fax notice) delivered to the Administrative Agent by 1:00 p.m., Standard Time, of at least five Business Days prior to the date designated for such prepayment; provided, however, that each partial payment shall be in an amount that is a minimum amount of $1,000,000 and in an integral multiple of $100,000.

(b) Each notice of optional prepayment shall specify (i) the amount to be prepaid, and (ii) the prepayment date. Each notice of optional prepayment shall be irrevocable and shall commit Borrower to prepay such obligations by the amount specified therein on the date specified therein. Concurrently with any such prepayment, the Borrower shall make an additional bonus interest payment on the amount so prepaid, payable to the Administrative Agent on behalf of the Lenders as follows:

   (i) 5.0% of the amount prepaid from and including the Closing Date to and including the first anniversary of the Closing Date;

(ii) 3.0% of the amount prepaid from and including the day following the first anniversary of the Closing Date to and including the second anniversary of the Closing Date; and

(iii) 2.0% of the amount prepaid from and including the day following the second anniversary of the Closing Date to and including the third anniversary of the Closing Date.

For greater certainty, no one-time bonus interest payment shall be payable in respect of any prepayments of the Term Loan subsequent to the third anniversary of the Closing Date.

SECTION 2.11. Reserve Requirements; Change in Circumstances; Increased Costs.

(a) Notwithstanding any other provision herein, if after the Closing Date any change in applicable law or regulation or in the interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof (whether or not having the force of law) shall impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of or credit extended by any Lender or shall impose on any Lender or the Canadian interbank market any other condition affecting this Agreement or Term Loans made by such Lender (except for changes in the rate or tax on the overall net income of such Lender or its lending office imposed by the jurisdiction in which such Lender's principal executive office or lending office is located), and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining the Term Loan or to reduce the amount of any sum received or receivable by any Lender hereunder (whether of principal, interest or otherwise) by an amount deemed by such Lender to be material, then Borrower will pay to such Lender, following receipt by Borrower of a certificate of such Lender to such effect in accordance with Section 2.11(c), such additional amount or amounts as will compensate such Lender on an after-tax basis for such additional costs incurred or reduction suffered.

(b) If any Lender shall have determined that the adoption after the Closing Date of any law, rule, regulation, agreement or guideline regarding capital adequacy, or any change in any of the foregoing or in the interpretation or administration of any of the foregoing by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender (or any lending office of such Lender) or any Lender's holding company, if any, with any request or directive regarding capital adequacy issued under any law, rule, regulation or guideline (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Term Loan made by such Lender, to a level below that which such Lender or such Lender's holding company, if any, could have achieved but for such applicability, adoption, change or compliance (taking into consideration such Lender's policies and the policies of such Lender's holding company, if any, with respect to capital adequacy), then from time to time Borrower shall pay to such Lender, following receipt by Borrower of a certificate of such Lender such effect in accordance with Section 2.11(c), such additional amount or amounts as will compensate such Lender or such Lender's holding company, if any, on an after-tax basis for any such reduction suffered.

(c) A certificate of a Lender setting forth such amount or amounts as shall be necessary to compensate such Lender or its holding company, if any, as specified in paragraph (a) or (b) above, as the case may be, and setting forth in reasonable detail an explanation of the basis of requesting such compensation in accordance with paragraph (a) or (b) above, including calculations in reasonable detail, shall be delivered to Borrower and shall be conclusive absent manifest error. Borrower shall pay such Lender the amount shown as due on any such certificate delivered by it within 10 days after Borrower's receipt of the same; provided that Borrower shall not be required to compensate a Lender (or Transferee) or the Administrative Agent pursuant to this Section 2.11 for any amounts incurred more than six months prior to the date such Lender (or Transferee), the Administrative Agent, as the case may be, notifies the Borrower of its intention to claim compensation therefor; provided further, that if the circumstances giving rise to such claim have a retroactive effect, then such six month period shall be extended to include such period of retroactive effect; provided further that if Borrower reasonably believes that the condition or event giving rise to the payment of any additional amount to a Lender (or Transferee) or Administrative Agent pursuant to this Section 2.11 was not correctly interpreted, asserted or applied, such Lender (or Transferee) or Administrative Agent will use reasonable efforts to cooperate with the Borrower to contest the application of the change in law, regulation or interpretation so long as such efforts would not, in the sole determination of such Lender result in any non-reimbursable additional costs, expenses or risks or be otherwise disadvantageous to it (unless the Borrower agree to reimburse such Lender for the reasonable incremental out-of-pocket costs thereof).

(d) Failure on the part of any Lender to demand compensation for any increased costs or reduction in amounts received or receivable or reduction in return on capital with respect to any period shall not constitute a waiver of such Lender's right to demand compensation with respect to such period or any other period. The benefits of this Section 2.11 shall be available to each Lender regardless of any possible contention of the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition that shall have occurred or been imposed; provided that the Loan Parties shall not be responsible for costs under this Section 2.11 arising more than 180 days prior to receipt by such Loan Parties of the demand from the affected Lender pursuant to this Section 2.11; provided further that if such change in or in the interpretation of any law or regulation giving rise to such increased cost is retroactive, then the 180-day period referred to in the previous proviso shall be extended to include the period of retroactive effect thereof.

SECTION 2.12. Pro Rata Treatment. The Borrowing, each payment of principal of the Borrowing, each payment of interest on the Term Loan, each payment of the Fees due to the Lenders, shall be allocated pro rata among the Lenders in accordance with their respective applicable Term Commitments (provided, that in the event that such Term Commitments shall have expired or been terminated, such pro rata allocation shall be based on the respective principal amounts of the outstanding Term Loan. Each Lender agrees that in computing such Lender's portion of the Borrowing to be made hereunder, the Administrative Agent may, in its discretion, round each Lender's percentage of such Borrowing, computed in accordance with Section 2.01, to the next higher or lower whole Dollar amount.

SECTION 2.13. Sharing of Setoffs and Realization of Security.Each Lender agrees that if it shall through the exercise of a right of banker's lien, combination of accounts, setoff or counterclaim against any Loan Party, or pursuant to a secured claim under any applicable Insolvency Law or other security or interest arising from, or in lieu of, such secured claim, received by such Lender under any applicable Insolvency Law or otherwise, or pursuant to any Bank Act Security held by such Lender, or by any other means, obtain payment (voluntary or involuntary) in respect of any Term Loan and accrued interest thereon as a result of which the unpaid principal portion of its Term Loan and accrued interest thereon shall be proportionately less than the unpaid principal portion of the Term Loan and accrued interest thereon of any other Lender, such Lender shall be deemed simultaneously to have purchased from such other Lender at face value, and shall promptly pay to such other Lender the purchase price for, a participation in the Term Loan and accrued interest thereon of such other Lender, so that the benefit of all such payments shall be shared by the Lenders rateably in accordance with the aggregate amount of the principal of and accrued interest on their respective Term Loans; provided, however, that if any such purchase or purchases or adjustments shall be made pursuant to this Section 2.13 and the payment giving rise thereto shall thereafter be recovered, such purchase or purchases or adjustments shall be rescinded to the extent of such recovery and the purchase price or prices or adjustment restored without interest. Borrower expressly consents to the foregoing arrangements and agrees that any Lender holding a participation pursuant to the foregoing arrangements may, subject to the terms of Section 9.06, exercise any and all rights of banker's lien, combination of accounts or setoff with respect to any and all moneys owing by the Loan Parties to such Lender by reason thereof as fully as if such Lender were a direct creditor of Borrower in the amount of such participation.

SECTION 2.14. Payments.

(a) Borrower shall make each payment (including payment of principal of or interest on the Term Loan or any Fees) hereunder and under any other Loan Document not later than 12:00 noon, Standard Time, on the date when due in immediately available funds, without defence, setoff or counterclaim. All payments hereunder of principal or interest in respect of the Term Loan (or of any breakage indemnity in respect of the Term Loan) and any other payments hereunder and under each other Loan Document shall be made in Dollars. Each such payment (other than payments pursuant to Sections 2.11, 2.15 and 9.05, which shall be made to the Persons entitled thereto) shall be made to the account of the Administrative Agent, as the Administrative Agent shall specify by notice to Borrower. Any payments received by the Administrative Agent after the specified time for receipt of such payment on any day shall be deemed to have been received on the next Business Day. The Administrative Agent shall distribute to the applicable Lenders all payments received by it for their respective accounts, promptly following receipt thereof.

(b) Whenever any payment (including any payment of principal of or interest on any Borrowing or any Fees) hereunder or under any other Loan Document shall become due, or otherwise would occur, on a day that is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of interest or Fees, if applicable.

SECTION 2.15. Taxes.

(a) Any and all payments by the Loan Parties hereunder and under the other Loan Documents shall be made free and clear of and without deduction for any and all current or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, with respect to the Administrative Agent or any Lender (or any transferee or assignee of any of the foregoing, including a participation holder (any such entity being called a "Transferee")) taxes imposed on the overall net income or capital of the Administrative Agent or such Lender (or Transferee), as the case may be, and taxes arising from the Administrative Agent or such Lender (or Transferee), as the case may be, failing to be a resident of Canada or be deemed to be a resident of Canada for purposes of Section 212(13.3) of the ITA, and franchise taxes (to the extent imposed in lieu of net income taxes) imposed on the Administrative Agent or such Lender (or Transferee), as the case may be, and any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction on the Administrative Agent or such Lender (or Transferee), as the case may be, in each case, imposed by the jurisdiction under the laws of which the Administrative Agent or such Lender (or Transferee) is organized, or in which the Administrative Agent or such Lender (or Transferee) has its principal office or lending office or any political subdivision or taxing authority thereof or therein or in any other jurisdiction in which the Administrative Agent or such Lender (or Transferee) is otherwise doing business (or, if a treaty applies, a jurisdiction in which the Administrative Agent or such Lender (or Transferee) has a permanent establishment) other than any jurisdiction in which the Administrative Agent or such Lender (or Transferee) is treated as doing business (or, if a treaty applies, is treated as having a permanent establishment) as a result of having executed, delivered or performed its obligations or received a payment hereunder or exercised or enforced any rights hereunder or any other Loan Document (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If any Taxes (including, for the avoidance of doubt, Canadian withholding taxes) are required to be deducted from or in respect of any sum payable hereunder by or on behalf of any Loan Party to any Lender (or any Transferee) or the Administrative Agent, (i) the sum payable shall be increased by the amount necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.15) such Lender (or Transferee) or the Administrative Agent, as the case may be, shall receive an amount equal to the sum it would have received had no such deductions been made, (ii) Borrower shall make such deductions and (iii) Borrower shall pay the full amount deducted to the relevant taxing authority or other Governmental Authority in accordance with applicable law.

(b) Borrower agrees to pay any current or future stamp, intangible or documentary taxes or any other excise or property taxes, charges or similar levies (including mortgage recording taxes and similar fees) that arise from any payment made hereunder or from the execution, delivery, enforcement or registration of, or otherwise with respect to, this Agreement, any Assignment and Acceptance or any other Loan Document (hereinafter referred to as "Other Taxes").

(c) Borrower will indemnify each Lender (or Transferee) and the Administrative Agent for the full amount of Taxes and Other Taxes (including any taxes on amounts payable under this Section 2.15) paid by such Lender (or Transferee) or the Administrative Agent, as the case may be, and any liability (including penalties, interest and reasonable expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted by the relevant taxing authority or other Governmental Authority. Such indemnification shall be made within 30 days after the date any Lender (or Transferee) or the Administrative Agent, as the case may be, makes written demand therefor (which demand shall identify the nature and amount of Taxes and Other Taxes for which indemnification is being sought); provided that Borrower shall not be required to compensate a Lender (or Transferee) or the Administrative Agent pursuant to this Section 2.15 for any amounts incurred more than six months prior to the date such Lender (or Transferee) or the Administrative Agent, as the case may be, notifies the Borrower of its intention to claim compensation therefor; provided further, that if the circumstances giving rise to such claim have a retroactive effect, then such six month period shall be extended to include such period of retroactive effect; provided further that if a Borrower reasonably believes that such taxes were not correctly or legally asserted, such Lender (or Transferee) or the Administrative Agent, as the case may be, will use reasonable efforts to cooperate with the Borrower to contest the imposition of such taxes or to obtain a refund of such taxes so long as such efforts would not, in the sole determination of such Lender (or Transferee) or the Administrative Agent, as the case may be, result in any non-reimbursable additional costs, expenses or risks or be otherwise disadvantageous to it (unless the Loan Parties agree to reimburse such Lender for the reasonable incremental out-of-pocket costs thereof).

(d) Each of the Lenders (or Transferees) or the Administrative Agent agrees that if it subsequently recovers, or receives a permanent net tax benefit with respect to, any amount (i) previously paid by it and as to which it has been indemnified by or on behalf of the Borrower or (ii) previously deducted by the Borrower (including, without limitation, any taxes deducted from any additional sums payable under subsection (c) above), such Lender (or Transferee) or the Administrative Agent or, as the case may be, shall reimburse the Borrower to the extent of the amount of any such recovery or permanent net tax benefit (but only to the extent of indemnity payments made, or additional amounts paid, by or on behalf of the Borrowers under Section 2.11 or this Section 2.15 with respect to the taxes or changes giving rise to such recovery or tax benefit); provided, however, that the Borrower, upon the request of such Lender (or Transferee) or the Administrative Agent, agrees to repay the amount paid over to the Borrower (together with any penalties, interest or other charges), in the event such Lender (or Transferee) or the Administrative Agent is required to repay such amount to the relevant authority.

(e) Each of the Lenders (or Transferees) and the Administrative Agent shall deliver to the Borrower (within fifteen Business Days of demand by the Borrower) accurate and complete signed copies, in form and substance reasonably acceptable to the Borrower, of any applicable form certifying such Lender's (or Transferee's) or Administrative Agent's exemption from, or a reduced rate in, any applicable Taxes or Other Taxes. Notwithstanding anything to the contrary in this Agreement, neither Borrower nor any other Loan Party shall be required to make any payment under Section 2.11 or this Section 2.15 to the extent that such obligations would not have arisen but for the failure of a Lender (or Transferee) or the Administrative Agent to comply with this paragraph.

(f) Notwithstanding anything to the contrary in this Agreement, neither Borrower nor any other Loan Party shall be required to make any payment under this Section 2.15 (including any withholding taxes) that is imposed on amounts payable to a Lender (or Transferee) or the Administrative Agent at the time such Lender (or Transferee) or the Administrative Agent becomes a party to this Agreement.

(g) Within 30 days after the date of any payment of Taxes or Other Taxes withheld by Borrower in respect of any payment to any Lender (or Transferee) or the Administrative Agent, Borrower will furnish to the Administrative Agent, at the addresses referred to in Section 9.01, the original or a certified copy of a receipt evidencing payment thereof or other evidence reasonably satisfactory to such Lender (or Transferee) or the Administrative Agent, as the case may be.

(h) Without prejudice to the survival of any other agreement contained herein, the agreements and obligations contained in this Section 2.15 shall survive the payment in full of the principal of and interest on all Term Loans made hereunder.

SECTION 2.16. Duty to Mitigate; Replacement of Lenders.

(a) Any of the Administrative Agent or the Lenders (or Transferees) claiming any additional amounts payable pursuant to Section 2.11 or 2.15 shall use reasonable efforts (consistent with legal and regulatory restrictions) to file any certificate or document requested by Borrower or to change the jurisdiction of its applicable lending office if the making of such filing or change would avoid the need for or reduce the amount of any such additional amounts that may thereafter accrue or avoid the circumstances giving rise to such exercise and would not, in the sole determination of such Lender (or Transferee) or the Administrative Agent, as the case may be, require it to incur additional costs or be otherwise disadvantageous to such Lender (or Transferee) or the Administrative Agent.

(b) In the event that any Lender shall have delivered a notice or certificate pursuant to Section 2.11 or defaults in its obligations to make Term Loans hereunder, or Borrower shall be required to make additional payments to any Lender under Section 2.15, Borrower shall have the right, but not the obligation, at its own expense (including with respect to the processing and recordation fee referred to in Section 9.04(b)), upon notice to such Lender and the Administrative Agent, to replace such Lender with an assignee (in accordance with and subject to the restrictions contained in Section 9.04(b)) approved by the Administrative Agent, which approval shall not be unreasonably withheld, and such Lender hereby agrees to transfer and assign without recourse (in accordance with and subject to the restrictions contained in Section 9.04(b)) all its interests, rights and obligations under this Agreement to such assignee; provided, however, that no Lender shall be obligated to make any such assignment unless (i) such assignment shall not conflict with any law or any rule, regulation or order of any Governmental Authority, (ii) such assignee shall pay to the affected Lender in immediately available funds on the date of such assignment the principal of the Term Loan made by such Lender hereunder and (iii) Borrower shall pay to the affected Lender in immediately available funds on the date of such assignment the interest accrued to the date of payment on the Term Loan made by such Lender hereunder and all other amounts accrued for such Lender's account or owed to it hereunder.

(c) If, in connection with any proposed amendment, modification, change, waiver, discharge or termination to any of the provisions of this Agreement as contemplated by Section 9.08(b), the consent of the Required Lenders is obtained but the consent of one or more of such other Lenders whose consent is required is not obtained, then Borrower shall have the right, but not the obligation, at its own expense (including with respect to the processing and recordation fee referred to in Section 9.04(b)) upon notice to such Lender and the Administrative Agent, to replace each such non-consenting Lender or Lenders (or, at the option of Borrower, if such Lender's consent is required with respect to less than all of the Term Loans, to replace only the respective Terms Loan of the respective non-consenting Lender which gave rise to the need to obtain such Lender's individual consent) with an assignee (in accordance with and subject to the restrictions contained in Section 9.04(b)) approved by the Administrative Agent, which approval shall not be unreasonably withheld, so long as at the time of such replacement, each such assignee consents to the proposed amendment, modification, change, waiver, discharge or termination; provided, however, that no Lender shall be obligated to make any such assignment unless (i) such assignment shall not conflict with any law or any rule, regulation or order of any Governmental Authority, (ii) such assignee shall pay to the non-consenting Lender in immediately available funds on the date of such assignment the principal of the Term Loan made by such Lender hereunder and subject to such assignment and (iii) Borrower shall pay to the non-consenting Lender in immediately available funds on the date of such assignment the interest accrued to the date of payment on the Term Loan made by such Lender hereunder and subject to such assignment and all other amounts accrued for such Lender's account or owed to it hereunder with respect to such Term Loan.

ARTICLE III

Representations and Warranties

Borrower represents and warrants to each of the Lenders and the Administrative Agent that:

SECTION 3.01. Organization; Powers. Each of the Loan Parties (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has all requisite organizational power and authority to own its property and assets and to carry on its business as now conducted, (c) is qualified to do business in every jurisdiction where such qualification is required by the nature of its business, the character and location of its property, business or customers, or the ownership or leasing of its properties, except for such jurisdictions in which the failure so to qualify, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, and (d) has the requisite power and authority to execute, deliver and perform its obligations under each of the Loan Documents and each other agreement or instrument contemplated thereby to which it is or will be a party and, in the case of Borrower, to borrow hereunder.

SECTION 3.02. Authorization. The execution, delivery and performance by the parties party thereto of the Purchase Agreement and the transactions contemplated thereby (collectively, the "Purchase Transactions") and by each of the Loan Parties of each of the Loan Documents to which it is a party, the Borrowings hereunder, the use of the proceeds of the Term Loan, the creation of the security interests contemplated by the Security Documents and the other transactions contemplated by the Loan Documents (other than the Purchase Transactions) (collectively, the "Credit Transactions" and, together with the Purchase Transactions, the "Transactions") (a) have been duly authorized by all requisite corporate and, if required, stockholder action and (b) will not (i) violate (A) any provision of law, statute, rule or regulation, or the certificate of incorporation or other constitutive documents or by-laws of any Loan Party or any of its subsidiaries, (B) any order of any Governmental Authority or (C) any provision of any indenture or other material agreement or other material instrument to which any Loan Party or any of its subsidiaries is a party or by which any of them or any of their property is or may be bound, (ii) constitute (alone or with notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or (iii) result in the creation or imposition of any Lien (other than any Lien created hereunder or under the Security Documents) upon or with respect to any property or assets now owned or hereafter acquired by any Loan Party or any of its subsidiaries.

SECTION 3.03. Enforceability. This Agreement has been duly executed and delivered by Borrower and constitutes, and each other Loan Document when executed and delivered by each

Loan Party that is party thereto will constitute, a legal, valid and binding obligation of Borrower and the other Loan Parties, as applicable, enforceable against each of them in accordance with its terms (except as the enforceability thereof may be limited by bankruptcy, insolvency reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and subject to general principles of equity (whether enforcement is sought by proceeding in equity or at law)).

SECTION 3.04. Governmental Approvals. No action, consent or approval of, registration or filing with or any other action by any Governmental Authority is or will be required in connection with the Transactions, except for (a) the filing of PPSA and UCC financing statements and similar security or collateral filings and registrations under applicable laws in other jurisdictions, (b) such actions, consents, approvals, registrations and filings as have been made or obtained and are in full force and effect and (c) such actions, consents, approvals, registrations and filings, the failure of which to obtain, would not reasonably be expected to have a Material Adverse Effect.

SECTION 3.05. Financial Statements.

The Loan Parties have delivered to the Lenders their audited financial statements and the auditor's management letters (if any) for the Fiscal Years ended January 28, 2006 and January 27, 2007, and the available unaudited statements through Period 8. The audited statements agree in all material respects with the financial information provided to the Lenders prior to the receipt of such audited financial statements (after accounting for management bonuses). The Lender has also received a *pro forma* closing balance sheet, adjusted to give effect to the Transactions, that is satisfactory to the Lenders acting reasonably. All financial statements set forth or referred to in the materials specified in the preceding sentence were prepared in conformity with GAAP except, in the case of unaudited financial statements, for the absence of footnote disclosure and for year-end audit adjustments. All such financial statements fairly present in all material respects the consolidated financial position of such Loan Parties as at the date thereof and the consolidated results of operations and cash flows of the Loan Parties for each of the periods covered thereby. Except as disclosed in such financial statements, none of the Loan Parties had at the date of such financial statements any material contingent obligation, material contingent liability or material liability for taxes, long-term lease or unusual forward or long-term commitment or obligations to retired employees for medical or other employee benefits that is not reflected in the foregoing financial statements or the notes thereto.

SECTION 3.06. No Material Adverse Effect. Since January 28, 2007, there has been no event or condition that has had, or could reasonably be expected to have, a Material Adverse Effect.

SECTION 3.07. Title to Properties; Possession Under Leases.

(a) Except as set forth on Schedule 3.07, each of Borrower and the Subsidiaries has good and marketable title to, or valid leasehold interests in, or equivalent legal title in the applicable jurisdiction to, all its properties and assets, except for minor defects in title that do not interfere in any material respect with its ability to conduct its business as currently conducted. All such title to, or leasehold interest in, properties and assets are free and clear of Liens, other than Liens expressly permitted by Section 6.02 and Liens with respect to which the Administrative Agent has received on or prior to the Closing Date duly executed releases and termination statements in connection therewith.

(b) Each of Borrower and the Subsidiaries has complied with all obligations under all leases to which it is a party and enjoys peaceful and undisturbed possession under all such leases except for acts of non-compliance which could not reasonably be expected to have a Material Adverse Effect.

SECTION 3.08. Subsidiaries and Ownership of the Loan Parties. Except as set forth on Schedule 3.08, the Loan Parties have no direct or indirect Subsidiaries. The outstanding stock and/or Equity Interests of each Loan Party has been duly and validly issued and is fully paid and non-assessable by such Loan Party, as applicable, and the number and owners of such shares of capital stock and/or Equity Interests of such Loan Party are set forth on Schedule 3.08. Except as set forth on Schedule 3.08, there are no securities, notes, bonds or other instruments convertible into or exchangeable for capital stock and/or Equity Interests of any Loan Party.

SECTION 3.09. Litigation; Compliance with Laws.

(a) Except as set forth in Schedule 3.09, there are no actions, suits or proceedings at law or in equity or by or before any Governmental Authority now pending or, to the knowledge of Borrower, threatened against or affecting Borrower or any of the Subsidiaries or any business or property of any such Person that (i) purports to affect the legality, validity or enforceability of any Loan Document or the Transactions or (ii) would reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(b) Neither Borrower nor any of the Subsidiaries nor any of their respective properties or assets is (i) in violation of, nor will the continued operation of their properties and assets as currently conducted violate, any law, rule, regulation, statute (including any zoning, building, Environmental Laws, ordinance, code or approval or any building permits) or any restrictions of record or agreements, where such violations could reasonably be expected to have a Material Adverse Effect or (ii) in default with respect to any judgment, writ, injunction, decree or order of any Governmental Authority, where such defaults, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect.

SECTION 3.10. Federal Reserve Regulations

(a) Neither Borrower nor any of the Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying Margin Stock.

(b) No part of the proceeds of any Term Loan has been used, whether directly or indirectly, and whether immediately, incidentally or ultimately, (i) to purchase or carry Margin Stock or to extend credit to others for the purpose of purchasing or carrying Margin Stock or to refund indebtedness originally incurred for such purpose or (ii) for any purpose that entails a violation of, or is inconsistent with, the provisions of the Regulations of the Board, including Regulation T, U or X.

SECTION 3.11. Tax Returns. All federal, and material provincial and local and foreign national, state, provincial, regional and local and all other tax returns of the Loan Parties required by applicable law to be filed have been duly filed, and all federal, and material provincial and local and foreign national, state, provincial, regional and local and all other taxes, assessments and other governmental charges or levies upon the Loan Parties and their respective property, income, profits and assets which are due and payable have been paid, except any such non-payment which is at the time permitted under Section 5.03. The charges, accruals and reserves on the books of the Loan Parties in respect of federal, provincial and local taxes and foreign national, state, provincial, regional and local taxes for all Fiscal Years and portions thereof since the organization of each of the Loan Parties, as applicable, are in the judgment of Borrower adequate, and to the knowledge of Borrower, no additional assessments for any of such years are pending which, singly or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

SECTION 3.12. Accuracy and Completeness of Information. All written information, reports, certificates, financial statements, other instruments, and other papers and data (other than projections, *pro formas*, budgets and general economic or industry data) produced by or on behalf of Borrower or any other Loan Party and furnished, to the Administrative Agent or any Lender were, at the time the same were so furnished, when taken as a whole, complete and correct in all material respects to the extent necessary to give the recipient a materially true and accurate knowledge of the subject matter, and no fact is known to Borrower or any other Loan Party which has had, or could reasonably be expected to in the future have, a Material Adverse Effect which has not been set forth in the financial statements or disclosure delivered prior to the Closing Date, in each case referred to in Section 3.05, or in such written information, reports or other papers or data or otherwise disclosed in writing to the Administrative Agent or any Lender prior to the Closing Date.

SECTION 3.13. Employee Benefit Plans. As of the Closing Date:

(a) there are no outstanding disputes concerning the assets of the Canadian Pension Plans, the Canadian Benefit Plans, or the Plans, except where such dispute would not reasonably be expected to have a Material Adverse Effect;

(b) no promises of benefit improvements under the Canadian Pension Plans, the Canadian Benefit Plans or the Plans have been made, except where such improvement would not reasonably be expected to have a Material Adverse Effect;

(c) All contributions or premiums required to be made or paid by the Loan Parties to the Canadian Pension Plans, the Canadian Benefit Plans or Plans have been made on a timely basis in accordance with the terms of such plans and all applicable laws;

(d) there have been no improper withdrawals or applications of the assets of the Canadian Pension Plans, the Canadian Benefit Plans or the Plans, except where such impropriety would not reasonably be expected to have a Material Adverse Effect;

(e) none of the Canadian Pension Plans or the Canadian Benefit Plans has any unfunded actuarial liabilities or solvency deficiencies (within the meaning of the applicable laws) except where such unfunded liabilities or solvency deficiencies could not reasonably be expected to result in a Material Adverse Effect.;

(f) no Pension Plan Event has occurred with respect to the Plans;

(g) no Loan Party or has at anytime been an employer (for the purposes of Sections 38-51 of the UK Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the UK Pensions Schemes Act 1993); and

(h) no Loan Party is or has at anytime been "connected" with or an "associate" of (as such terms are used in Sections 39 and 43 of the UK Pensions Act 2004) such an employer.

SECTION 3.14. Environmental and Safety Matters. Except as set forth on Schedule 3.14:

(a) Each of Borrower and the Subsidiaries has obtained all permits, licenses and other authorizations that are required and material with respect to the operation of the business of Borrower and the Subsidiaries under any Environmental Law, and each such permit, license and authorization is in full force and effect, except for where the failure to obtain or maintain in force or effect such permits, licenses or other authorizations would not reasonably be expected to have a Material Adverse Effect.

(b) Each of Borrower and the Subsidiaries is in compliance with all material terms and conditions of the permits, licenses and authorizations specified in paragraph (a) above, and is also in compliance with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in any Environmental Law applicable to it and its business, assets, operations and properties, except where the failure to comply would not reasonably be expected to have a Material Adverse Effect.

(c) There is no civil, criminal or administrative action, suit, demand, claim, hearing, notice of violation, investigation, proceeding, notice or demand letter or request for information pending or, to the knowledge of Borrower, after inquiry, threatened against Borrower or any of the Subsidiaries under any Environmental Law that would reasonably be expected to have a Material Adverse Effect.

(d) Neither Borrower nor any of the Subsidiaries has received notice that it has been identified as a potentially responsible party under any Canadian federal or provincial law, or any United States federal or state law, or any English or German law for any hazardous substances or any pollutant or contaminant, or any toxic substance, hazardous waste, hazardous constituents, hazardous materials, asbestos or asbestos containing material, polychlorinated biphenyls, petroleum, including crude oil and any fractions thereof, or other wastes, chemicals, substances or materials regulated by any Environmental Laws (collectively, "Hazardous Materials") that it or any of their respective predecessors in interest has used, generated, stored, tested, handled, transported or disposed of, has been found at any site at which any Governmental Authority or private party is conducting a remedial investigation or other action pursuant to any Environmental Law, except for any such notices that would not reasonably be expected to have a Material Adverse Effect.

(e) There have been no releases or threatened releases of Hazardous Materials by Borrower or any of the Subsidiaries on, upon, into or from any of the Real Properties, which releases or threatened releases would reasonably be expected to have a Material Adverse Effect. To the best knowledge of Borrower, there have been no such releases or threatened releases on, upon, under or into any real property in the vicinity of any of the Real Properties that, through soil, surface water or groundwater migration or contamination, may be located on, in or under such Real Properties and which would reasonably be expected to have a Material Adverse Effect.

(f) There is no asbestos in, on, or at any Real Properties or any facility or equipment of Borrower or any of the Subsidiaries, except to the extent that the presence of, or exposure to, such material would not reasonably be expected to have a Material Adverse Effect.

(g) There are no events, conditions, circumstances, activities, practices, incidents, actions or plans that would reasonably be anticipated to interfere with or prevent compliance with any Environmental Law, or which may give rise to liability under any Environmental Law, or otherwise form the basis of any claim, action, demand, suit, proceeding, hearing or notice of violation, study or investigation, based on or related to the manufacture, processing, distribution, use, generation, treatment, storage, disposal, transport, shipping or handling, the emission, discharge, release or threatened release into the environment of, or exposure to, any Hazardous Material that would reasonably be expected to have a Material Adverse Effect.

SECTION 3.15. Solvency. Immediately after giving effect to the Transactions to occur on the Closing Date, and taking into account credit support from other Loan Parties, (a) the present fair saleable value on a going concern basis of the assets of Borrower and each of the Subsidiaries will exceed the amount that will be required to be paid on or in respect of the existing debts and other liabilities (including contingent liabilities) of Borrower and each the Subsidiaries as they become absolute and mature, (b) Borrower and each the Subsidiaries will not have unreasonably small capital to carry out their businesses as conducted or as proposed to be conducted, and (c) Borrower does not intend to, nor does it intend to permit any of the Subsidiaries to, and does not believe that it or any such Subsidiary will, incur debts beyond its ability to generally pay such debts as they become absolute and mature.

SECTION 3.16. Security Documents. The Security Agreements, upon execution and delivery thereof by the parties thereto, will create in favour of the Administrative Agent, for the rateable benefit of the beneficiaries named therein, a legal, valid and enforceable security interest in the Collateral and proceeds thereof and when financing statements in appropriate form have been duly filed in the offices specified on Schedule 3.16, each Lien created under the Security Agreements will constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Loan Parties in such Collateral, and the proceeds thereof, to the extent perfection or publication can be obtained by filing PPSA and UCC financing statements or similar filings or registrations under the applicable laws of any other applicable jurisdiction, in each case prior and superior in right to any other Person (other than the holders of Liens Permitted under Section 6.02.

SECTION 3.17. Parallel Debt.

For the purposes of taking and ensuring the continuing validity of security ("**Parallel Debt Security**") under the Security Documents subject to the laws of (or to the extent affecting assets situated in) Germany, notwithstanding any contrary provision in this Agreement:

(a) the Borrower irrevocably and unconditionally undertakes (such undertakings, the "**Parallel Obligations**") to pay to the Administrative Agent amounts equal to all present and future amounts (the "**Original Obligations**") owing by it to a Lender under the Loan Documents;

(b) the Administrative Agent shall have its own independent right to demand and receive payment of the Parallel Obligations;

(c) the Parallel Obligations shall not limit or affect the existence of the Original Obligations for which the Lenders shall have an independent right to demand payment;

(d) payment by a Loan Party of its Parallel Obligations shall to the same extent decrease and be a good discharge of the corresponding Original Obligations owing to the relevant Lenders and payment by a Loan Party of its Original Obligations to the relevant Lender shall to the same extent decrease and be a good discharge of the Parallel Obligations owing by it to the Administrative Agent;

(e) the Parallel Obligations are owed to the Administrative Agent in its own name on behalf of itself and not as agent or representative of any other person nor as trustee and the Parallel Debt Security shall secure the Parallel Obligations so owing;

(f) without limiting or affecting the Administrative Agent's right to protect, preserve or enforce its rights under any Security Document, the Administrative Agent undertakes to each Lender not to exercise its rights in respect of the Parallel Obligations without the consent of the relevant Lender; and

(g) the Administrative Agent undertakes to pay to the Lender any amount collected or received by it in payment or partial payment of the Parallel Obligations and shall distribute any amount so received to the Lenders in accordance with the terms of this Agreement as if such amounts had been received in respect of the Original Obligations.

SECTION 3.18. Labour Matters. As of the Closing Date, there are no strikes or other labour disputes against any of the Loan Parties pending or, to the knowledge of Borrower, threatened that would reasonably be expected to result in a Material Adverse Effect. The hours worked by and payment made to employees of any Loan Party have not been in violation of applicable federal, provincial, regional, local or foreign law dealing with such matters, where such violations could reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. The consummation of the Transactions will not give rise to a right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which Borrower or any of the Subsidiaries is a party or by which Borrower or any of the Subsidiaries is bound on the Closing Date.

SECTION 3.19. Real Property. Schedule 3.19 sets forth as of the Closing Date all real property owned or leased by Borrower or any of the Subsidiaries. With respect to all real property described as being owned by Borrower or any Subsidiary, such real property is owned in fee simple by such owner. With respect to all leasehold real property interests, the lease agreements are described in Schedule 3.19 hereto.

SECTION 3.20. Intellectual Property. Each of Borrower and the Subsidiaries owns, or is licensed or otherwise authorized to use, all patents, designs, trademarks, trade names, copyrights, technology, know-how and processes, service marks and rights with respect to the foregoing that are used in or necessary for the conduct of its business as currently conducted, and Schedule 3.20 lists all material patents, designs, trademarks, trade names, copyrights, technology, processes and other intellectual property rights. The use of such patents, designs, trademarks, trade names, copyrights, technology, processes and rights with respect to the foregoing by Borrower and the Subsidiaries does not, to the knowledge of Borrower and the Subsidiaries, infringe on the rights of any Person, subject to such claims and infringements as do not, in the aggregate, give rise to any liability on the part of Borrower and the Subsidiaries that is material to Borrower or any Subsidiaries.

SECTION 3.21. Business. Borrower and each of the Subsidiaries are engaged principally in the business described on Schedule 3.21 or reasonable extensions thereof.

SECTION 3.22. Liens. Except as set forth in Schedule 3.22, none of the properties and assets of Borrower or any Subsidiary is subject to any Lien, except Permitted Liens.

SECTION 3.23. Indebtedness and Guarantees. Set forth on Schedule 3.23 is a complete and correct listing as of the Closing Date of all of Borrower's and the Subsidiaries' Indebtedness (excluding Indebtedness incurred in the ordinary course of business) and Guarantees (excluding Guarantees entered into in the ordinary course of business). Neither Borrower nor any Subsidiary is in default of any material provision of any agreement evidencing or relating to such any such Indebtedness or Guarantee.

SECTION 3.24. Burdensome Provisions. Neither Borrower nor any of the Subsidiaries is a party to any indenture, agreement, lease or other instrument, or subject to any charter or corporate restriction, Governmental Approval or applicable law, compliance with the terms of which could reasonably be expected to have a Material Adverse Effect.

SECTION 3.25. Chief Executive Office. The chief executive office of each Loan Party are located at the address or addresses set forth on Schedule 3.25; except as set forth on Schedule 3.25, no loan party has maintained its chief executive office at any other address at any time during the five years immediately preceding the Closing Date. The exact legal name of each Loan Party is set forth on Schedule 3.25.

SECTION 3.26. Equipment. All Equipment is in good order and repair in all material respects, normal wear and tear excepted and usual ongoing operational repairs as required and casualty loss and condemnation excepted.

SECTION 3.27. Corporate and Fictitious Names; Trade Names. Except as otherwise disclosed on Schedule 3.27, during the five-year period preceding the Closing Date, neither Borrower nor any Subsidiary has been known as or used any corporate or other organizational, or fictitious name other than the corporate or other organizational name of Borrower or such Subsidiary on the Closing Date. All trade names or styles under which Borrower or any Subsidiary sells inventory or equipment or creates accounts, or to which Instruments in payment of accounts are made payable, are listed on Schedule 3.27.

SECTION 3.28. Deposit Accounts. Schedule 3.28 is a complete and correct list of all Deposit Accounts maintained by each Loan Party.

SECTION 3.29. Survival of Representations and Warranties, Etc. All representations and warranties set forth in this Article III or any of the other Loan Documents (including any such representation, warranty or statement made in or in connection with any amendment thereto) shall constitute representations and warranties made under this Agreement. All representations and warranties made under this Agreement shall be made or deemed to be made at and as of the Closing Date and at and as of the date of each Loan (excluding, for certainty, rollovers and conversions), except that representations and warranties which, by their terms are applicable only to one such date shall be deemed to be made only at and as of such date. All representations and warranties made or deemed to be made under this Agreement shall survive and not be waived by the execution and delivery of this Agreement, any investigation made by or on behalf of the Administrative Agent or any Lender or any borrowing hereunder.

ARTICLE IV

Conditions

SECTION 4.01. Conditions Precedent to the Closing Date. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement, the Lenders' obligation to make the Term Loan are subject to the fulfillment or waiver by the Lenders of each of the following conditions prior to or contemporaneously with the making of the Term Loan:

(a) The Administrative Agent shall have received a Notice of Borrowing as required by Section 2.03.

(b) The representations and warranties set forth in Article III hereof and in the other Loan Documents shall be true and correct in all material respects on and as of the Closing Date with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date.

(c) At the time of and immediately after the Closing Date, no Default or Event of Default shall have occurred and be continuing.

(d) At the time of and immediately after the Closing Date, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.

(e) Closing Documents. The Administrative Agent shall have received each of the following documents, all of which shall be satisfactory in form and substance to Administrative Agent and Lenders' Counsel:

  (i) this Agreement, complete with Schedules and Exhibits duly executed and delivered by the Parties hereto;

  (ii) certified copies of the Organizational Documents of each Loan Party as in effect on the Closing Date;

  (iii) certified copies of all corporate action, including partnership or shareholder approval, if necessary, taken by each Loan Party to authorize the execution, delivery and performance of this Agreement and the other Loan Documents and the Borrowings under this Agreement;

  (iv) certificates of incumbency and specimen signatures with respect to each of the officers of each Loan Party who is authorized to execute and deliver this Agreement or any other Loan Document on behalf of such Loan Party or any document, certificate or instrument to be delivered in connection with this Agreement or the other Loan Documents and to request borrowings under this Agreement;

  (v) a certificate evidencing the good standing of each Loan Party in the jurisdiction of its incorporation and in each other jurisdiction in which it is qualified as a foreign corporation to transact business (to the extent applicable in such Loan Party's jurisdiction of formation or incorporation);

(vi) financing statements duly executed and delivered (where required) by each Loan Party, and evidence satisfactory to the Administrative Agent that financing statements have been filed in each jurisdiction where such filing may be necessary or appropriate to perfect the Administrative Agent's security interest in the Collateral;

(vii) the Security Documents, duly executed and delivered by each applicable Loan Party or shareholder, together with stock certificates where applicable (or other certificates in respect of Equity Interests) and blank stock powers (or equivalent) for all Equity Interests of each Loan Party;

(viii) certificates or binders of insurance relating to each of the policies of insurance covering all of the Collateral together with loss payable clauses which comply with the terms of the Security Agreements;

(ix) a letter from Borrower to the Administrative Agent requesting the Term Loan and specifying the method of disbursement;

(x) copies of all the financial statements referred to in Section 3.05 and meeting the requirements thereof;

(xi) a consolidated balance sheet of Borrower as of September 8, 2007, prepared by Borrower on a *pro forma* basis, giving effect to the Transactions and setting forth the assumptions on which such balance sheet was prepared;

(xii) a certificate of a Responsible Officer on behalf of Borrower stating that, to the best of his knowledge and based on an examination sufficient to enable him to make an informed statement, (a) all of the representations and warranties made or deemed to be made under this Agreement are true and correct as of the Closing Date in all material respects, both with and without giving effect to the Term Loan to be made at such time and the application of the proceeds thereof, and the consummation of the Transactions, and (b) no Default or Event of Default exists;

(xiii) signed opinions of Stikeman Elliott LLP, Kirkland and Ellis LLP, Balfour Moss LLP, Mayer Brown LLP, Stewart McKelvey and such other local counsel as the Administrative Agent shall deem reasonably necessary or desirable, opining as to such matters in connection with this Agreement as the Administrative Agent or Lenders' Counsel may reasonably request;

(xiv) Compliance Certificate for Borrower, duly executed by Borrower;

(xv) direction to pay, duly executed by Borrower;

(xvi) a written statement of sources and uses of funds for the Transactions; and

(xvii) copies of each of the other Loan Documents duly executed by the parties thereto with evidence reasonably satisfactory to the Administrative Agent and Lenders' Counsel of the due authorization, binding effect and enforceability of each such Loan Document on each such party and such other documents and instruments as the Administrative Agent may reasonably request.

(f) Purchase Transaction.

(i) The Lenders and the Administrative Agent shall be satisfied in all respects with their due diligence and review of the assets to be acquired by Loan Parties pursuant to the Purchase Agreement, including all employment contracts of the Loan Parties.

(ii) The Administrative Agent shall have received a due diligence report from RSM McGladrey Inc., in each case with respect to the Loan Parties and the other assets to be acquired by the Loan Parties pursuant to the Purchase Agreement, the results of which shall be satisfactory to the Administrative Agent in its discretion.

(iii) On the Closing Date, the Purchase Transaction shall have been consummated in accordance with all applicable laws and the terms and provisions of the Purchase Agreement, without any amendment or waiver of any material provision thereof (except as may have been agreed to in writing by the Required Lenders), and the Administrative Agent shall have received an officer's certificate to such effect and certified copies of the Purchase Agreement and all other purchase documents as in effect on the Closing Date, in substantially the forms of such documents delivered to the Administrative Agent prior to the Closing Date. In addition, Borrower shall use commercially reasonable efforts to cause all opinion letters, if any, delivered in connection with the Purchase Transaction to be addressed to the Administrative Agent and the Lenders, or to be accompanied by a written authorization from the firm delivering such opinion letter stating that the Administrative Agent and the Lenders may rely on such opinion letter as though it were addressed to them.

(iv) The purchase price paid in respect of the Purchase Transaction shall not exceed \$85,500,000, excluding transaction costs and expenses, the repayment of indebtedness and subject to working capital adjustments.

(v) The aggregate amount of indebtedness being repaid in respect of the Purchase Transaction shall not exceed \$10,776,278.90.

(vi) after giving effect to the Transactions, (A) Audax shall beneficially own, directly or indirectly, at least 70% of each of the voting and economic Equity Interests in Holdco; (B) Holdco shall beneficially own 100% of the voting and economic Equity Interests of the Borrower; and (C) Holdco shall beneficially own, directly or indirectly, 100% of the voting and economic Equity Interests of the Subsidiaries (except that the 100% figure above shall be 51% in the case of NorthStar Cover-All, LLC and 95% in the case of Cover-All Deutschland GmbH).

(g) Equity Contribution. Simultaneously with the consummation of the transactions contemplated by this Agreement, on the Closing Date, Audax shall have contributed not less than \$28,000,000 of cash equity, to Holdco.

(h) Senior Loans. Simultaneously with the consummation of the transactions contemplated by this Agreement, on the Closing Date the Borrower shall have received gross proceeds of the Senior Loans of not less than \$40,250,000, and the Intercreditor Agreement shall have been entered into.

(i) Due Diligence Review. The Administrative Agent and the Lenders shall be satisfied in all respects with the results of their due diligence and review of the Loan Parties, including the organizational structure of the Loan Parties, management and management operations of the Loan Parties, and operating, information, management, technical, financial control and other systems of the Loan Parties.

(j) Total Leverage Ratio. The Lenders and the Administrative Agent shall have received evidence satisfactory to them that Borrower's Total Leverage Ratio, calculated on a *pro forma* basis after giving effect to the closing of the Transactions and using consolidated Indebtedness of Borrower and the Subsidiaries after giving effect to the incurrence of the initial Term Loans and the closing of the Purchase Transaction in accordance with the terms of the Purchase Agreement, does not exceed 4.35 to 1.00.

(k) No Injunctions, Conflicts, etc. No action, suit or proceeding (including any inquiry or investigation) by any entity (private or governmental) shall be pending or threatened (x) with respect to the facilities or any related documentation or (y) with respect to the Transactions or any Loan Party or the assets to be acquired under the Purchase Agreement which in the case of any or all litigation described in this sub-clause (y) the Administrative Agent shall determine could have a materially adverse effect on the Transactions, the assets to be acquired under the Purchase Agreement or the business, assets, liabilities, results of operations or condition (financial or otherwise) of the Loan Parties. The Lenders and the Administrative Agent shall have been provided with such information regarding the status of all material litigation pending against the Loan Parties, and shall be reasonably satisfied in all respects with the status of such litigation. After giving effect to the Transactions, the financings incurred in connection therewith and the other transactions contemplated thereby, there shall be no conflict with, or default under, any Material Contract.

(l) No Default. No Default or Event of Default shall have occurred and shall then be continuing on such date or will occur after giving effect to this Agreement.

(m) Approvals. All necessary governmental (domestic and foreign) and third party approvals and/or consents in connection with the Transactions and otherwise referred to herein or therein shall have been obtained and remain in effect, and all applicable waiting periods shall have expired without any action being taken by any competent authority which, in the judgment of the Administrative Agent, restrains, prevents or imposes materially adverse conditions upon the consummation of the Transactions including all filings required to be made and any approval required to be received (including any action required to be taken as a condition thereto) pursuant to the *Hart-Scott-Rodino Antitrust Improvements Act* of 1976, as amended. Additionally, there shall not exist any judgment, order, injunction or other restraint prohibiting or imposing material adverse conditions upon the Transactions or the transactions contemplated by this Agreement.

(n) No Material Adverse Effect. On or prior to the Closing Date, nothing shall have occurred (and neither the Administrative Agent nor any Lender shall have become aware of any facts or conditions not previously known) which the Administrative Agent shall reasonably determine has or is reasonably likely to have a Material Adverse Effect on the rights or remedies of the Lenders or the Administrative Agent, or on the ability of the Loan Parties to perform their obligations to the Lenders or which is reasonably likely to constitute or give rise to any condition or change that would reasonably be expected to have a Material Adverse Effect on the business, assets, liabilities, results of operations or financial condition of the Loan Parties, taken as a whole.

(o) Release of Liens. The Administrative Agent shall have received evidence satisfactory to them of the release and termination of all Liens on the property of the Loan Parties other than Liens permitted under Section 6.02.

(p) Environmental Review. Borrower shall have delivered to the Administrative Agent such environmental reports and surveys pertaining to any real property owned or leased by any of the Loan Parties as the Administrative Agent and the Lenders may reasonably request, and the Administrative Agent and the Lenders shall be satisfied in all respects with the results of the environmental due diligence relating to such real property.

(q) Minimum Operating Cash Flow. The Lenders and the Administrative Agent shall have received evidence satisfactory to them that Borrower's consolidated Operating Cash Flow, calculated for the twelve month period through the end of Period 8, equals or exceeds $12,850,000.

(r) Fees. All reasonable costs, fees, (including for certainty all fees payable pursuant to the fee letter of even date herewith from the Lead Arranger to the Borrower), expenses (including the reasonable legal fees and expenses of Lenders' Counsel, US counsel to the Lenders, and such other local counsel or agents retained by the Lenders in connection with the Term Loan) and other compensation contemplated thereby, payable to the Lead Arranger, the Administrative Agent, and the Lenders shall have been paid on the Closing Date.

(s) German Secured Indebtedness. The German Secured Indebtedness that is not fully cash-collateralized shall not exceed €162,500, and the Administrative Agent shall have been provided with evidence thereof in form satisfactory to it, acting reasonably.

(t) German Non-Prepayable Indebtedness. The German Non-Prepayable Indebtedness shall not exceed €87,500, the Liens granted in respect thereof shall secure no more than €37,500 thereof and shall secure only the Accounts of Cover-All Deutschland GmbH, and the Administrative Agent shall have been provided with evidence thereof in form satisfactory to it, acting reasonably.

ARTICLE V

Affirmative Covenants

Borrower covenants and agrees with each Lender and the Administrative Agent that until the Obligations are paid in full (other than contingent indemnity Obligations), and, unless the Required Lenders shall otherwise consent in writing, it will, and will cause each of the Guarantors to:

SECTION 5.01. Preservation of Existence and Similar Matters. Preserve and maintain its corporate or other organizational existence, rights, franchises, licenses and privileges in the jurisdiction of its formation (which shall not change without the prior written consent of the Administrative Agent) and qualify and remain qualified as a foreign corporation or other organization and authorized to do business in each jurisdiction in which the character of its properties or the nature of its business requires such qualification or authorization, except where the failure to be so qualified as a foreign corporation or other organization could not reasonably be expected to have a Material Adverse Effect; and provide to the Administrative Agent as soon as reasonably possible with a certificate of good standing (or similar document) in each case where a Loan Party has qualified as an extra-provincial corporation, or has otherwise qualified to transact business in a new jurisdiction.

SECTION 5.02. Insurance. Keep its insurable properties adequately insured at all times by financially sound and reputable insurers; maintain such other insurance, to such extent and against such risks, including fire and other risks insured against by extended coverage, as is usually maintained in the same general area by companies engaged in the same or similar businesses, including public liability insurance against claims for personal injury or death or property damage occurring upon, in, about or in connection with the use of any properties owned, occupied or controlled by it or the use of any products sold by it; and maintain such other insurance as may be required by law.

SECTION 5.03. Payment of Taxes and Claims. Pay or discharge when due (a) all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any properties belonging to it, and (b) all lawful claims of builders, materialmen, mechanics, carriers, warehousemen and landlords for labour, materials, supplies and rentals which, if unpaid, might become a Lien on any properties of Borrower or such Subsidiary, except that this Section 5.03 shall not require the payment or discharge of any such tax, assessment, charge, levy or claim (i) which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP and such contest operates to suspend enforcement of a Lien and there is no material risk of forfeiture of such property or (ii) the failure of which to pay or discharge would not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.04. Financial Statements, Reports, etc. Furnish to the Administrative Agent and each Lender:

(a) within 90 days after the end of each Fiscal Year (but 120 days after the end of Fiscal Year 2008), its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows, showing the financial condition of Borrower and the Subsidiaries as of the close of such Fiscal Year and the results of its operations and the operations of such Subsidiaries during such Fiscal, all audited by Hergott Duval Stack & Partners or other independent auditors of recognized national standing;

(b) within 30 days after the end of each Period, its unaudited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows, showing the financial condition of Borrower and the Subsidiaries as of the close of such Period and the results of its operations and the operations of such Subsidiaries during such Period and the then-elapsed portion of the Fiscal Year (it being understood that such information shall be in reasonable detail);

(c) within 45 days after the end of each Fiscal Quarter, its unaudited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows (including a comparison to the previous year's actual results (and current year's budget)), showing the financial condition of Borrower and the Subsidiaries as of the close of such Fiscal Quarter and the results of its operations and the operations of such Subsidiaries during such Fiscal Quarter and the then-elapsed portion of the Fiscal Year (it being understood that such information shall be in reasonable detail and certified by a Financial Officer of Borrower, as fairly presenting in all material respects the financial condition and results of operations of Borrower and the Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of notes);

(d) concurrently with any delivery of financial statements of Borrower under paragraphs (a) and (c) above, a duly completed compliance certificate in the form of Exhibit E (a "Compliance Certificate"), with appropriate insertions, dated the date of such annual report or such quarterly statements and signed by a Financial Officer of Borrower, containing (i) a written statement to the effect that such officer has not become aware of any Default or Event of Default that has occurred and is continuing or, if there is any such event, describing it and the steps, if any, being taken to cure it, (ii) a written statement of Borrower's management setting forth a discussion of Borrower's consolidated and consolidating financial condition, changes in financial condition and results of operations and (iii) a computation of each of the financial ratios and restrictions set forth in Article VII;

(e) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by Borrower or any of the other Loan Parties with the Securities and Exchange Commission, or any Governmental Authority succeeding to any of or all the functions of such Commission, or with any securities commission of any Canadian province, or with any Canadian or U.S. securities exchange, or distributed to any such Person's shareholders (other than to Borrower or any of the Subsidiaries), as the case may be;

(f) no later than 30 days after the end of each Fiscal Year, forecasted financial statements, prepared by Borrower, consisting of a consolidated balance sheet, cash flow statement and income statement of Borrower and the Subsidiaries on a consolidated basis, reflecting projected borrowings hereunder and setting forth the assumptions on which such forecasted financial statements were prepared, covering the one-year period until the next Fiscal Year end and prepared on a Period-by-Period basis; all such projected financial statements shall contain projected calculations of the covenants contained in Sections 6.13, 6.14,and Section 6.15;

(g) promptly from time to time, such other information regarding the operations, business affairs and financial condition of Borrower and the Subsidiaries, or compliance with the terms of any Loan Document, as the Administrative Agent or any Lender may reasonably request.

SECTION 5.05. Inter-Corporate Debt. Furnish to the Administrative Agent an originally executed copy of any secured promissory note, other instrument or chattel paper held by a Loan Party and evidencing inter-corporate debt, along with copies of any other agreements related to such inter-corporate debt (if any).

SECTION 5.06. Litigation and Other Notices. Furnish to the Administrative Agent written notice of the following promptly upon a Responsible Officer of Borrower or any Subsidiary obtaining knowledge thereof:

(a) any Event of Default or Default, specifying the nature and extent thereof and the corrective action (if any) taken or proposed to be taken with respect thereto;

(b) the filing or commencement of, or any written notice to any Loan Party of the intention of any Person to file or commence, any action, suit or proceeding (whether at law or in equity or by or before any Governmental Authority or any arbitrator) against any Loan Party or any Affiliate thereof that, if adversely determined, could result in monetary liability in excess of $500,000 or have a Material Adverse Effect;

(c) the occurrence of any Pension Plan Event that, alone or together with other Pension Plan Event, could reasonably be expected to result in liability of Borrower or any of the Subsidiaries in an aggregate amount exceeding $500,000;

(d) any material amendment of any Organizational Document of Borrower or any Subsidiary of Borrower which is adverse to the Lenders;

(e) any change in the business, assets, liabilities, financial condition, results of operations or business prospects of a Loan Party which, or any event which, has had or would reasonably be expected to have any Material Adverse Effect and any change in the executive officers of Borrower;

(f) any event that constitutes or that, with the passage of time or giving of notice or both, will constitute a Default or Event of Default by a Loan Party under any material agreement (other than this Agreement) to which such Loan Party is a party or by which such Loan Party or any of its property may be bound if the exercise of remedies thereunder by the other party to such agreement would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; and

(g) any material demands, notices of default or other material notices received or delivered by any Loan Party under or pursuant to the Purchase Transaction, including without limitation the Purchase Agreement, or under any renewals, replacements, consolidations, substitutions and extensions of any of the foregoing.

SECTION 5.07. Maintaining Records; Access to Properties and Inspections. Maintain its books and records in accordance with sound business practices sufficient to allow the preparation of financial statements in accordance with GAAP; permit any Lender or the Administrative Agent or any representative thereof to inspect the properties and operations of the Loan Parties; and permit, at any reasonable time and with reasonable notice (or at any time without notice if an Event of Default exists), any Lender or the Administrative Agent or any representative thereof to visit any or all of its offices, to discuss its financial matters with its officers and its independent auditors (and Borrower hereby authorizes such independent auditors to discuss such financial matters with any Lender or the Administrative Agent or any representative thereof provided that a Loan Party is given the opportunity to be present for such), and to examine (and, at the expense of the Loan Parties, photocopy extracts from) any of its books or other records; and at any reasonable time and with reasonable notice permit the Administrative Agent and its representatives to inspect the Inventory and other tangible assets of the Loan Parties, to perform appraisals of the equipment of the Loan Parties, and to inspect, audit, check and make copies of and extracts from the books, records, computer data, computer programs, journals, orders, receipts, correspondence and other data relating to Inventory, Accounts and any other Collateral. All reasonable costs of such inspections or audits by the Administrative Agent shall be at Borrower's expense, provided that, so long as no Default or Event of Default exists, Borrower shall not be required to reimburse the Administrative Agent for Collateral inspections or audits more frequently than once each Fiscal Year.

SECTION 5.08. Use of Proceeds. Use the proceeds of the Term Loan only for the purposes set forth in the recitals to this Agreement. No part of the proceeds of the Term Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X.

SECTION 5.09. Compliance with Law. Comply with the requirements of all applicable laws (including Environmental Laws), rules, regulations and decrees, directives and orders of any Governmental Authority that are applicable to it or to any of its properties, except where non-compliance could not reasonably be expected to have a Material Adverse Effect.

SECTION 5.10. Further Assurances.

(a) Execute any and all further documents, financing statements, agreements and instruments, and take all further action (including filing PPSA, UCC and other financing statements, registrations, mortgages and deeds of trust), that may be required under applicable law or which the Required Lenders or the Administrative Agent may reasonably request, in order to effectuate the transactions contemplated by the Loan Documents and in order to grant, preserve, protect and perfect the validity and priority of the security interests and hypothecs created or intended to be created by the Security Documents.

(b) Cause each Subsidiary (including, for certainty, Cover-All Building Systems Inc., the entity resulting from the amalgamation of the Borrower and Cover-All Buildings Systems Inc. which shall occur after the Closing Date) to become a party to such Security Documents and (if applicable) a Guarantee Agreement as may be reasonably requested by the Administrative Agent.

(c) From time to time, Borrower and the Subsidiaries will, at their cost and expense, promptly secure the Obligations by pledging or creating, or causing to be pledged or created, perfected security interests with respect to such of the assets and properties of the Loan Parties as the Administrative Agent or the Required Lenders shall reasonably request (it being understood that, subject to the limitations set forth in this paragraph (c), it is the intent of the parties that the Obligations shall be secured by substantially all of the assets of the Loan Parties (including real and personal properties acquired after the Closing Date). Such security interests and Liens will be created under the Security Documents and other security agreements, mortgages, deeds of trust and other instruments and documents in form and substance reasonably satisfactory to the Administrative Agent, and Borrower and the other Loan Parties shall deliver or cause to be delivered to the Lenders all such instruments and documents (including customary legal opinions, title insurance policies or title opinions and lien searches) as the Administrative Agent shall reasonably request to evidence compliance with this paragraph (c). Borrower and the other Loan Parties agree to provide such evidence as the Administrative Agent shall reasonably request as to the perfection and priority status of each such security interest and Lien.

SECTION 5.11. Material Contracts. Maintain in full force and effect (including exercising any available renewal option), and without amendment or modification, each Material Contract, unless the failure so to maintain any such Material Contract (or any amendment or modification thereto) could not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

SECTION 5.12. Environmental Matters.

(a) Promptly give notice to the Administrative Agent upon becoming aware of (i) any violation of any Environmental Law, (ii) any claim, inquiry, proceeding, investigation or other action, including a request for information or a notice of potential liability under any Environmental Law, by or from any Governmental Authority or any third party claimant or (iii) the discovery of the release of any Hazardous Material at, on, under or from any of the Real Properties or any facility or equipment thereat in excess of reportable or allowable standards or levels under any Environmental Law, or in a manner or amount that would result in liability in excess of $300,000 under any Environmental Law, or have a Material Adverse Effect.

(b) Upon discovery of the presence on any of the Real Properties of any Hazardous Material that is in violation of, or that could result in liability in excess of $200,000 under, any Environmental Law, or have a Material Adverse Effect, take or cause to be taken all necessary steps to initiate and expeditiously complete all remedial, corrective and other action to eliminate any such adverse effect, and keep the Administrative Agent reasonably informed of such actions and the results thereof.

SECTION 5.13. Conduct of Business. Engage only in businesses in substantially the same fields as the businesses conducted on the Closing Date and in similar or related businesses that are reasonable extensions or additions to Borrowers' business on the Closing Date.

SECTION 5.14. Accuracy of Information. Cause all written information, reports, certificates, financial statements, other instruments, and other papers and data (other than projections, *pro formas*, budgets and general economic or industry data) produced by or on behalf of Borrower or any other Loan Party and furnished to the Administrative Agent or any Lender, whether pursuant to this Article V or any other provision of this Agreement or any of the other Loan Documents to be, at the time the same were so furnished, when taken as a whole, complete and correct in all material respects to the extent necessary to give the recipient a materially true and accurate knowledge of the subject matter.

SECTION 5.15. Revisions or Updates to Schedules. Should any of the information or disclosures provided on any of the Schedules originally attached hereto become outdated or incorrect in any material respect, provide at such time it submits its Compliance Certificates to the Administrative Agent and each Lender such revisions or updates to such Schedule(s) as may be necessary or appropriate to update or correct such Schedule(s); provided, that no such revisions or updates to any Schedule(s) shall be deemed to have cured any breach of warranty or representation resulting from the inaccuracy or incompleteness of any such Schedule(s) unless and until the Required Lenders, in their sole discretion, shall have accepted in writing such revisions or updates to such Schedule(s). The Required Lenders shall be deemed to have accepted any such revisions or updates if they do not object to such revisions or updates within 30 days of receipt thereof.

SECTION 5.16. Deposit Accounts. In order to facilitate the Administrative Agent's and the Lenders' maintenance and monitoring of their security interests in the Collateral, within 45 days after the Closing Date, cause all Deposit Accounts of the Borrower to be maintained with the Administrative Agent, and with respect to Deposit Accounts of the other Loan Parties which exist but are not maintained with the Administrative Agent, cause all such Deposit Accounts to be subject to a second priority perfected Lien in favour of the Administrative Agent, for the benefit of the Beneficiaries, and (with respect to all Loan Parties formed or incorporated in the United

States and, if applicable in the UK and Germany) cause any applicable depositary financial institution to enter into a Deposit Account Pledge Agreement with respect to such Deposit Accounts (other than (i) payroll, tax withholding and trust accounts and (ii) any Deposit Accounts with an average monthly balance of less than $1,000).

SECTION 5.17. Holdco. Cause Holdco to engage in no business or activities other than (i) its ownership of the Equity Interests of Borrower and Cover-All U.S. Holding Corp., (ii) management of Holdco and its Subsidiaries, (iii) the issuance of capital stock of Holdco and the investment of any proceeds therefrom in Borrower, and (iv) entering into contracts and incurring other obligations in the ordinary cause of business of Holdco and its Subsidiaries, provided, that at no time shall Holdco own any property or assets other than the Equity Interests of Borrower and U.S. Newco.

SECTION 5.18. Pension Plans

(a) The Borrower shall ensure that all pension schemes operated by or maintained for the benefit of members of the Loan Parties and/or any of their employees are fully funded based on the minimum funding requirement under Section 56 Pensions Act 1995 or the statutory funding objective under Section 222 Pensions Act 2004 and that no action or omission is taken by any Loan Party in relation to such a pension scheme which has or is reasonably likely to have a Material Adverse Effect (including, without limitation, the termination or commencement of winding-up proceedings of any such pension scheme or Loan Party ceasing to employ any member of such a pension scheme).

(b) The Borrower shall ensure that no Loan Party is or has been at any time an employer (for the purposes of Sections38-51 of the UK Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the UK Pension Schemes Act 1993) or "connected" with or an "associate" of (as those terms are under in Sections 39 or 43 of the UK Pensions Act 2004) such an employer.

(c) The Borrower shall deliver to the Administrative Agent at such times as those reports are prepared in order to comply with the then current statutory or auditing requirements (as applicable either to the trustees of any relevant schemes or to the Borrower, actuarial reports in relation to all pension schemes mentioned in Section 5.18 (a).

(d) The Borrower shall promptly notify the Administrative Agent of any material change in the rate of contributions to any pension schemes mentioned in Section 5.18 (a) paid or recommended to be paid (whether by the scheme actuary or otherwise) or required (by law or otherwise).

SECTION 5.19. Notice of Defaults.

Promptly give written notice to the Administrative Agent of any default by a Loan Party under its Organizational Documents in any material respect, or the occurrence of any event which has not been remedied, cured or waived (i) that constitutes a Default or an Event of Default or (ii) that constitutes or that, with the passage of time or giving of notice, or both, would constitute a default or event of default by Borrower or any Subsidiary under any Material Contract (other than this Agreement) or judgment, decree or order to which Borrower or any Subsidiary is a party or by which Borrower or any Subsidiary or any of their respective properties may be bound or which would require Borrower or any Subsidiary to make any payment thereunder in excess of $300,000 prior to the scheduled maturity date therefor.

SECTION 5.20. German Conditions Precedent.

(i) Satisfy each of the German Conditions Precedent within 30 days of the Closing Date, and (ii) use commercial best efforts to obtain such consents as may be necessary to prepay or cause to be prepaid the German Non-Prepayable Indebtedness and obtain the release and discharge of all Liens in respect thereof.

ARTICLE VI

Negative Covenants

Borrower covenants and agrees with each Lender and the Administrative Agent, until the Obligations are paid in full (other than contingent indemnity obligations) and, unless the Required Lenders shall otherwise consent in writing, it will not, and will not cause or permit any of the Guarantors to:

SECTION 6.01. Indebtedness. Create, incur, assume or permit to exist any Indebtedness, except, without duplication:

(a) the Indebtedness created hereunder and under the other Loan Documents;

(b) the Senior Loans;

(c) the Indebtedness existing on the Closing Date and listed on Schedule 3.23 and refinancings thereof;

(d) Capital Lease Obligations, and Obligations in respect of mortgage and purchase money financings, such that the sum of the Indebtedness thereby created, incurred or assumed (including such Indebtedness of NorthStar Cover-All, LLC) shall not exceed at any time outstanding $1,500,000;

(e) Subject to Section 6.20, Indebtedness created pursuant to any Swap Agreement that has been entered into (i) to hedge or mitigate risks to which a Loan Party has actual exposure (other than those in respect of Equity Interests) or (ii) to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investment of a Loan Party;

(f) intercompany loans and advances permitted by Section 6.05;

(g) Indebtedness of any Person acquired by a Loan Party in a Permitted Acquisition and assumed by such Loan Party pursuant to such acquisition (including any refinancing, renewal or replacement, in whole or in part, thereof at the time of assumption thereof or from time to time thereafter), provided that (i) such Indebtedness was not incurred in contemplation of such acquisition and (ii) the aggregate principal amount of such Indebtedness at any time outstanding shall not exceed $500,000;

(h) accounts payable (for the deferred purchase price of property or services) from time to time incurred in the ordinary course of business;

(i) Indebtedness with respect to surety bonds, appeal bonds or customs bonds required in the ordinary course of business or in connection with the enforcement of rights or claims of any Loan Party;

(j) Subordinated Debt;

(k) obligations arising with respect to customary indemnification obligations or purchase price adjustments in favour of purchasers in connection with Asset Sales permitted hereunder;

(l) Indebtedness consisting of deferred purchase price or notes issued to officers, directors and employees to purchase or redeem equity interests to the extent that such purchases or redemptions are otherwise permitted hereunder (or options or warrants or similar instruments) of a Loan Party;

(m) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, securing the performance of such Borrower or Subsidiary pursuant to such agreements, in connection with Permitted Acquisitions permitted hereunder;

(n) obligations under incentive, non-compete, consulting, deferred compensation, or other similar arrangements incurred by it;

(o) Indebtedness incurred in connection with the financing of insurance premiums;

(p) Indebtedness in the ordinary course of business in respect of overdraft protections and otherwise in connection with deposit accounts;

(q) endorsement of instruments for deposit or collection in the ordinary course of business, and guarantees of guarantees incurred for the benefit of any other Loan Party if the primary obligation is permitted elsewhere in this Section 6.01;

(r) Indebtedness arising under German law in respect of elderly part-time employees (*Altersteilzeitgesetz*);

(s) German Secured Indebtedness existing only during the period beginning on the Closing Date and ending 30 days thereafter;

(t) German Non-Prepayable Indebtedness; and

(u) other Indebtedness of Borrower and the Subsidiaries incurred in the ordinary course of business, that does not exceed in an aggregate amount at any time outstanding $1,000,000.

SECTION 6.02. Liens.

(a) Create, incur, assume or permit to exist any Lien on any property or assets (including stock or other securities of any Person) now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except:

(i) Permitted Liens;

(ii) Liens created under the Loan Documents;

(iii) Liens existing as of the Closing Date and listed on Schedule 3.22, provided that (A) such Liens shall apply only to the property or assets to which they apply on the Closing Date and (B) such Liens shall secure only those obligations that they secure on the Closing Date;

(iv) Liens securing Indebtedness permitted by Section 6.01(d), provided that any such Lien shall apply only to the property that is the subject of such Indebtedness and, if applicable, the principal amount of Indebtedness secured by any such Lien shall at no time exceed 100% of the fair market value (as determined in good faith by Borrower or a Subsidiary, as applicable) of the respective property at the time it was so acquired plus taxes, transportation and installation costs;

(v) Liens securing Indebtedness constituting mortgage or purchase money financings, Capital Lease Obligations or similar financings assumed or incurred pursuant to Section 6.01(g) in connection with a Permitted Acquisition, provided that (A) such Liens attach only to property or assets acquired in connection with such acquisition, (B) such Liens were not created in contemplation of such acquisition and (C) such Liens shall secure only those obligations that they secure at the time of such acquisition and refinancings thereof permitted hereunder so long as the principal amount of obligations secured under this clause (v) is not increased;

(vi) Liens securing Indebtedness permitted under Section 6.01 except where such Indebtedness is stated therein to be unsecured;

(vii) extensions, renewals or replacements of any Lien referred to above, provided that such extension, renewal or replacement is limited to the Indebtedness and property originally secured and encumbered thereby; and

(viii) other Liens not listed above and not exceeding $500,000 at any time; provided that such Liens (other than purchase money financing and capital lease obligations) shall not rank prior to the Liens securing the Obligations.

(b) Enter into any agreement prohibiting the creation or assumption of any Lien upon properties or assets, whether now owned or hereafter acquired, except any such restriction that exists under (i) this Agreement, (ii) any documents governing secured Indebtedness permitted hereunder, provided that such restrictions only relate to the assets securing such Indebtedness, (iii) restrictions by reason of customary provisions contained in leases, licenses, governmental contracts and similar agreements entered into in the ordinary course of business, provided that such restrictions are limited to the property or assets subject to such leases, licenses, contracts or agreements), and (iv) any agreement with respect to a permitted sale or disposition of any assets, provided such restrictions are limited to the assets to be sold or disposed of.

SECTION 6.03. Financial Assistance.

Use any of the proceeds of the Term Loan under this Agreement or act in any way that infringes Section 151 of the Companies Act 1985 of the United Kingdom (as amended or otherwise re-enacted from time to time.

SECTION 6.04. Sale/Leaseback Transactions. Enter into any Sale/Leaseback Transaction.

SECTION 6.05. Investments, Loans and Advances. Have outstanding or make any loan or advance to, or have or make any Investment in, any other Person or suffer to exist any such loan, advance or Investment, or any obligation to make such loan, advance or Investment, except Permitted Investments; provided however, that a Loan Party may acquire all of the Equity Interests in the capital of a Person, or the Equipment and assets of a Business Unit (each such acquisition, a "Permitted Acquisition") if each of the following conditions is satisfied (unless waived by the Required Lenders):

(a) Borrower is in compliance, on a pro forma basis after giving effect to such Permitted Acquisition, with the covenants contained in Sections 6.14 and 6.15 recomputed as of the last day of the most recently ended Fiscal Quarter of Borrower as if such Permitted Acquisition had occurred on the first day of each relevant period for testing such compliance;

(b) no Default or Event of Default then exists (both before and after giving effect to such Permitted Acquisition);

(c) the aggregate cash purchase price for all Permitted Acquisitions from and after the Closing Date will not exceed $5,000,000 plus the amount of capital contributions the proceeds of which are used toward the purchase price for such Permitted Acquisitions (including any earnout payments, the value of which is determined in good faith by the board of directors of Borrower, or deferred purchase price payments);

(d) after giving effect to the Permitted Acquisition of the Business Unit to be acquired, Borrower will be in compliance with Section 6.10;

(e) if the Permitted Acquisition will be structured as a merger, amalgamation or other reorganization, the Loan Party that is the acquiror will be the surviving or continuing entity;

(f) the Permitted Acquisition has been approved by the board of directors or the requisite partnership vote of each of the subject Persons;

(g) each Business Unit acquired in a Permitted Acquisition shall have its primary operations in Canada, the United States, England or Germany;

(h) Borrower shall provide written notice of a Permitted Acquisition to the Administrative Agent and the Lenders at least 15 days prior to the consummation of such Permitted Acquisition, and all material documentation governing such Permitted Acquisition shall be delivered to the Administrative Agent in advance of the consummation of such Permitted Acquisition;

(i) Borrower shall have taken all actions set forth in, and fully complied with, Section 5.10 on or prior to the consummation of such Permitted Acquisition with respect to such Person or Business Unit so acquired; and

(j) Borrower shall, if requested by the Agent or the Required Lenders acting reasonably, have delivered to the Administrative Agent and the Lenders environmental reports with respect to any owned real property to be acquired in such Permitted Acquisition, reasonably satisfactory in scope and substance to the Administrative Agent and the Required Lenders.

SECTION 6.06. Mergers, Consolidations, Amalgamations and Acquisitions. Merge, consolidate, form a joint venture or partnership with, or wind up into or amalgamate with any other person; provided, the foregoing shall not prohibit (i) the merger, consolidation or wind up into or amalgamation of (A) Borrower with any Subsidiary (provided that Borrower shall survive, or continue after, any such merger, consolidation, wind up or amalgamation) or (B) a Subsidiary with any other Subsidiary, and (ii) the merger of a Business Unit with and into a Loan Party pursuant to a Permitted Acquisition.

SECTION 6.07. Sales of Assets. Consummate any Asset Sale; provided, the foregoing shall not prohibit (a) Asset Sales the aggregate proceeds of which do not exceed $5,000,000 in any Fiscal Year (the proceeds of such Asset Sales also being subject to mandatory prepayment as set out in the credit agreement in respect of the Senior Loans), (b) sales of inventory in the ordinary course of business on customary trade terms, (c) sales of Equipment which has become worn out, damaged or otherwise unsuitable for its intended purpose, (d) the lease of any assets by Borrower or any of the Subsidiaries to any other Subsidiary or to Borrower, (e) granting of discounts or forgiveness of account receivables in the ordinary course of business or in connection with collection or compromise thereof, (f) the sale or other disposition of Permitted Investments, (g) making of Investments permitted hereunder, and (h) making of Restricted Payments permitted hereunder.

SECTION 6.08. Restricted Payments.

(a) Declare or make, directly or indirectly, any Restricted Payment or set aside any amount for any such purpose.

(b) Notwithstanding the provisions of paragraph (a) above:

   (i) the Subsidiaries may pay dividends or make other distributions to Borrower and other Subsidiaries (and in the case on NorthStar Cover-All, LLP and Cover-All Deutschland GmbH, may on a *pro rata* basis pay dividends or make other distributions to minority holders of Equity Interests in them);

   (ii) so long as no Default or Event of Default exists or would result therefrom, the Loan Parties may pay management fees not exceeding an aggregate of $600,000 in each Fiscal Year or $150,000 in any Fiscal Quarter, such management fees to be paid no more frequently than once each Fiscal Quarter; provided that during the existence of a Default or an Event of Default shall not restrict the Loan Parties from paying in the ordinary course of business expense reimbursements and indemnities in connection with management fees;

(iii) the Loan Parties may make payments to Borrower and/or Holdco and Holdco may make payments to Cover All Holdings S.a.r.l. to permit Borrower and/or Holdco and/or Cover All Holdings S.a.r.l. to (A) pay federal, provincial and other taxes then due and owing and franchise and similar licensing expenses incurred in the ordinary course of business in connection with the Loan Parties, (B) reimburse Borrower and/or Holdco for audit fees and related expenses as well as maintenance fees, and (C) make payments required under the Purchase Agreement;

(iv) the Loan Parties may make payments in cash or upon notes issued to former employees, officers or directors of a Loan Party in connection with the redemption or repurchase of equity interests from such former employees, officers or directors upon termination of employment with a Loan Party or their death or disability, not to exceed $500,000 in any Fiscal Year or $2,000,000 during the term of this Agreement; and

(v) the Loan Parties may make deferred payments of fees to Audax (that would otherwise be due on the Closing Date in connection with the Transactions) on or before the end of the Borrower's 2008 Fiscal Year, in an aggregate amount not to exceed $1,282,500.

SECTION 6.09. Transactions with Affiliates. Effect any transaction with any Affiliate (other than with Borrower or a Loan Party) on a basis less favourable to Borrower or to such Loan Party than would be the case if such transaction had been effected with a Person not an Affiliate, provided the foregoing shall not prohibit:

(a) compensation, expense reimbursement and indemnities paid to directors of the Loan Parties in the ordinary course of business;

(b) stock option and compensation plans of the Loan Parties established in the ordinary course of business;

(c) employment contracts with officers and management of the Loan Parties established in the ordinary course of business;

(d) transactions among the Loan Parties expressly permitted herein;

(e) reimbursement of *bona fide* expenses incurred by Audax for the sole benefit of the Loan Parties in the ordinary course of business, such expenses not to exceed what would reasonably be incurred on an arm's length basis; and

(f) transactions described on Schedule 6.09 and agreed to by the Administrative Agent in its Permitted Discretion

SECTION 6.10. Business. Engage at any time in any business other than the businesses engaged in by Borrower or any Subsidiary on the Closing Date and businesses that are reasonably similar or reasonably related thereto, or are reasonable extensions thereof.

SECTION 6.11. Limitation on Dispositions of Stock of Subsidiaries. Directly or indirectly sell or otherwise dispose of, or permit Borrower or any Subsidiary to issue to any other Person (other than to Borrower or any Subsidiary), any shares of capital stock or other Equity Interests of

Borrower or any Subsidiary, other than, in the case of Cover-All Deutschland GmbH, as required under the option right described in Schedule 3.08

SECTION 6.12. Restrictions on Ability of Subsidiaries to Pay Dividends. Permit any Subsidiary to, directly or indirectly, voluntarily create or otherwise voluntarily cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Subsidiary to (a) pay dividends or make any other distributions on its capital stock or any other Equity Interest or (b) make or repay loans or advances to any Loan Party, except for encumbrances or restrictions under this Agreement and the other Loan Documents or under applicable law, or the restrictions contained in Section 10 of the amended articles of association of Cover-All Deutschland GmbH (which as of the Closing Date have been filed for registration but not yet registered with the commercial register) and any agreement with respect to dividends or other distributions entered into with the minority shareholder of Cover-All Deutschland GmbH prior to the Closing Date..

SECTION 6.13. Capital Expenditures. Incur Capital Expenditures in any Fiscal Year in an aggregate amount in excess of $1,000,000. Notwithstanding the preceding sentence, to the extent that the aggregate amount of Capital Expenditures made by the Loan Parties during any Fiscal Year is less than $1,000,000, 50% the amount of such difference (as used in this Section, the "**Rollover Amount**") may be carried forward and used to make Capital Expenditures during the succeeding Fiscal Year (with the amount of Capital Expenditures made in such succeeding Fiscal Year being applied first to the Rollover Amount).

SECTION 6.14. Total Leverage Ratio. Permit the Total Leverage Ratio during any Fiscal Quarter to exceed the amount set out next to that Fiscal Quarter in Schedule 6.14.

SECTION 6.15. Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio any times during the last four quarters most recently ended to be less than 1.05 to 1.00.

SECTION 6.16. Fiscal Year. Cause the Fiscal Year of Borrower or any Subsidiary to end on a date other than the last day of Period 13 of such Fiscal Year.

SECTION 6.17. Amendments of Organizational Documents and Other Agreements.

(a) Cause or suffer to exist any amendment, restatement, supplement or other modification to the Organizational Documents of Borrower, any Subsidiary or any other Loan Party without the prior written consent of the Required Lenders, unless such amendment, restatement, supplement or modification is not adverse to the interests of the Lenders hereunder or under the other Loan Documents or, in the case of Cover-All Deutschland GmbH, is contemplated as part of the satisfaction hereunder of the German Conditions Precedent.

(b) Amend in any way (i) the Purchase Agreement in any manner adverse to the Lenders or (ii) the maturity date, interest rate, principal amount or schedule of payments of principal and interest with respect to German Secured Indebtedness or the German Non-Prepayable Indebtedness.

SECTION 6.18. Deferred Purchase Price. Make any payments (other than payments solely in the form of Holdco capital stock or options to purchase Holdco capital stock and other than payments made in connection with working capital adjustments or indemnification obligations) in respect of deferred purchase price, earn-outs or other payments to former owners of an acquired Business Unit or Investment after the closing date of a Permitted Acquisition unless (i) no Default or Event of Default has occurred and is continuing and no Default or Event of Default would result therefrom and (ii) Borrower would have been in pro forma compliance with the financial covenants set forth in Sections 6.14 and 6.15 had such payment been made on the last day of the immediately preceding Fiscal Quarter.

SECTION 6.19. Limitation on Creation of Subsidiaries. Not establish, create, acquire or suffer to exist any Subsidiary, except that any Borrower or any Subsidiary may establish or create one or more wholly-owned Subsidiaries (or such non wholly-owned Subsidiaries as the Required Lenders may permit in their sole discretion) and transfer assets to such newly established or created Subsidiaries so long as (i) the creation, establishment, acquisition, or existence of any such new Subsidiary is in compliance with Section 6.05 (with the transfer of any assets constituting an Investment under Section 6.05), (ii) 100% (or such lesser amount as the Required Lenders permit in their sole discretion) of the Equity Interests of such Subsidiary is upon the creation, establishment or acquisition of any such new Subsidiary pledged to the Administrative Agent for the benefit of the Lenders, and (iii) upon the creation, establishment or acquisition of any such new Subsidiary, such Subsidiary executes the documents required to be executed by it in accordance with Section 5.10.

SECTION 6.20. Swap Liability

Not allow net obligations of the Loan Parties in respect of Swap Agreements (such net obligations to be equal at any time to the termination value of such Agreements or other arrangements that would be payable by or to the Loan Parties at such time) to exceed $4,000,000 at any time, excluding net obligations in respect of Swap Agreements required to be entered into pursuant to Section 6.18 of the credit agreement in respect of the Senior Loans.

SECTION 6.21. Advances to Cover-All Deutschland GmbH.

Not make or allow any other Loan Party to make any loans, advances or other payments to Cover-All Deutschland GmbH prior to the satisfaction in full of the German Conditions Precedent.

ARTICLE VII

Events of Default

SECTION 7.01. Events of Default

In case of the happening of any of the following events (each, an "Event of Default"):

(a) any representation or warranty made or deemed made in any Loan Document, or any representation, warranty, statement or information contained in any report, certificate, financial statement or other instrument furnished pursuant to any Loan Document, shall prove to have been false or misleading in any material respect when so made, deemed made or furnished;

(b) default shall be made in the payment of any principal of the Term Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise;

Documents (except for its or such Person's own gross negligence or wilful misconduct), (b) be responsible in any manner to any Lender (or any Lender's participants) for any recitals, statements, representations or warranties made by Borrower or any of the Subsidiaries or any officer thereof contained in this Agreement or the other Loan Documents or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or the other Loan Documents, or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or the other Loan Documents or for any failure a Loan Party to perform its obligations hereunder or thereunder, or (c) have any obligation whatsoever to any of the Lenders to assure that the Collateral exists or is owned by the Loan Parties or is cared for, protected or insured or has been encumbered, or that the Administrative Agent's Liens have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to the Administrative Agent pursuant to any of the Loan Documents, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, the Administrative Agent may act in any manner it may deem appropriate, in its sole discretion, given the Administrative Agent's own interest in the Collateral in its capacity as one of the Lenders and that the Administrative Agent shall have no other duty or liability whatsoever to any Lender as to any of the foregoing. The Administrative Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement, or to inspect the properties, books or records of Borrower or any of the Subsidiaries.

SECTION 8.04. Reliance by the Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any Note, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to Borrower or any of the Subsidiaries), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless such Note shall have been transferred in accordance with Section 9.04. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement and the other Loan Documents unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the Notes in accordance with a request of the Required Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Notes.

SECTION 8.05. Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received notice from a Lender or Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall promptly give notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may take such other action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

SECTION 8.06. Non-Reliance on Agent and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereinafter taken, including any review of the affairs of Borrower and the Subsidiaries, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of Borrower and the Subsidiaries and made its own decision to make its Term Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of Borrower and the Subsidiaries. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder or by the other Loan Documents, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, financial and other condition or creditworthiness of Borrower and the Subsidiaries which may come into the possession of the Administrative Agent, or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

SECTION 8.07. Indemnification. The Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by Borrower and without limiting the obligation of Borrower to do so), in proportion to each Lender's pro rata share (based on its Term Commitments hereunder (provided that (i) in the case of Term Loan or (ii) in the event that such Term Commitments shall have expired or been terminated, such pro rata share shall be based on the respective principal amounts of the outstanding Term Loan), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including at any time following the payment of the Notes) be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or the other Loan Documents, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Lender shall be liable to the Administrative Agent hereunder for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting solely from the Administrative Agent's gross negligence or willful misconduct or resulting solely from transactions or occurrences that occur at a time after such Lender has assigned all of its interests, rights and obligations under this Agreement pursuant to Section 9.04 or, in the case of a Lender to which an assignment is made hereunder pursuant to Section 9.04, at a time before such assignment. The agreements in this subsection shall survive the payment of the Notes, the Obligations and all other amounts payable hereunder and the termination of this Agreement.

SECTION 8.08. Administrative Agent in Its Individual Capacity. The Administrative Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Loan Parties as if the Administrative Agent were not the Administrative Agent hereunder. With respect to its Term Commitment, the Term Loan made or renewed by it and any Note issued to it, the Administrative Agent shall have and may exercise the same rights and powers under this Agreement and the other Loan Documents and is subject to the same obligations and liabilities as and to the extent set forth herein and in the other Loan Documents for any other Lender. The terms "Lenders" or "Required Lenders" or any other term shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity as a Lender or one of the Required Lenders.

SECTION 8.09. Successor Administrative Agent. Subject to the appointment and acceptance of a successor Administrative Agent as provided below, the Administrative Agent may resign at any time by notifying the Lenders and Borrower. Upon any such resignation, the Required Lenders shall have the right to appoint a Lender as the successor, which successor agent shall, unless a Default or Event of Default shall have occurred and be continuing, be subject to approval by Borrower (not to be unreasonably withheld or delayed); provided that any successor Administrative Agent shall not be a non-resident of Canada or shall be deemed to be resident in Canada for the purposes of Part XIII of the ITA. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall not be a non-resident of Canada or shall be deemed to be resident in Canada for the purposes of Part XIII of the ITA. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. After the Administrative Agent's resignation hereunder, the provisions of this Article IX and Section 9.05 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent.

SECTION 8.10. Notices from Administrative Agent to Lenders. The Administrative Agent shall promptly, upon the written request from any Lender, forward to Lender copies of any written notices, reports or other information supplied to it by Borrower (but which Borrower is not required to supply directly to the Lenders). All notices and other communications to the Lenders hereunder may be delivered or furnished in accordance with Section 9.01, or by electronic communication (including email and internet or intranet websites) pursuant to procedures approved by the Administrative Agent.

SECTION 8.11. Field Examination Reports; Disclaimer by Lenders. Each Lender: (a) is deemed to have requested that the Administrative Agent furnish such Lender, promptly after it becomes available, a copy of each field examination report (each a "Report" and collectively, "Reports") prepared by the Administrative Agent or its agents; (b) expressly agrees and acknowledges that the Administrative Agent makes no representation or warranty as to the accuracy of any Report or shall be liable for any information contained in any Report; (c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that the Administrative Agent or other party performing any audit or examination will inspect only specific information regarding Borrower and will rely significantly upon Borrower's books and records, as well as on representations of Borrower's personnel; (d) agrees to keep all Reports confidential in accordance with its standard operating procedures and strictly for its internal use, and not to distribute (except to its Affiliates, directors, officers, employees, attorneys, agents, participants, assignees or its prospective participants or assignees) or use any Report in any other manner (except to the extent that disclosure or distribution is made pursuant to law, rule, regulation or legal or other process); and (e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees (i) to hold the Administrative Agent harmless from any action the indemnifying Lender may take or conclusion the indemnifying Lender may reach or draw from any Report in connection with the Term Loan or other credit accommodations that the indemnifying Lender has made or may make to Borrower, and (ii) to pay and protect, and indemnify, defend and hold the Administrative Agent harmless from and against, the claims, actions, proceedings, damages, costs, expenses and other amounts (including reasonable attorneys' fees) incurred by the Administrative Agent as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

ARTICLE IX

Miscellaneous

SECTION 9.01. Notices. Except as otherwise expressly permitted herein, notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed or sent by fax, as follows:

(a) if to Borrower, to it at 3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4 Attention: Nathan Stobbe &Todd Payne (Fax No. (306) 657-2751);

(b) if to CIBC, as Lender or Administrative Agent, to it at CIBC, BCE Place – 161 Bay Street, 8th Floor, Toronto, Ontario, M1J 2S8, Syndication Agency, Attention: Marina Tellis (Fax No. (416) 956-3830), with a copy to CIBC, 400 Burrard Street, 7th Floor, Vancouver, B.C. V6C 3A6, Attention: Robert Stevens (Fax No. (604) 665-1144);

(c) if to any other Lender, at its address (or fax number) set forth in its Administrative Questionnaire.

Any party hereto may change its address or fax number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by fax, or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 9.01. The Administrative Agent shall deliver to Borrower a copy of each Administrative Questionnaire received by it.

SECTION 9.02. Survival of Agreement. All covenants, agreements, representations and warranties made by Borrower herein and by the Loan Parties in the other Loan Documents and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Lenders, the Administrative Agent and shall survive the making by the Lenders of the Term Loan, regardless of any investigation made by, or on behalf of, the Lenders, and shall continue in full force and effect as long as the principal of or any accrued interest on the Term Loan or any Fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid and so long as the Term Commitments have not been terminated. The provisions of Sections 2.11, 2.15 and 9.05, Section 9.15 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Term Loan, the expiration or termination and the Term Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.03. Counterparts; Binding Effect. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the Loan Parties and the Lenders and their respective successors and assigns, except that none of the Loan Parties shall have the right to assign its rights or duties hereunder or any interest herein without the prior consent of all the Lenders, and any attempted assignment by any such Person shall be void (it being understood that a merger of a Loan Party with and into any other Person in which the other Person is the surviving entity shall not be considered an assignment of such Loan Party's duties hereunder and would instead be subject to the restrictions of Section 6.06).

SECTION 9.04. Successors and Assigns.

(a) Subject to Section 9.03, whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the Loan Parties or the Lenders that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

(b) Each Lender may assign to one or more assignees (each of which must be a resident of Canada or deemed to be a resident of Canada for purposes of Subsection 212(13.3) of the ITA) (treating any Approved Funds that are administered or managed by the same Person or an Affiliate of such Person as a single assignee) all or a portion of its interests, rights and/or obligations under this Agreement (including all or a portion of its Term Commitment and the Term Loan at the time owing to it); provided, however, that: (i) except in the case of an assignment to a Lender, an Affiliate of the assigning Lender or an Approved Fund (unless the Lender, Affiliate or Approved Fund is not then a Term Lender), each of the Administrative Agent and the Borrower, at any time after the earlier of (A) the date upon which the Administrative Agent reasonably determines that the primary syndication of the Term Loans has been completed (it being understood that the Administrative Agent will promptly notify Borrower of the occurrence of such date) and (B) 60 days after the Closing Date, must give its prior written consent to such assignment (which consent shall not be unreasonably withheld or delayed, it being understood that such consent shall be deemed to have been reasonably withheld if such assignment would subject Borrower to additional costs or liabilities under Sections 2.11, 2.15 or 9.05); provided that prior to the earlier of (A) and (B) above, the Administrative Agent shall consult with the Borrower prior to any such assignment; and further provided, that the consent of Borrower shall not be required if a Default or Event of Default has occurred and is continuing on the date of the Assignment and Acceptance, (ii) except in the case of an assignment to a Lender, an Affiliate of the assigning Lender or an Approved Fund, or in the case of an assignment of an amount equal to the remaining balance of such Lender's Term Commitment, the amount of the Term Commitment of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000, unless each of Borrower and the Administrative Agent otherwise consents, and (iii) the parties to each such assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, and a processing and recordation fee of $3,500; provided further that, notwithstanding the foregoing, the sale or assignment by any assignor (which acquired an interest in the Term Commitments in an amount less than $1,000,000 pursuant to an exception to clause (ii) of the immediately preceding proviso) to any Person that is not a Lender or an Affiliate of such assignor or an Approved Fund shall be subject to the minimum assignment requirement set forth in the immediately preceding proviso if all the Affiliates of such Lender hold Term Commitments in the amount of $1,000,000 or more in the aggregate. Upon acceptance and recording pursuant to paragraph (d) below, from and after the effective date specified in each Assignment and Acceptance, (i) the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, shall have the rights and obligations of a Lender under this Agreement and the other Loan Documents and (ii) the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto, but shall continue to be entitled to the benefits of Sections 2.11, 2.15 and 9.05, as well as to any Fees accrued for its account and not yet paid).

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the assignee thereunder shall be deemed to confirm to and agree with each other and the other parties hereto as follows: (i) such assigning Lender warrants that it is the legal and beneficial owner of the interest being assigned thereby, free and clear of any adverse claim; (ii) except as set forth in clause (i) above, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement, or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Loan Document or any other instrument or document furnished pursuant hereto, or the financial condition of the Loan Parties or the performance or observance by the Loan Parties of any of their obligations under this Agreement or under any other Loan Document or any other instrument or document furnished pursuant hereto; (iii) such assignee represents and warrants that it is legally authorized to enter into such Assignment and Acceptance; (iv) such assignee confirms that it has received a copy of this Agreement, together with copies of any amendments or consents entered into prior to the date of such Assignment and Acceptance and copies of the most recent financial statements delivered pursuant to Section 5.04 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (v) such assignee will independently and without reliance upon any such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (vi) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof and of the other Loan Documents, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(d) The Administrative Agent, acting for this purpose as agent of Borrower, shall maintain at one of its offices in Toronto a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Term Commitments of, and principal amount of the Term Loan owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive in the absence of manifest error and Borrower and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, together with an Administrative Questionnaire completed in respect of the assignee (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) above and the written consent to such assignment of any Person whose consent is required pursuant to paragraph (b) above, the Administrative Agent shall (i) accept such Assignment and Acceptance and (ii) record the information contained therein in the Register. No assignment shall be effective unless it has been recorded in the Register as provided in this paragraph (e).

(f) Each Lender may, without the consent of Borrower or the Administrative Agent, sell participations to one or more banks or other entities in all or a portion of its rights and obligations under this Agreement (including all or a portion of its Term Commitment and the Term Loan owing to it); provided, however, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the participating banks or other entities shall be entitled to the benefit of the cost protection provisions contained in Sections 2.11, 2.15 and 9.05 to the same extent as if they were Lenders, provided that Borrower shall not be required to reimburse the participating banks or other entities pursuant to Sections 2.11, 2.15 or 9.05 in an amount in excess of the amount that would have been payable thereunder to such Lender had such Lender not sold such participation, and (iv) Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and such Lender shall retain the sole right to enforce the obligations of the Loan Parties under the Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement (provided that the participating bank or other entity may be provided with the right to approve amendments, modifications or waivers affecting it that (v) decrease any Fees payable hereunder, (w) decrease the amount of principal of, or the rate at which interest is payable on, the Term Loan, (x) extend any scheduled principal payment date or date for the scheduled payment of interest on the Term Loan, (y) increase the amount of or extend the termination date of the Term Commitments or (z) release a Guarantor from its guarantee under the Guarantee Agreement (except as expressly contemplated by any Loan Document) or all or substantially all of the Collateral from the Liens created under the Security Documents (except as expressly contemplated by any Loan Document).

(g) Notwithstanding the limitations set forth in paragraph (b) above, (i) any Lender may at any time assign all or any portion of its rights under this Agreement to a Federal Reserve Bank without the prior written consent of Borrower (unless such assignment would subject Borrower to additional costs or liabilities under Sections 2.11, 2.15 or 9.05) or the

Administrative Agent and (ii) any Lender which is a fund may pledge all or any portion of its rights under this Agreement to its trustee or other creditor in support of its obligations to its trustee or other creditor without the prior written consent of Borrower or the Administrative Agent and, provided that no such assignment pursuant to clause (i) or (ii) shall release a Lender from any of its obligations hereunder or substitute any such Bank or trustee for such Lender as a party hereto.

SECTION 9.05. Expenses; Indemnity.

(a) Borrower agrees to pay all reasonable out-of-pocket expenses incurred by the Administrative Agent in connection with the preparation, execution and delivery of this Agreement and the other Loan Documents (including all costs relating to due diligence) or in connection with any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions hereby contemplated shall be consummated) or incurred by the Administrative Agent or any Lender in connection with the enforcement or protection of their rights in connection with this Agreement and the other Loan Documents or in connection with the Term Loan made , including the reasonable fees, disbursements and other charges of Lenders' Counsel, and, in connection with any such enforcement or protection, the reasonable fees, disbursements and other charges of any other counsel for the Administrative Agent or any Lender. The Borrower further agree to indemnify the Administrative Agent and the Lenders from, and hold them harmless against, any documentary taxes, assessments or similar charges made by any Governmental Authority by reason of the execution and delivery of this Agreement or any of the other Loan Documents.

(b) Borrower agrees to indemnify the Lead Arranger, the Administrative Agent and each Lender and each of their respective directors, officers, employees, trustees, advisors and agents (each such person being called an "Indemnitee") against, and to hold each Indemnitee harmless from, any and all out of pocket losses, claims, damages, liabilities and related expenses, including reasonable counsel fees, disbursements and other charges, incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto or thereto of their respective obligations hereunder or thereunder or the consummation of the Transactions and the other transactions contemplated hereby or thereby, (ii) the use of the proceeds of the Term Loan, (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto or (iv) any actual or alleged presence or release of Hazardous Materials on or from any property currently or formerly owned or operated by Borrower or any of the Subsidiaries or any of their respective predecessors or any liability under any Environmental Law related in any way to Borrower or any of the Subsidiaries, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses have resulted from the gross negligence or wilful misconduct of such Indemnitee or its directors, officers, employees, trustees, advisors or agents, (ii) a dispute among Indemnitees, or (iii) a breach by such Indemnitee of a contractual obligation owed to a Loan Party.

(c) The provisions of this Section 9.05 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of the Term Loan, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan

Document, or any investigation made by or on behalf of the Administrative Agent or any Lender. All amounts due under this Section 9.05 shall be payable promptly after written demand therefor.

SECTION 9.06. Right of Setoff. Each Lender is hereby authorized, in addition to any other right or remedy that any Lender may have by operation of law or otherwise, at any time and from time to time upon any amount becoming due and payable by any Loan Party under any Loan Document, after the expiration of any grace period with respect thereto, to exercise, without advance notice to Borrower (any such notice being expressly waived by each such Person), its banker's lien or right of combination of accounts or right of setoff and apply any and all deposits (general or special, time or demand, provisional or final, but excluding any tax withholding, payroll or trust accounts) at any time held and other Indebtedness at any time owing by such Lender to or for the credit or the account of any Loan Party against such due and payable amount. Each Lender agrees to promptly notify Borrower and the Administrative Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 9.07. Applicable Law. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ALBERTA (excluding those Loan Documents which by their terms are governed by the laws of another jurisdiction) BUT EXCLUDING ALL CHOICE OF LAW AND CONFLICTS OF LAWS RULES THEREOF.**

SECTION 9.08. Waivers; Amendment.

(a) No failure or delay on the part of the Administrative Agent or any Lender in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuation of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by the Loan Parties therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on the Loan Parties in any case shall entitle the Loan Parties to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement or any of the other Loan Documents nor any provision hereof or thereof may be waived, amended or modified except (i) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by Borrower and the Required Lenders and (ii) in the case of any other Loan Document, pursuant to an agreement or agreements entered into by the parties to such Loan Document, in each case, except as set forth in the final sentence of this paragraph (b), with the consent of the Required Lenders; provided, however, that no such agreement shall (i) decrease the principal amount of, or extend the maturity of or any scheduled principal payment date or date for the scheduled payment of any interest on the Term Loan, or waive or excuse any such payment or any part thereof, or decrease the rate of interest on the Term Loan, without the prior written consent of each Lender affected thereby, (ii) increase the amount of or extend the termination date of the Term Commitment of, or decrease or extend the date for payment of any Fee owing to, any Lender without the prior written consent of such Lender, (iii) amend or modify the pro rata requirements of Section 2.12 or the provisions of Section 9.03 concerning the assignment of Borrower's obligations hereunder, the provisions of this Section 9.08 or release a Guarantor from its guarantee under the Guarantee Agreement (except as expressly contemplated by any Loan Document) or all or substantially all of the Collateral from the Liens created under the Security Documents (except as expressly contemplated by any Loan Document), without the prior written consent of each Lender, or (iv) reduce the percentage contained in the definition of the term "Required Lenders" without the prior written consent of each Lender; provided, further, however, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent hereunder or under any other Loan Document without the prior written consent of the Administrative Agent. The Lenders hereby authorize the Administrative Agent to enter into such amendments, restatements, supplements or other modifications to the Security Documents as are deemed reasonably necessary by the Administrative Agent to protect and preserve the Liens on the Collateral created or purported to be created thereunder or to reflect or give effect to any transaction permitted under this Agreement.

SECTION 9.09. Release of Collateral and Guarantors. Each Lender hereby directs the Administrative Agent to release the Liens held by it under the Security Documents and the Guarantees made in the Loan Documents as follows:

(a) upon payment in full in cash of the Term Loan and all the other Obligations (other than unasserted contingent and indemnification obligations), termination of all Term Commitments (or the making of other arrangements satisfactory to the Administrative Agent), the Administrative Agent is authorized to release all of the Liens created, and all the Guarantees made, under the Loan Documents;

(b) upon any sale or other disposition of Collateral permitted hereunder, or consummation of any transaction permitted hereunder as a result of which any Guarantor ceases to be a Subsidiary of Borrower, the Administrative Agent is authorized to release such Liens that relate solely to the Collateral sold or otherwise disposed and the Guarantee made by such Guarantor under the Loan Documents; and

(c) upon consent by the Required Lenders, the Administrative Agent is authorized to release such Liens on any part of the Collateral which release does not require the consent of all of the Lenders as set forth in Section 9.08;

provided, however, that (i) the Administrative Agent shall not be required to execute, or cause any Person to execute, any such document on terms which, in its opinion, would expose it to liability or create any obligation or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Obligations or any Liens upon (or obligations of Borrower or any of the Subsidiaries in respect of) all interests retained by Borrower or any of the Subsidiaries.

SECTION 9.10. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the applicable interest rate, together with all fees and charges that are treated as interest under applicable law (collectively, the "Charges"), as provided for herein or in any other document executed in connection herewith, or otherwise contracted for, charged, received, taken or reserved by any Lender, shall exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by such Lender in accordance with applicable law, the rate of interest payable to such Lender hereunder, together with all Charges payable to such Lender, shall be limited to the Maximum Rate.

SECTION 9.11. Entire Agreement. This Agreement, the other Loan Documents and any separate fee letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract between the parties relative to the subject matter hereof. Any previous agreement among the parties with respect to the subject matter hereof is superseded by this Agreement and the other Loan Documents. Nothing in this Agreement or in the other Loan Documents, expressed or implied, is intended to confer upon any Person other than the parties hereto and thereto (and their respective successors and assigns permitted hereby and each other Person that is an Indemnitee) any rights, remedies, obligations or liabilities under or by reason of this Agreement or the other Loan Documents.

SECTION 9.12. Waiver of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any legal proceeding directly or indirectly arising out of, under or in connection with this Agreement or any of the other Loan Documents or the transactions contemplated hereby. Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement and the other Loan Documents, as applicable, by, among other things, the mutual waivers and certifications in this Section 9.12.

SECTION 9.13. Severability. In the event any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The parties shall endeavour in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 9.14. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 9.15. Confidentiality. Each Lender agrees not to disclose to any Person the Information (as defined below) in accordance with such Lender's customary procedures for non-disclosure of confidential information of third parties of this nature and in accordance with safe and sound lending practices without the prior written consent of Borrower, which consent shall not be unreasonably withheld, except that any Lender shall be permitted to disclose Information (i) to its and its Affiliates' officers, directors, employees, agents and representatives (including its auditors and counsel) or to any pledgee referred to in Section 9.04(g)(ii) or any direct or indirect contractual counterparty in Swap Agreements or such contractual counterparty's professional advisor (so long as such pledgee, contractual counterparty or professional advisor to such contractual counterparty agrees in writing to be bound by the provisions of this Section 9.05); (ii) to the extent (A) required by applicable laws and regulations or by any subpoena or similar legal process or (B) requested or required by any regulatory authority or The National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio; (iii) to the extent such Information (A) becomes publicly available other than as a result of a breach of this Agreement, (B) becomes available to such Lender on a non-confidential basis from a source other than a Loan Party or its Affiliates or (C) was available to such Lender on a non-confidential basis prior to its disclosure to such Lender by a Loan Party or its Affiliates; (iv) to any actual or prospective assignee of, or prospective purchaser of a participation in, the rights of such Lender hereunder; or (v) in connection with any suit, action or proceeding relating to the enforcement of rights hereunder or under any other Loan Document or in connection with the transactions contemplated hereby. As used in this Section 9.15, as to any Lender, the term "Information" shall mean any written materials, documents and information that Borrower or any of its Affiliates may have furnished or may hereafter furnish to any Lender in connection with this Agreement.

SECTION 9.16. Jurisdiction; Consent to Service of Process.

(a) Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Courts of the Province of Alberta, and any court sitting in Calgary, Alberta, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such jurisdiction. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Loan Party or its properties in the courts of any jurisdiction.

(b) Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any Alberta court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.17. Judgment Currency.

(a) Borrower's obligations hereunder and Borrower's and the other Loan Parties' obligations under the other Loan Documents to make payments in Dollars (the "Obligation Currency") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Obligation Currency, except to the extent that such tender or recovery results in the effective receipt by the Administrative Agent or the applicable Lender of the full amount of the Obligation Currency expressed to be payable to the Administrative Agent or the applicable Lender under this Agreement or the other Loan Documents. If, for the purpose of obtaining or enforcing judgment against Borrower or any other Loan Party in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Obligation Currency (such other currency being hereinafter referred to as the "Judgment Currency") an amount due in the Obligation Currency, the conversion shall be made at the rate of exchange (as quoted by the Administrative Agent or if the Administrative Agent does not quote a rate of exchange on such currency, by a known dealer in such currency designated by the Administrative Agent) determined, in each case, as of the date immediately preceding the day on which the judgment is given (such Business Day being hereinafter referred to as the "Judgment Currency Conversion Date").

(b) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, Borrower covenants and agrees to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c) For purposes of determining the amount of any payment in the Obligation Currency under this Section 9.17, the rate of exchange used shall take into account any premium and costs payable in connection with the purchase of the Obligation Currency.

SECTION 9.18. Certain Relationships. Nothing contained in this Agreement and no action taken by the Administrative Agent or any Lender pursuant hereto shall be deemed to constitute the Administrative Agent or the Lenders a partnership, an association, a joint venture or other entity. None of the Administrative Agent or the Lenders has any fiduciary relationship with or any fiduciary duty to Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agent and the Lenders, on the one hand, and Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor.

SECTION 9.19. USA Patriot Act. Each Lender subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") hereby notifies Borrower that pursuant to the Act it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow such Lender to identify Borrower in accordance with the Act.

SECTION 9.20. Waiver of Consequential Damages, Etc. BORROWER AGREES NOT TO ASSERT ANY CLAIM AGAINST ANY OTHER PARTY HERETO, ANY OF ITS AFFILIATES, OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, ATTORNEYS OR AGENT, ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING OUT OF OR OTHERWISE RELATING TO ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR IN ANY OTHER LOAN DOCUMENT OR THE ACTUAL OR PROPOSED USE OF THE PROCEEDS OF THE TERM LOANS.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

1353537 ALBERTA LTD.

by:

Name: Franklin H. Foster

Title: Secretary

CANADIAN IMPERIAL BANK OF COMMERCE, as Administrative Agent

by:

Name:

Title:

Name:

Title:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

1353537 ALBERTA LTD.

by:

Name:

Title:

CANADIAN IMPERIAL BANK OF COMMERCE, as Administrative Agent

by:

~~Name:~~ Michael Scott

Title: Authorized Signatory

Name: Robert Stevens

Title: Authorized Signatory

CANADIAN IMPERIAL BANK OF COMMERCE, individually and as Lender,

by:

Name: Michael Scott

Title: Authorized Signatory.

Name: Robert Stevens

Title: Authorized Signatory

SCHEDULE 1.01

BORROWER'S ACCOUNTING PERIODS

	Quarter Ended	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Period 1		02/24/07	03/01/08	02/28/09	02/27/10	02/26/11	03/03/12
Period 2		03/24/07	03/29/08	03/28/09	03/27/10	03/26/11	03/31/12
Period 3		04/21/07	04/26/08	04/25/09	04/24/10	04/23/11	04/28/12
Period 4	1Q	05/19/07	05/24/08	05/23/09	05/22/10	05/21/11	05/26/12
Period 5		06/16/07	06/21/08	06/20/09	06/19/10	06/18/11	06/23/12
Period 6		07/14/07	07/19/08	07/18/09	07/17/10	07/16/11	07/21/12
Period 7	2Q	08/11/07	08/16/08	08/15/09	08/14/10	08/13/11	08/18/12
Period 8		09/08/07	09/13/08	09/12/09	09/11/10	09/10/11	09/15/12
Period 9		10/06/07	10/11/08	10/10/09	10/09/10	10/08/11	10/13/12
Period 10	3Q	11/03/07	11/08/08	11/07/09	11/06/10	11/05/11	11/10/12
Period 11		12/01/07	12/06/08	12/05/09	12/04/10	12/03/11	12/08/12
Period 12		12/29/07	01/03/09	01/02/10	01/01/11	12/31/11	01/05/13
Period13	4Q	02/02/08	01/31/09	01/30/10	01/29/11	02/04/12	02/02/13

SCHEDULE 2.01

LENDERS AND THEIR COMMITMENTS

Lender	Term Loan $	%
CIBC	$15,000,000	100.0000%
Total	$15,000,000	100.0000%

SCHEDULE 3.07

EXCEPTIONS TO TITLE TO THE ASSETS OF THE BORROWER AND THE SUBSIDIARIES

NIL.

SCHEDULE 3.08

SUBSIDIARIES

Subsidiary	Ownership	Number of Shares
1353537 Alberta Ltd.	Cover-All Holding Corp.	31,9542,540 common shares
Cover-All U.S. Holding Corp.	Cover-All Holding Corp.	100 common shares (initial formation)
Cover-All Building Systems Inc.	1353537 Alberta Ltd.	13,353,712 Class A Shares 3,037,302 Class G Shares
Summit Structures Limited (UK)	Cover-All Building Systems Inc.	100%
Cover-All Deutschland GmbH (Germany)	Summit Structures Limited (UK)	95%
Summit Structures, LLC	Cover-All Building Systems Inc.	100 units / 100 %
Quick Structures, LLC	Cover-All Building Systems Inc.	100 units / 100%
Cover-All Holdings U.S., LLC	Cover-All Building Systems Inc.	100%
Summit Structures U.S., LLC	Summit Structures, LLC	1,000 units / 100%
Cover-All Building Systems of New York, Inc.	Summit Structures, LLC	100 shares of common stock / 100%
Summit Project Management, LLC	Summit Structures, LLC	1,000 units / 100%
NorthStar Cover-All, LLC	Cover-All Holdings U.S., LLC	51%

Remaining Options

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
Todd Payne	33,334	1.00				
	33,333	1.16				
	33,333	1.32				

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
Dale Calver	33,334	1.00				
	33,333	1.16				
	33,333	1.32				
Galen Sonntag	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Peter Bielefeld	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Randy Crosson	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Wayne Gursky	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Darcy McLean	16,667	1.00				
			16,667	1.16		
					16,666	1.32
Ivan Hein	10,000	1.00				
			10,000	1.16		
					10,000	1.32
Rod Manske			10,000	1.16		
			10,000	1.16		
					10,000	1.32
Rob Roach	10,000	1.00				
			10,000	1.16		
					10,000	1.32
Cote Family Trust			10,000	1.00		
			10,000	1.16		
					10,000	1.32
Total Options	303,335		143,335		123,330	

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
Total Options:	570,000					

Vendors' Options

The senior executives are exchanging their vendor options as follows for options in Cover-All Holding Corp.:

Employee Name	F 06 Options	Strike $	F 07 Options	Strike $	F08 Options	Strike $
Nathan Stobbe	33,334	1.00				
	33,333	1.16				
	33,333	1.32				
Paul Johnson	33,334	1.00	149,997	1.16		
	33,333	1.16				
	33,333	1.32				
Todd Payne			149,997	1.16		

Immediately prior to the amalgamation of all of the Canadian entities forming part of Cover-All Building Systems Inc., all of the remaining options will be assigned to Cover-All Building Systems Inc. in exchange for promissory notes equal to the fair market value of such options less the applicable strike price of such options.

Option Right of Sebastian Huennekens

1. Call-Option Sebastian Hünnekens pursuant to clause 8.1: acquisition of up to 5%, to be executed in a period between 2008-2017;
2. Put Option Sebastian Hünnekens pursuant to clause 8.3: in case of revocation as managing director/termination of service agreement, Summit may be requested to acquire Sebastian Hünnekens shares; if put option is not exercised, Summit may acquire all shares of Sebastian Hünnekens;
3. Put option/Right of first Refusal pursuant to Clause 8.5: if third party offers to acquire at least 50% of the shares in the Company from Summit, Sebastian Hünnekens is obligated to sell a proportionate amount of his shares to the same conditions. Furthermore, Sebastian Hünnekens has the right to acquire the share capital for which the offer has been made under the conditions of the offer.

SCHEDULE 3.09

LITIGATION

Parties to action: *Hanover Insurance Company a/s/o Longhorn Trucking Company, Inc. v. Cover-All Building Systems of New York, Inc. and Cover-All Building Systems, Inc.*

Jurisdiction: United States District Court Northern District of New York, Case No. 07-CV-0993

Class Action Suits

The following civil suits fall under one class action suit. Subject to a Stipulation of Dismissal dated December 29, 2006 from the United States District Court Southern District of New York, Summit Structures was dismissed without prejudice subject to a conditional stipulation of reinstatement whereby the Plaintiffs may reinstate their claim based on the discovery of fact asserted where such facts were not previously provided in discovery as of the date of the Stipulation. There is no set of facts nor any circumstances that, to the knowledge of the Vendors, exist, which could form the basis for the reinstatement of such claims against Summit Structures or any other member of the Cover-All Group.

1. *Boscaino v. Silverstein Properties et al*, filed February 1, 2005, Case No. 1:2005cv01101;

2. *Keary v. The City of New York et al*, filed March 22, 2205, Case No. 1:2005cv03162;

3. *Wales et al v. 1 World Trade Centre, LLC*, filed August 17, 2005, Case No. 1:2005cv07291;

4. *Ahern et al v. 1 World Trade Centre, LLC*, filed September 23, 2005, Case No. 1:2005cv08221;

Gaspar v. 1 World Trade Centre, LLC, filed December 22, 2005, Case No. 1:2005cv10739.

SCHEDULE 3.14

ENVIRONMENTAL MATTERS

NIL.

SCHEDULE 3.16

LIEN FILING OFFICES

<u>1353537 Alberta Ltd.</u>

Alberta

Ontario

Saskatchewan

<u>Cover-All Holding Corp.</u>

Nova Scotia

Saskatchewan

District of Columbia

<u>Cover-All Building Systems Inc.</u>

Alberta

Saskatchewan

Ontario

United Kingdom

District of Columbia

<u>Summit Structures Limited</u>

UK

<u>Cover-All Deutschland GmbH</u>

N/A

<u>Summit Structures, LLC</u>

Pennsylvania

<u>Quick Structures, LLC</u>

Pennsylvania

Cover-All Holdings U.S., LLC

Pennsylvania

Cover-All U.S. Holding Corp.

Delaware

Summit Structures U.S., LLC

Pennsylvania

Cover-All Building Systems of New York, Inc.

New York

Summit Project Management, LLC

Pennsylvania

SCHEDULE 3.19

REAL PROPERTY OF THE LOAN PARTIES

Owned

1. 3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4

Leased

1. 37651 Amberly Road, R.R. #1, Lucknow, Ontario, N0G 2H0 (head office lease and inventory yard lease)
2. 946 North Van Buren Street, Allentown, Pennsylvania
3. 19500 Country Road 142, South Haven, Minnesota, 55382
4. Offices 1 – 8 Enterprise Glade on the Landlord's Bath Lane in Moira (England)
5. Im Hook 10, 48607 Ochtrup (Germany)
6. 28 McIntosh Road, Headingley, Manitoba, R4H 1G1
7. Milestone Farm, Warboys Road, Bury, Huntingdon, Cambs, PE26 2NF (England)

SCHEDULE 3.20

INTELLECTUAL PROPERTY OF THE LOAN PARTIES

PATENTS

A. United States Patent Registration Serial No. 6,026,613 – TRUSS ARCH FOR FABRIC COVERED BUILDINGS AND THE LIKE

B. United States Continuation-in-part Patent Registration Serial No. 6,085,468 – TRUSS ARCH FOR FABRIC COVERED BUILDINGS AND THE LIKE

C. United States Patent Registration Serial No. 6, 145,526 – TIE DOWN SYSTEM FOR FABRIC COVERED BUILDINGS

D. Canadian Patent Registration No. CA2,258,446 – TIE DOWN SYSTEM FOR FABRIC COVERED BUILDINGS

E. Canadian Patent Registration No. CA-2,226,787 – TIE DOWN SYSTEM FOR FABRIC COVERED BUILDINGS

TRADEMARKS

A. Canadian Trademark Registration Serial No. TMA520,625 - DURAWEAVE

B. United States Trademark Registration Serial No. 2,267,575 – DURAWEAVE

C. Canadian Trademark Registration Serial No. TMA501,217 - WINCHLOC

D. United States Trademark Registration Serial No. 2,559,123 – WINCHLOC

E. Canadian Trademark Registration Serial No. TMA300,009 – COVER-ALL

F. United States Trademark Registration Serial No. 2,372,138 – COVER-ALL

G. European Trademark Registration Serial No. 003116951 – COVER-ALL

H. United States Trademark Registration Serial No. 2,052,613 – COVER-ALL SHELTER SYSTEMS

I. Canadian Trademark Registration Serial No. TMA504,034- COVER-ALL SHELTER SYSTEMS & DESIGN

J. United States Trademark Registration Serial No. 2,714,779 – COVER-ALL SHELTER SYSTEMS & DESIGN

K. Canadian Trademark Registration Serial No. TMA528,327 – TITAN

L. United States Trademark Registration Serial No. 2,562,135 – TITAN

M. Canadian Trademark Registration Serial No. TMA532,215 – VIPERSTEEL

N. United States Trademark Registration Serial No. 2,579,338 – VIPERSTEEL

O. Canadian Trademark Registration Serial No. TMA613,807 – SUMMIT STRUCTURES

P. United States Trademark Registration Serial No. 2,947,659 – SUMMIT STRUCTURES

Q. European Trademark Registration Serial No. 003116894 – SUMMIT STRUCTURES

R. Canadian Trademark Registration No. TMA662,172 – QUICK STRUCTURES

S. United States Supplemental Trademark Registration Serial No. 3,128,211 – QUICK STRUCTURES

T. Canadian Trademark Registration Serial No. TMA623,170 – LEGEND

U. United States Trademark Registration Serial No. 2,918,155 – LEGEND

V. Canadian Trademark Registration No. TMA662,142 – QUICK STRUCTURES & DESIGN

W. United States Trademark Registration Serial No. 3,155,991 – QUICK STRUCTURES & DESIGN

X. Canadian Trademark Application No. 1,356,969 - MEDALLION

Y. Canadian Trademark Application No. 1,356,967 - MERIDIAN

Z. Canadian Trademark Application No. 1,356,791 - GEMINI

AA. United States Trademark Application Serial No. 77240283 - MEDALLION

BB. United States Trademark Application Serial No. 77240240 - MERIDIAN

CC. United States Trademark Application Serial No. 77237912 – GEMINI

INTERNET DOMAIN NAMES

Coverall.net
Coverall.ca
Coverall.bz
Summitstructures.com
Summitstructures.de
Quickstructures.com
Quickstructures.net
Coverallbuildings.on.ca

Northstarcoverall.com

Password Protected sites available to the dealer network only:

dcs.coverall.net

scs.summitstructures.com

qcs.quickstructres.com

OTHER WEB SERVICES

Product Catalogues/ Product Documentation Library

- transitioning to Microsoft SharePoint

Online Order Guide

- transitioning to a new system based on DriveWorks which leverages 3D models created in SolidWorks to generate the necessary order documents

IN-HOUSE SOFTWARE

1. Excel Component lists	Numerous Excel 'programs' used to generate component lists
2. Access CO-OP program.	Program to manage and maintain Marketing CO-OP program.
3. Wizards	Building wizards (CDN, USA, EUR)
4. Time Cards	Uses the access cards to create time cards instead of manual punch clocks.
5. Promotions	Manage promotions which in turn will be applied to the SO during import.
6. PDMWorks Email Trigger	Creates an email for when drawings are released from PDMWorks.
7. Warranty card website	Automated submission of warranty registration and photos
8. DriveWorks Order Guide	New order guide, the ASP.NET front-end.
9. DriveWorks Backend Processor	Persistent application running on our server which processes specifications entered into the order guide
10. DriveWorks Live Image Generator	Persistent application running on our server which processes requests for end wall images for the order guide.
11. Cover-All Dealership Management Application (CDMA)	Application containing embedded web browsers for accessing PDL, US Wizard uploader and the DW Order Guide as well as the new Canadian Building Wizard.

12. Wizard Web Service	Web service running on our servers which provides a data gateway for the new Canadian Building Wizard to get and send data.
13. Programming Time Tracker	Application which interfaces with the OnTime tracking software to keep track of programmer time.
14. Files.coverall.net	Web application for providing access to large files for people located outside the Cover-All network
15. Mailer.coverall.net	Web application for sending mass promotional emails to mailing lists. A MySQL database and two Python scripts located on WOPR provide back end support for queuing and throttling of email transmission
16. Support.coverall.net	Web application interface to helpdesk and OnTime project tracking software allowing internal users to register helpdesk requests, programming feature requests and program bug reports.
17. OURS	Sales, logistics, and manufacturing ERP system
18. DCS Internal	CRM system – Internal interface
19. DCS Website – CRM system	External interface
20. Catalog Cleaner	Clears out the defunct files in the website catalogs
21. Systems Notifications	Group notification workflow system
22. ERP Packaging	Manages the packaging, picking, and label creation
23. ERP Traffic	Manages the planning and shipping of orders
24. ERP Operations	Manages the order processing and shipping of orders
25. ERP Engineering	Handles the tracking of orders through Engineering
26. ERP Manufacturing	Handles the dispatch list for the production floors
27. Add-in Manager and Reports	Manages custom Excel based report add-ins for users.