

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Cover-All Building Systems Inc.		10/23/2007	CORPORATION: CANADA

<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	Canadian Imperial Bank of Commerce
<b>Street Address:</b>	595 Bay Street, 5th Floor
<b>City:</b>	Toronto
<b>State/Country:</b>	CANADA
<b>Postal Code:</b>	M5G 2C2
<b>Entity Type:</b>	CORPORATION: CANADA

**PROPERTY NUMBERS Total: 14**

Property Type	Number	Word Mark
Registration Number:	2372138	COVER-ALL
Registration Number:	2052613	COVER-ALL SHELTER SYSTEMS
Registration Number:	2714779	COVER ALL SHELTER SYSTEMS
Registration Number:	2267575	DURAWEAVE
Serial Number:	77237912	GEMINI
Registration Number:	2918155	LEGEND
Serial Number:	77240283	MEDALLION
Serial Number:	77240240	MERIDIAN
Registration Number:	3155991	QUICK STRUCTURES
Registration Number:	3128211	QUICK STRUCTURES
Registration Number:	2947659	SUMMIT STRUCTURES
Registration Number:	2562135	TITAN
Registration Number:	2579338	VIPERSTEEL
Registration Number:	2559123	WINCHLOC

**OP \$365.00 2372138**

CORRESPONDENCE DATA

Fax Number: (206)903-6365  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: (206) 903-6364  
Email: trademark@invictalaw.com  
Correspondent Name: Mark V. Jordan  
Address Line 1: 1000 Second Avenue, Suite 3310  
Address Line 4: Seattle, WASHINGTON 98104-1019

ATTORNEY DOCKET NUMBER:	3147.0
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DOMESTIC REPRESENTATIVE

Name: Mark V. Jordan  
Address Line 1: 1000 Second Avenue, Suite 3310  
Address Line 4: Seattle, WASHINGTON 98104-1019

NAME OF SUBMITTER:	Mark V. Jordan
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Signature:	/Mark V. Jordan/
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Date:	11/02/2007
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**Total Attachments: 54**

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## SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated for reference October 23, 2007

### Section 1 SECURITY INTEREST

#### 1.1 Creation of Security Interest.

**COVER-ALL BUILDING SYSTEMS INC.** (the "**Debtor**"), a corporation duly incorporated under the laws of the Province of Alberta and having its chief executive office address at 3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4, as continuing security for the repayment and the performance of each of the Obligations (as defined herein) of the Debtor to any one or more of the Administrative Agent and the Lenders (as defined herein), grants to **CANADIAN IMPERIAL BANK OF COMMERCE** (the "**Administrative Agent**"), as Administrative Agent for the benefit of and on behalf of the Lenders under the Credit Agreement (as defined herein), a Chartered Bank of Canada, having a branch office and postal address at 595 Bay Street, 5<sup>th</sup> Floor, Toronto, Ontario, M5G 2C2, a continuing assignment, transfer, pledge and security interest and specific and fixed mortgage and charge in all of the Debtor's present and after-acquired personal property, including those described in this clause 1.1, namely:

- (a) **Accessions.** All increases, additions, accretions and accessions to, and all extensions, reversions, renewals, continuations or replacement of any of the Collateral (as defined in Section 2.1) (collectively the "**Accessions**");
- (b) **Accounts.** All debts, accounts, claims and monies which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor or in which the Debtor now or hereafter has any other interest, and also all securities, bills, notes and other documents now held or owned or which may be hereafter taken, held or owned by the Debtor or anyone on behalf of the Debtor in respect of the said debts, accounts, claims and monies, and any part thereof (collectively, the "**Accounts**");
- (c) **Chattel Paper.** All chattel paper in which the Debtor now or hereafter has an interest, and any part thereof (the "**Chattel Paper**");
- (d) **Documents of Title.** All documents of title, whether negotiable or non-negotiable, including, without limitation, all warehouse receipts and bills of lading, in which the Debtor now or hereafter has an interest, and any part thereof (collectively, the "**Documents of Title**");
- (e) **Equipment.** All goods in which the Debtor now or hereafter has an interest other than Inventory or consumer goods and any part thereof, including, without limitation, all tools, apparatus, fixtures, plant, machinery, furniture, chattels, vehicles, vessels, air conditioning, heating, ventilating, electrical, mechanical, plumbing, communications and data systems, elevators, escalators and other conveyancing devices, boilers, furnaces, carpets, blinds, window coverings, curtains, awnings, lighting fixtures, doors, windows, demising walls and partitions, wiring, pipes, conduits, seasonal decorations, and the equipment described in **Schedule A** hereto or any schedule hereafter annexed hereto (collectively, the "**Equipment**");

- (f) **Instruments.** All letters of credit, advices of credit and all other instruments in which the Debtor now or hereafter has an interest, and any part thereof (collectively, the “**Instruments**”);
- (g) **Intangibles.** All intangible property of whatever kind in which the Debtor now or hereafter has an interest, including, without limitation, all of the Debtor’s choses in action, contractual rights, agreements, leases of personal property, licence rights, licences, permits, goodwill, patents, trade marks, trade names, quotas, industrial designs, copyrights and other industrial or intellectual property (collectively, the “**Intangibles**”);
- (h) **Intellectual Property.** All of the Debtor’s right, title and interest throughout the world in and to the following property (the “**Intellectual Property**”), which is currently or in the future may be owned, created, acquired, or used (whether pursuant to a License (as defined herein) or otherwise) by the Debtor, in whole or in part:
- (i) all trademarks and rights and interests which are capable of being protected as Trademarks (including trademarks, service marks, certification marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), Licenses in respect thereof and rights to register, renew and extend such trademarks and trademark rights and any and all copyrights in such trademarks;
  - (ii) all patents, patent applications, industrial designs and industrial design applications, including all reissues, divisions and continuations in part, Licenses in respect thereof, foreign filing rights, and rights to register, renew and extend such rights;
  - (iii) the trademarks, trademark registrations and pending applications listed on **Schedule C** attached hereto, as the same may be updated hereafter from time to time, and all Licenses in respect thereof;
  - (iv) the patents, patent applications, industrial designs and industrial design applications listed on **Schedule C** attached hereto, as the same may be updated hereafter from time to time, and all Licenses in respect thereof;
  - (v) the right to register trademark claims and to apply for, renew and extend trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of the Debtor or in the name of the Administrative Agent for past, present and future infringements or violations of trademarks, registrations, or other trademark rights and the associated goodwill;
  - (vi) all of the Debtor’s right, title and interest in and to all patentable and unpatentable inventions and all industrial designs, and to file applications for patents and industrial designs and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of the Debtor or in the name of the Administrative Agent for past, present and future infringements of the patents and industrial designs;

- (vii) all copyrights, copyright applications, copyright registrations, know-how, trade secrets, technical processes, recipes and formulae and Licenses in respect thereof;
  - (viii) all general intangibles relating to the foregoing, including all associated goodwill; and
  - (ix) all proceeds of and rights associated with any and all of the foregoing (including, without limitation, claims by the Debtor against third parties for past, present or future infringement of the Intellectual Property, including those items listed in the Schedules to this Agreement, or for injury to the goodwill associated with the use of any of the Trademarks or for breach or enforcement of any License, Royalties (as defined herein) and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guarantee, payable by reason of loss or damage to or otherwise with respect to the Collateral.
- (i) **Inventory.** All personal property of whatever kind and wherever situated, which now or hereafter forms part of the inventory of the Debtor, in which the Debtor now or hereafter has an interest, including without limitation, all goods, merchandise, raw materials, goods in process, work in progress, finished goods and other tangible personal property now or hereafter held for sale, lease, resale or exchange or furnished or to be furnished under contracts for service or that are used or consumed in the business of the Debtor, and any part thereof (collectively, the “**Inventory**”);
  - (j) **Money.** All money in which the Debtor now or hereafter has an interest, and any part thereof (the “**Money**”);
  - (k) **Proceeds.** All proceeds and personal property in any form derived directly or indirectly from any dealing with the Collateral or any part thereof and all proceeds of proceeds and any part thereof (collectively, the “**Proceeds**”);
  - (l) **Records.** All books, papers, documents, writings, tapes, magnetic or other machine readable data and records, and all other information, however stored, recording or relating to any of the Collateral (collectively, the “**Records**”); and
  - (m) **Securities.** All shares, stock, warrants, bonds, debentures, debenture stock, mortgages and other Equity Interests (as defined in the Credit Agreement) and securities (including all certificates or similar documents evidencing the interest of the Debtor therein) in which the Debtor now or hereafter has an interest, and any part thereof (collectively, the “**Securities**”), including without limitation the Securities described in **Schedule B** attached hereto.

## 1.2 Floating Charge.

As security for the repayment and the performance of each of the Obligations, the Debtor grants a floating charge to the Administrative Agent on all the Debtor’s interest in real property, including without limitation, all fixtures, crops and improvements, both present and future, other than such as are validly and effectively charged under Section 1.1 or excluded under Section 1.5.

1.3 Nature of Security Interests.

Notwithstanding the Debtor's right to deal with the Inventory in the ordinary course of business as provided herein, the security interests created hereby shall operate as fixed and specific mortgages and charges of all of the Collateral presently existing, and with respect to all future Collateral, shall operate as fixed and specific mortgages and charges of such future Collateral which shall attach at the moment the Debtor acquires any right or interest therein. The security interest created by Section 1.2 is intended as a floating charge which shall attach at the time provided in Section 1.4.

1.4 Attachment.

The Debtor acknowledges that value has been given. The security interests created hereby are intended to attach, as to all of the Collateral in which the Debtor has an interest, forthwith when the Debtor executes this Security Agreement, and, as to all Collateral in which the Debtor acquires any right or interest after the execution of this Security Agreement, when the Debtor acquires such right or interest.

1.5 Exceptions – Leases and Licenses.

The last day of any term reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor is hereby excepted out of the security interests created hereby. The Debtor shall assign and dispose of such last day of any term reserved by any such lease or agreement in such manner as the Administrative Agent may from time to time direct in writing. Upon any sale, assignment, sublease or other disposition of such lease or agreement to lease, the Administrative Agent shall, for the purpose of vesting the aforesaid residue of any such term in any purchaser, assignee, sublessee or such other acquirer of the lease, agreement to lease or any interest therein, be entitled by deed or other written instrument to assign to such other person, the aforesaid residue of any such term in place of the Debtor and to vest the same freed and discharged from any obligation whatsoever respecting the same. The security interests shall not extend or apply to the last day of any term of years reserved by a License, but the Debtor shall stand possessed of any such reversion in trust to assign and dispose thereof as the Administrative Agent may direct.

1.6 Statement.

The Debtor acknowledges that a security interest is taken in all of the Debtor's present and after acquired property except the last day of any term reserved by any lease of real property, verbal or written or any agreement therefor, now held or hereafter acquired by the Debtor.

1.7 Where Consent Required.

Nothing herein shall constitute an assignment or attempted assignment of any right, privilege, benefit, contract, permit, policy or other document or instrument which by the provisions thereof or by law is not assignable or which requires the consent of any third party to its assignment unless and until such consent is obtained or is waived by the third party. In each such case the Debtor shall, unless the Administrative Agent otherwise agrees in writing, use reasonable commercial efforts to obtain the consent of any necessary third party to its assignment hereby and for its further assignment by the Administrative Agent to any third party who may acquire same as a result of the Administrative Agent's exercise of remedies after an Event of Default which is continuing. Upon such consents being obtained from, or waived by, such relevant third party, this Security Agreement shall apply thereto without regard to this Section 1.7 and without the necessity of any further assurance to effect the assignment thereof.

1.8 Pending Consent.

In any case to which Section 1.7 applies, unless and until consent to assignment is obtained as therein provided, the Debtor shall, to the extent it may do so by law or pursuant to the provisions of the document or interest therein referred to, hold all benefit to be derived therefrom in trust for the Administrative Agent as additional security for the performance of the Obligations and shall deliver up all such benefit to the Administrative Agent forthwith upon demand by the Administrative Agent.

**Section 2**  
**DEFINITIONS**

2.1 Collateral.

The property, assets, rights and undertaking charged hereunder, including all of such Accessions, Accounts, Chattel Paper, Documents of Title, Equipment, Instruments, Intangibles, Intellectual Property, Inventory, Money, Proceeds, Records and Securities together with all increases, additions, improvements and accessions thereto, and all substitutions or any replacements thereof are, unless otherwise specified, herein referred to as the “**Collateral**”.

2.2 Defined Terms.

- (a) “**Administrative Agent**” means Canadian Imperial Bank of Commerce and its successors and permitted assigns, in its capacity as administrative agent for the benefit of and on behalf of the Lenders under the Credit Agreement;
- (b) “**Credit Agreement**” means the credit agreement, dated as of October \_\_\_\_, 2007, among 1353537 Alberta Ltd., as borrower, the Lenders from time to time party thereto, as lenders, Canadian Imperial Bank of Commerce, as Lead Arranger and Administrative Agent, and Canadian Imperial Bank of Commerce, as Operating Lender;
- (c) “**Lenders**” means, collectively, the Lenders (as defined in the Credit Agreement) and each Swap Lender (as defined in the Credit Agreement), and their respective successors and permitted assigns, and “**Lender**” means any one of them and its successors and assigns. Unless the context otherwise requires, the term “**Lenders**” includes the Operating Lender (as defined in the Credit Agreement) and its successors and permitted assigns;
- (d) “**Licenses**” means any and all licenses, sub-licenses, leases, sub-leases, agreements to license or sub-license or lease or sub-lease, rights of use or control (whether as licensee or licensor or lessee or lessor and whether exclusive or nonexclusive) in respect of or in connection with the acquisition, ownership or use of Intellectual Property, together in each case with any amendments, supplements, modifications, extensions, renewals or replacements thereof, and “**License**” means any one of them;
- (e) “**Official Body**” means any government or political subdivision or any agency, authority, bureau, central bank, monetary authority, commission, department or instrumentality thereof, or any court, tribunal, grand jury or arbitrator acting under the authority of any of the foregoing, whether foreign or domestic, in each case having or purporting to have jurisdiction in the relevant circumstances;



- (f) **"Royalties"** means all royalties, rents, issues, proceeds, profits or other fees (including, without limitation, license fees), charges, assessments or penalties payable to the Debtor or due or accruing due to the Debtor pursuant to any License; and
- (g) Unless the context otherwise requires or unless otherwise specified, all the terms used herein without initial capitals which are defined in the *Personal Property Security Act* (Alberta) or the regulations thereunder, as they may be amended, restated or replaced by successor legislation of comparable effect (collectively, the "PPSA"), have the same meaning herein as in the PPSA.

### Section 3 OBLIGATIONS SECURED

#### 3.1 Obligations Secured.

The Collateral constitutes and will constitute continuing security for each of the following obligations (collectively, the "**Obligations**") of the Debtor to any one or more of the Administrative Agent and the Lenders under the Credit Agreement or any other Loan Document (as defined in the Credit Agreement):

- (a) **Indebtedness.** The prompt payment, as and when due and payable, of all amounts now or hereafter owing by the Debtor to any one or more of the Administrative Agent and the Lenders under the Credit Agreement or any other Loan Document and any Swap Agreement (as such terms are defined in the Credit Agreement), including by way of guarantee or indemnity, whether now existing or hereafter incurred, matured or unmatured, direct, indirect, joint or several, or contingent including any extensions and renewals thereof, and all future advances and re-advances; and
- (b) **Performance of Agreements.** The strict performance and observance by the Debtor of all agreements, warranties, representations, covenants and conditions of the Debtor made pursuant to this Security Agreement or any other agreement between the Debtor and any one or more of the Administrative Agent and the Lenders in connection with the Credit Agreement all as now in effect or as hereafter entered into or amended.

#### 3.2 Reduction of Obligations.

The Obligations may be reduced to zero from time to time without affecting the validity, perfection or enforceability of this Security Agreement or the security interests created hereby until this Security Agreement is discharged in accordance with Section 9.10.

### Section 4 DEBTOR'S REPRESENTATIONS AND WARRANTIES

#### 4.1 General.

The Debtor represents and warrants to and for the benefit of the Administrative Agent and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant as set out in this Section 4, and that each of the representations and warranties made with respect to the Debtor in the Credit Agreement is true and correct as if the same were given by the Debtor at the date hereof.

4.2 Places of Business of Debtor.

The locations specified in **Schedule D** hereto are the Debtor's only places of business (the "**Places of Business**") where the Debtor conducts its business operations or keeps or stores the Collateral and records in respect thereof and of the Debtor's business.

4.3 Serial Numbered Goods.

To the knowledge of the Debtor, the complete, accurate and appropriate serial number (as specified in the regulations under the PPSA) for each item of Equipment that is serial numbered goods in which the Debtor now has any interest (excluding, for certainty, any Equipment held by the Debtor under any operating lease), is set out in **Schedule A** hereto.

4.4 Account Debtor.

To the knowledge of the Debtor, each Account, Chattel Paper, Security and Instrument constituting Collateral is genuine and enforceable in accordance with its terms against the party obligated to pay thereunder (the "**Account Debtor**").

4.5 Amounts Due From Account Debtor.

The amount represented by the Debtor to the Administrative Agent from time to time as owing by each Account Debtor or by all Account Debtors shall, to the best of the Debtor's knowledge be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, save and except for normal cash discounts where applicable.

4.6 Survival and Reliance.

All representations and warranties of the Debtor made herein or in any certificate or other document delivered by or on behalf of the Debtor for the benefit of the Administrative Agent or any of the Lenders are material, shall survive the execution and delivery of this Security Agreement and shall continue in full force and effect without time limit. The Administrative Agent and each of the Lenders are deemed to have relied upon each such representation and warranty notwithstanding any investigation made by or on behalf of the Administrative Agent or any of the Lenders at any time.

4.7 Intellectual Property.

Attached hereto as **Schedule C** is a true and complete schedule setting forth all material Intellectual Property of the Debtor.

4.8 Validity; Enforceability.

The Debtor is not currently aware of any past, present, or prospective claim by any third party that any of the Intellectual Property is invalid or unenforceable or that the use of the Intellectual Property violates the rights of any third person, or of any basis for any such claims, except for those claims set out in **Schedule E** attached hereto.

4.9 Perfection of Security Interest in Intellectual Property.

Except for the filing of a financing statement with provincial or state personal property registries, and filings with the Canadian Patent Office, Canadian Copyright Office and Canadian

Trademark Office, the United States Patent and Trademark Office and the United States Copyright Office, or the corresponding offices in any other country which may be necessary to perfect the security interest, no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by the Debtor of the security interest or for the execution, delivery or performance of this Security Agreement by the Debtor or for the perfection of or the exercise by the Administrative Agent of its rights hereunder to the Intellectual Property in Canada or the United States.

## Section 5 DEBTOR'S COVENANTS

### 5.1 General.

Unless compliance with the following covenants is waived by the Administrative Agent in writing or unless non-compliance with any such covenants is otherwise consented to by the Administrative Agent by written agreement with the Debtor, the Debtor covenants and agrees with the Administrative Agent to observe and perform each of the covenants set out in this Section 5, and to comply with each and every term, covenant, condition and agreement under the Credit Agreement, any Swap Agreement entered into by the Debtor with any Lender or any Affiliate of any Lender or any other agreement entered into by the Debtor in connection with such agreements and to not do anything which would result in a breach of the Credit Agreement, any Swap Agreement entered into by the Debtor with any Lender or any Affiliate of any Lender or any other agreement entered into by the Debtor in connection with such agreements.

### 5.2 Conduct of Business.

The Debtor will carry on and conduct its business in accordance with sound industry practice.

### 5.3 No Accessions or Fixtures.

The Debtor will prevent the Collateral from becoming an accession to any property other than the Collateral or from becoming a fixture unless the security interests hereby created rank prior to the interests of all other persons in the realty.

### 5.4 Marking the Collateral.

The Debtor will, at the reasonable request of the Administrative Agent, and if reasonably necessary for identification purposes, mark, or otherwise take appropriate steps to identify, the Collateral to indicate clearly that it is subject to the security interests hereby created.

### 5.5 Change of Places of Business, Collateral and Names.

The Debtor will not change its places of business, chief executive office, or the records in respect thereof or, other than in accordance with the Purchase Transactions or any Permitted Acquisition (as such terms are defined in the Credit Agreement), change its corporate name or any name or style under which it carries on business without giving to the Administrative Agent five (5) Business Day's prior written notice of the change or of the new name or style, as applicable.

5.6 Notice of Loss of Collateral.

The Debtor will give prompt written notice to the Administrative Agent of all loss or damage to or loss or possession of the Collateral otherwise than by disposition in accordance with the terms of the Credit Agreement unless such loss, damage or loss of possession would not, in the aggregate, reasonably be considered to constitute a Material Adverse Effect (as defined in the Credit Agreement).

5.7 Proceeds In Trust.

Upon the occurrence of and during the continuation of an Event of Default, the Debtor will and shall be deemed to hold all Proceeds in trust, separate and apart from other Money, Instruments or property, for the benefit of the Administrative Agent until all amounts owing by the Debtor to each of the Administrative Agent and the Lenders have been paid in full and all obligations of each of the Administrative Agent and the Lenders to the Debtor have been terminated.

5.8 Additional Securities.

In the event that the Debtor shall, during the currency of the Credit Agreement, become the beneficial owner of any other Securities than those set out in Schedule B hereto, the Debtor agrees that, subject to the terms of the Credit Agreement, it shall forthwith deliver and pledge such Securities to the Administrative Agent and such Securities shall become Securities held by the Administrative Agent pursuant to the terms of this Security Agreement, the security interest of the Administrative Agent attaching when the Debtor has rights in such Securities.

5.9 Security Interest in Intellectual Property.

The Debtor agrees that the Administrative Agent will not be deemed in any manner to have assumed any obligation of the Debtor under any License nor shall the Administrative Agent be liable to any Official Body or license counterparties by reason of any default by any person under any contract. The Debtor agrees to indemnify and hold the Administrative Agent harmless of and from all liability, loss, damage or expense which it may or might incur by reason of any claim or demand against it based on its alleged assumption of the Debtor's duty and obligation to perform and discharge the terms, covenants and agreements in any License, other than those arising from gross negligence or willful misconduct.

5.10 Litigation and Proceedings With Respect to Intellectual Property.

The Debtor shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit and its own expense, such suits, administrative proceedings, or other actions for infringement or other causes of action as are in its reasonable business judgment necessary to protect the Intellectual Property. The Debtor shall diligently defend all suits, administrative proceedings or other actions brought by third parties in respect of the Intellectual Property or use thereof unless such suits, proceedings or actions do not constitute a Material Adverse Effect. The Debtor shall provide to the Administrative Agent any information with respect to the foregoing in this Section 5.10 requested by the Administrative Agent. The Administrative Agent may, but shall not be required to, provide at the Debtor's expense all necessary cooperation in connection with any such suits, proceedings or actions including, without limitation, joining as a necessary party. Following the Debtor becoming aware thereof, the Debtor shall promptly notify the Administrative Agent of the institution of or any adverse determination in any proceeding in any patent, trademark or copyright office or other regulatory authority, or any Canadian, United States, state, provincial or foreign court regarding the Debtor's claim of ownership in any of the Intellectual Property, its right to apply for the same or its right to keep and

maintain such rights, the whole provided that such proceeding is likely to constitute a Material Adverse Effect.

Section 6  
COLLECTION OF ACCOUNTS

6.1 Collection of Accounts.

The Administrative Agent may, upon the occurrence and during the continuation of an Event of Default, notify and direct any Account Debtor to make all payments whatever to the Administrative Agent. The Administrative Agent may hold all amounts acquired from any Account Debtor and any Proceeds as part of the Collateral.

6.2 Trust Provision.

Any payments received by the Debtor upon the occurrence and during the continuation of an Event of Default and after notification to Account Debtors, shall be held by the Debtor in trust for the Administrative Agent in the same medium in which received, shall not be commingled with any assets of the Debtor and shall, at the request of the Administrative Agent, be turned over to the Administrative Agent not later than the next business day following the day of their receipt.

Section 7  
DEFAULT

7.1 Default.

The occurrence of any "Event of Default" under the Credit Agreement, other than under Article VIII, subparagraphs (h) or (i) of the Credit Agreement, that has not been remedied or waived by the Administrative Agent in accordance with the provisions of the Credit Agreement and for which the Administrative Agent has provided a notice of acceleration to the Debtor, or the occurrence of any "Event of Default" specified in Article VIII, subparagraphs (h) or (i) of the Credit Agreement will constitute an "Event of Default" under this Security Agreement.

7.2 Crystallization.

The floating charge created by Section 1.2 shall become a fixed charge as soon as:

- (a) the Administrative Agent gives notice to that effect to the Debtor upon the occurrence and during the continuation of an Event of Default;
- (b) the Administrative Agent takes any step to accelerate or demand payment of the Obligations, or gives notice of its intention or takes any steps to enforce its security upon the occurrence and during the continuation of an Event of Default; or
- (c) an Event of Default described in Article VIII, subparagraphs (h) or (i) of the Credit Agreement occurs in respect of the Debtor.

7.3 Grant of License.

In addition, upon the occurrence of any default or Event of Default which is not susceptible of being remedied or waived, the Debtor shall, to the extent permitted by law, grant to the

Administrative Agent a royalty-free exclusive license to use the Intellectual Property and associated goodwill to the extent necessary to enable the Administrative Agent to use, possess and realize upon the Intellectual Property and to enable any successor or assign to enjoy the benefits of all the Intellectual Property.

7.4 Waiver not to Affect Subsequent Breach.

The Administrative Agent may waive default or any breach by the Debtor of any of the provisions contained in this Security Agreement. No waiver shall extend to a subsequent breach or default, whether or not the same as or similar to the breach or default waived. No act or omission of the Administrative Agent shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of the Debtor or the rights of the Administrative Agent resulting therefrom. Any such waiver must to be in writing and signed by the Administrative Agent to be effective.

**Section 8**  
**ADMINISTRATIVE AGENT'S REMEDIES ON DEFAULT**

8.1 Indebtedness Due and Rights and Remedies.

Upon the occurrence and during the continuation of an Event of Default, all of the Obligations shall become immediately due and payable without notice to the Debtor, and the Administrative Agent may, at its option, proceed to enforce payment of same and to exercise any or all of the rights and remedies contained herein, including, without limitation, the signification and collection of the Debtor's Accounts, or otherwise afforded by law, in equity or otherwise. The Administrative Agent shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law and the Administrative Agent expressly retains all rights and remedies not inconsistent with the provisions herein including all the rights it may have under the PPSA as well as the Credit Agreement, and, without restricting the generality of the foregoing, the Administrative Agent may upon such Event of Default which is continuing:

- (a) **Appointment of Receiver.** Appoint by instrument in writing a receiver, receiver-manager or receiver and manager (herein a "Receiver") of the Debtor and of all or any part of the Collateral and remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a Receiver. Any Receiver appointed by the Administrative Agent so far as concerns responsibility for its acts shall be deemed the agent of the Debtor and not of the Administrative Agent. Where the Administrative Agent is referred to in this Section the reference includes, where the context permits, any Receiver so appointed and the officers, employees, servants or agents of such Receiver;
- (b) **Enter and Repossess.** Immediately and without notice enter the Debtor's premises and repossess, disable or remove the Collateral and the Debtor hereby grants to the Administrative Agent a licence to occupy any premises of the Debtor for the purpose of storage of the Collateral;
- (c) **Retain the Collateral.** Retain and administer the Collateral in the Administrative Agent's sole and unfettered discretion, which the Debtor hereby acknowledges is commercially reasonable;
- (d) **Dispose of the Collateral.** Dispose of any Collateral by public auction, private tender or private contract with or without notice, advertising or any other formality, all of which

are hereby waived by the Debtor. The Administrative Agent may, at its discretion establish the terms of such disposition, including, without limitation, terms and conditions as to credit, upset, reserve bid or price. The Administrative Agent may also lease the Collateral on such terms as it deems appropriate. The payments for Collateral, whether on a disposition or lease, may be deferred. All payments made pursuant to such dispositions shall be credited against the Obligations only as they are actually received. The Administrative Agent may buy in, rescind or vary any contract for the disposition of any Collateral and may dispose of any Collateral again without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Administrative Agent has taken possession of the Collateral;

- (e) **Foreclose.** Foreclose upon the Collateral in satisfaction of the Obligations. The Administrative Agent may designate any part of the Obligations to be satisfied by the foreclosure of particular Collateral which the Administrative Agent considers to have a net realizable value approximating the amount of the designated part of the Obligations, in which case only the designated part of the Obligations shall be deemed to be satisfied by the foreclosure of the particular Collateral;
- (f) **Carry on Business.** Carry on or concur in the carrying on of all or any part of the business of the Debtor and may, in any event, to the exclusion of all others, including the Debtor, enter upon, occupy and use all premises of or occupied or used by the Debtor and use any of the personal property (which shall include fixtures) of the Debtor for such time and such purposes as the Administrative Agent sees fit. The Administrative Agent shall not be liable to the Debtor for any neglect in so doing or in respect of any rent, costs, charges, depreciation or damages in connection therewith;
- (g) **Payment of Encumbrances.** Pay any encumbrance that may exist or be threatened against the Collateral. In any such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations secured by this Security Agreement;
- (h) **Payment of Deficiency.** If the proceeds of realization are insufficient to pay all monetary Obligations, the Debtor shall forthwith pay or cause to be paid to the Administrative Agent any deficiency and the Administrative Agent may sue the Debtor to collect the amount of such deficiency; and
- (i) **Dealing with Collateral.** Subject to applicable law, seize, collect, realize, borrow money on the security of, release to third parties, sell (by way of public or private sale), lease or otherwise deal with the Collateral in such manner, upon such terms and conditions, at such time or times and place or places and for such consideration as may seem to the Administrative Agent advisable and without notice to the Debtor. The Administrative Agent may charge on its own behalf and pay to others sums for reasonable expenses incurred and for services rendered (expressly including legal services, consulting, receivers and accounting fees) in or in connection with seizing, collecting, realizing, borrowing on the security of, selling or obtaining payment of the Collateral and may add such sums to the Obligations secured by this Security Agreement.

## 8.2 Assemble the Collateral.

To assist the Administrative Agent in the implementation of such rights and remedies the Debtor will, at its own risk and expense and at the Administrative Agent's request, assemble and prepare

for removal such items of the Collateral as are selected by the Administrative Agent as shall, in the Administrative Agent's sole judgment, have a value sufficient to cover all the Obligations.

8.3 Administrative Agent Not Liable for Failure to Exercise Remedies.

None of the Administrative Agent or the Lenders shall be liable or accountable for any delay or failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Collateral. None of the Administrative Agent or the Lenders shall be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Administrative Agent, the Debtor or any other person in respect of the Collateral or against any Account Debtor.

8.4 Allocation of Proceeds.

All monies collected or received by the Administrative Agent in respect of the Collateral may be held by the Administrative Agent and may be applied on account of such parts of the Obligations at the sole discretion of the Administrative Agent, the whole subject to the terms of the Credit Agreement.

8.5 Extension of Time.

Each of the Administrative Agent and the Lenders may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Collateral to third parties and otherwise deal with the Debtor's guarantors or sureties and others and with the Collateral and other securities as such of the Administrative Agent or the Lenders may see fit without prejudice to the liability of the Debtor to the Administrative Agent, or the Administrative Agent's rights, remedies and powers under this Security Agreement.

8.6 Forbearance is not Waiver.

No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given by the Administrative Agent to the Debtor shall operate as a waiver, alteration or amendment of the rights of the Administrative Agent or otherwise preclude the Administrative Agent from enforcing such rights.

8.7 Effect of Appointment of Receiver.

As soon as the Administrative Agent takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the directors and officers of the Debtor with respect to that Collateral shall cease, unless specifically continued by the written consent of the Administrative Agent or the Receiver.

8.8 Limitation of Liability.

The Administrative Agent and the Lenders shall not be liable by reason of any entry into or taking possession of any of the Collateral hereby charged or intended so to be or any part thereof, to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or any act or omission for which a secured party in possession might be liable. The Debtor acknowledges and agrees that any and all payments, responsibilities, obligations and liabilities in respect of the Collateral shall remain those of the Debtor and no such payments, responsibilities, obligations or



liabilities are assigned hereby nor are assumed or incurred by the Administrative Agent or the Lenders hereunder, other than gross negligence or wilful misconduct.

8.9 Release by Debtor

The Debtor hereby releases and discharges the Administrative Agent, the Lenders and the Receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Debtor or any person claiming through or under the Debtor by reason or as a result of any act or omission of the Administrative Agent or any successor or assign claiming through or under the Administrative Agent or the Receiver under the provisions of this Security Agreement unless such claim is the result of dishonesty or gross neglect.

8.10 Performance by Agent

Nothing herein shall obligate the Administrative Agent to assume or perform any obligation of the Debtor to any third party in respect or arising out of the Collateral. The Debtor agrees to indemnify and save harmless the Administrative Agent from any and all claims of such third parties, other than those arising out of gross negligence or wilful misconduct. The Administrative Agent may however at its option assume or perform any such obligations which the Administrative Agent considers necessary or desirable to obtain the benefit of the Collateral, or any part thereof, free of any set off, deduction or abatement and any money so expended by the Administrative Agent shall form part of the Obligations and shall bear interest at the interest rate(s) provided for in the Credit Agreement.

Section 9  
MISCELLANEOUS

9.1 Costs

The Debtor will indemnify and reimburse the Administrative Agent on demand for all interest, commissions, costs of realization and other reasonable costs and expenses (including the full amount of all legal fees and expenses paid by the Administrative Agent) incurred by the Administrative Agent, any of the Lenders or any Receiver in connection with:

- (a) the registration of any financing statement registered in connection with the security interests hereby created;
- (b) the preparation, execution, perfection, protection, enforcement of and advice with respect to this Security Agreement;
- (c) the realization, disposition of, retention, protection, insuring or collection of any Collateral;
- (d) the protection or enforcement of the rights, remedies and powers of any of the Administrative Agent or the Lenders or any Receiver, including, without limitation, participation, preparation and advice with respect to any actions or proceedings commenced or threatened by or against the Debtor or any Guarantor/Indemnitor;
- (e) the inspection of the Collateral;
- (f) investigating title to the Collateral;

- (g) the compliance by the Administrative Agent with all demands made upon the Administrative Agent to amend, extend, cancel or discharge any registrations and filings related hereto; and
- (h) any other reasonable cost related hereto.

All amounts for which the Debtor is required hereunder to reimburse the Administrative Agent or any of the Lenders or any Receiver shall, from the date of disbursement until the date the Administrative Agent, such Lenders or the Receiver receives reimbursement, be deemed advanced to the Debtor by the Lenders, shall be deemed to be Obligations and shall bear interest at the interest rate(s) provided for in the Credit Agreement.

9.2 Appointment of Attorney.

The Debtor hereby constitutes and appoints the Administrative Agent, or any Receiver, the true and lawful attorney of the Debtor irrevocably with full power of substitution to do, make and execute all such assignments, documents, acts, matters or things with the right to use the name of the Debtor whenever and wherever it may be deemed necessary or expedient. This power of attorney may only be exercised upon the occurrence and during the continuation of an Event of Default. The Debtor hereby declares that the irrevocable power of attorney granted hereby, being coupled with an interest, is given for valuable consideration.

9.3 No Obligation to Make Advances.

Nothing herein shall obligate the Administrative Agent or any of the Lenders to make any advance or loan or further advance or extend credit to the Debtor and, in particular, nothing herein shall obligate the Administrative Agent or any of the Lenders to advance any unadvanced portion of any loan or credit to the Debtor after the occurrence of an Event of Default which is continuing. Except to the extent that the Administrative Agent or any of the Lenders:

- (a) by accepting bills of exchange drawn on it by the Debtor; or
- (b) by issuing letters of credit or letters of guarantee on the application of the Debtor,

is required to advance monies on the maturity of those bills or pursuant to those letters of credit or letters of guarantee, as the case may be, none of the preparation, execution, perfection or registration of this Security Agreement or the advance of any monies by the Administrative Agent or any of the Lenders shall bind the Administrative Agent or the Lenders to make any further advance.

9.4 Security Interests Effective Immediately.

Neither the execution of, nor any filing with respect to, this Security Agreement shall bind the Administrative Agent or any of the Lenders to grant any credit to the Debtor, but the security interests hereby created shall take effect forthwith upon the execution of this Security Agreement by the Debtor.

9.5 Security in Addition and not in Substitution, Remedies Cumulative.

The rights, remedies and powers conferred by this Security Agreement are in addition to, and not in substitution for, any other rights, remedies or powers the Administrative Agent and the Lenders may have under this Security Agreement, at law, in equity or by or under the PPSA or any other statute.

The Administrative Agent may proceed by way of any action, suit or other proceeding at law or in equity and no right, remedy or power of the Administrative Agent shall be exclusive of or dependent on any other. The Administrative Agent may exercise any of its rights, remedies or powers separately or in combination and at any time.

9.6 Statutory Waivers.

To the fullest extent permitted by law, the Debtor waives all of the rights, benefits and protection given by the provisions of any existing or future statute which imposes limitations upon the rights, remedies or powers of the Administrative Agent or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute. In particular, the Debtor waives all rights, benefits and protection given by the *Civil Enforcement Act* of the Province of Alberta insofar as they extend to or relate to any of the Collateral. The *Limitation of Civil Rights Act* of the Province of Saskatchewan shall not apply to the security interests hereby created or any of the rights, remedies or powers of the Administrative Agent or any Receiver.

9.7 Provisions Reasonable.

The Debtor acknowledges that the provisions of this Security Agreement and, in particular, those respecting rights, remedies and powers of the Administrative Agent and any Receiver against the Debtor, its business and any Collateral upon an Event of Default, are commercially reasonable and not manifestly unreasonable.

9.8 Further Assurances.

The Debtor shall at all times, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Administrative Agent may reasonably require in order to give effect to the provisions hereof and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the security interests hereby created and the priority accorded to them by law or under this Security Agreement.

9.9 Notices. Every notice, demand and other communication in connection with this Security Agreement (including, without limitation, notices required or permitted under the *Bankruptcy and Insolvency Act*) and all legal process in regard hereto shall be validly given, made or served in accordance with the Credit Agreement.

9.10 Release of Collateral and Discharge.

The Administrative Agent shall, in accordance with the provisions of the Credit Agreement, release any of the Collateral from time to time from the security interest created pursuant to this Security Agreement. Upon payment and performance by the Debtor of the Obligations secured hereby the Administrative Agent shall promptly upon request in writing by the Debtor deliver up this Security Agreement to the Debtor and shall at the expense of the Debtor cancel and discharge the security interests hereby created and execute and deliver to the Debtor such documents as shall be requisite to discharge the security interests hereby created.

9.11 Amalgamation.

In the event of the amalgamation of the Debtor, this Security Agreement and all other security delivered by the Debtor in connection with this Security Agreement shall be binding on the

amalgamated corporation and charge its present and future undertaking, property and assets to secure the present and future Obligations of the amalgamated corporation, all as if the amalgamated corporation had originally executed and delivered those documents; provided nothing in this paragraph shall be construed as a consent or a permission for the Debtor to amalgamate.

9.12 Delivery of Copy/Waiver.

The Debtor hereby acknowledges receiving a copy of this Security Agreement. The Debtor waives all rights to receive from the Administrative Agent a copy of any financing statement or financing change statement registered or verification statement issued at any time in respect of this Security Agreement.

9.13 Conflict.

In the event of a conflict or inconsistency between the provisions of this Security Agreement and the provisions of the Credit Agreement, the provisions of the Credit Agreement shall prevail provided that they do not invalidate any security created hereunder.

9.14 Release of Information.

The Debtor hereby authorizes the Administrative Agent to provide a copy of this Security Agreement and such other information (including full details of the Obligations) as may be requested of the Administrative Agent by persons entitled thereto under the PPSA.

**Section 10**  
**INTERPRETATION**

10.1 Entire Agreement/Amendment.

This Security Agreement contains the entire agreement between the parties relating to the security interests hereby created. Any amendment of this Security Agreement shall not be binding unless in writing and signed by the Administrative Agent and the Debtor. The Debtor confirms that there are no representations, warranties, covenants or acknowledgements affecting, or relied upon in entering this Security Agreement.

10.2 Severability.

Any provision of this Security Agreement prohibited by law or otherwise ineffective shall be ineffective only to the extent of such prohibition or ineffectiveness and shall be severable without invalidating or otherwise affecting the remaining provisions hereof.

10.3 Joint and Several Liability.

If more than one person executes this Security Agreement as Debtor, their obligations hereunder and the liability resulting therefrom shall be joint and several.

10.4 Headings.

All headings and titles in this Security Agreement are for reference only and are not to be used in the interpretation of the terms hereof.

10.5 Included Words.

Wherever the singular or the masculine are used herein, the same shall be deemed to include the plural or the feminine or the body politic or corporate where the context or the parties so require.

10.6 Applicable Law.

This Security Agreement shall be construed and enforceable under and in accordance with the laws of Alberta. The Debtor hereby irrevocably submits and attorns to the jurisdiction of the courts of Alberta.

10.7 Binding Effect.

This Security Agreement shall be binding on the Debtor and its successors, heirs, administrators and executors and shall enure to the benefit of the Administrative Agent and its successors and assigns.

[SIGNATURE PAGE FOLLOWS]

COVER-ALL BUILDING SYSTEMS INC

By: Franklin H. Foster  
Name: Franklin H. Foster  
Title: Secretary

VAN01:24214571 v3

**SCHEDULE A**

**SPECIFIC EQUIPMENT DESCRIPTION**

**[NTD: complete once relative schedule to the Credit Agreement is settled]**

**SCHEDULE B**

**SECURITIES OWNED BY THE DEBTOR**

(1) IN THE CAPITAL OF SUMMIT STRUCTURES LIMITED

<u>CLASS OF SHARES</u>	<u>CERTIFICATE NUMBER</u>	<u>NUMBER OF SHARES</u>
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(2) IN THE CAPITAL OF SUMMIT STRUCTURES, LLC

100 Units

(3) IN THE CAPITAL OF QUICK STRUCTURES, LLC

1,000 Units

(4) IN THE CAPITAL OF COVER-ALL HOLDINGS U.S., LLC

<u>CLASS OF SHARES</u>	<u>CERTIFICATE NUMBER</u>	<u>NUMBER OF SHARES</u>
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**SCHEDULE C**

**INTELLECTUAL PROPERTY OF THE DEBTOR**

**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 - DURAWEAWE
- B. United States Trademark Registration Serial No. 2,267,575 – DURAWEAWE
- 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 | Application containing embedded web browsers for accessing PDL, US Wizard uploader and the DW Order Guide as well as the |

(CDMA)	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 D**

**DEBTOR'S PLACES OF BUSINESS**

1. 3815 Wanuskewin Road  
Saskatoon, Saskatchewan S7P 1A4
2. 37651 Amberly Road  
R.R. #1  
Lucknow, Ontario N0G 2H0
3. 4500, 855 – 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 4K7

**SCHEDULE E**

**CLAIMS AGAINST INTELLECTUAL PROPERTY OF THE DEBTOR**

**PENDING INFRINGEMENTS**

1. Letter issued to Pavilion Structures and Pavilion Buildings dated August 27, 2007 concerning images of Cover-All structures being passed off as Pavilion-made structures on Pavilion's website and promotional materials;
2. Letter issued to Fabinno Co., Ltd. dated June 4, 2007 in connection with trademark infringement of the registered trademark Duraweave® and unfair competition concerning images of Cover-All structures featuring Duraweave® fabric on Fabinno's website.

**SETTLEMENTS**

1. Settlement of a dispute respecting three "COVERALL" trademarks registered in the United States by Flex-O-Glass, Inc., as evidenced by a Trademark Agreement dated August 21, 2002 between Flex-O-Glass, Inc. and Cover-All Building Systems Inc.

## SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated for reference October 23, 2007

### Section 1 SECURITY INTEREST

#### 1.1 Creation of Security Interest

**COVER-ALL BUILDING SYSTEMS INC.** (the "**Debtor**"), a corporation duly incorporated under the laws of the Province of Alberta and having its chief executive office address at 3815 Wanuskewin Road, Saskatoon, Saskatchewan, S7P 1A4, as continuing security for the repayment and the performance of each of the Obligations (as defined herein) of the Debtor to any one or more of the Administrative Agent and the Lenders (as defined herein), grants to **CANADIAN IMPERIAL BANK OF COMMERCE** (the "**Administrative Agent**"), as Administrative Agent for the benefit of and on behalf of the Lenders under the Credit Agreement (as defined herein), a Chartered Bank of Canada, having a branch office and postal address at 595 Bay Street, 5<sup>th</sup> Floor, Toronto, Ontario, M5G 2C2, a continuing assignment, transfer, pledge and security interest and specific and fixed mortgage and charge in all of the Debtor's present and after-acquired personal property, including those described in this clause 1.1, namely:

- (a) **Accessions.** All increases, additions, accretions and accessions to, and all extensions, reversions, renewals, continuations or replacement of any of the Collateral (as defined in Section 2.1) (collectively the "**Accessions**");
- (b) **Accounts.** All debts, accounts, claims and monies which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor or in which the Debtor now or hereafter has any other interest, and also all securities, bills, notes and other documents now held or owned or which may be hereafter taken, held or owned by the Debtor or anyone on behalf of the Debtor in respect of the said debts, accounts, claims and monies, and any part thereof (collectively, the "**Accounts**");
- (c) **Chattel Paper.** All chattel paper in which the Debtor now or hereafter has an interest, and any part thereof (the "**Chattel Paper**");
- (d) **Documents of Title.** All documents of title, whether negotiable or non-negotiable, including, without limitation, all warehouse receipts and bills of lading, in which the Debtor now or hereafter has an interest, and any part thereof (collectively, the "**Documents of Title**");
- (e) **Equipment.** All goods in which the Debtor now or hereafter has an interest other than Inventory or consumer goods and any part thereof, including, without limitation, all tools, apparatus, fixtures, plant, machinery, furniture, chattels, vehicles, vessels, air conditioning, heating, ventilating, electrical, mechanical, plumbing, communications and data systems, elevators, escalators and other conveyancing devices, boilers, furnaces, carpets, blinds, window coverings, curtains, awnings, lighting fixtures, doors, windows, demising walls and partitions, wiring, pipes, conduits, seasonal decorations, and the equipment described in **Schedule A** hereto or any schedule hereafter annexed hereto (collectively, the "**Equipment**");

- (f) **Instruments.** All letters of credit, advices of credit and all other instruments in which the Debtor now or hereafter has an interest, and any part thereof (collectively, the “**Instruments**”);
- (g) **Intangibles.** All intangible property of whatever kind in which the Debtor now or hereafter has an interest, including, without limitation, all of the Debtor’s choses in action, contractual rights, agreements, leases of personal property, licence rights, licences, permits, goodwill, patents, trade marks, trade names, quotas, industrial designs, copyrights and other industrial or intellectual property (collectively, the “**Intangibles**”);
- (h) **Intellectual Property.** All of the Debtor’s right, title and interest throughout the world in and to the following property (the “**Intellectual Property**”), which is currently or in the future may be owned, created, acquired, or used (whether pursuant to a License (as defined herein) or otherwise) by the Debtor, in whole or in part:
- (i) all trademarks and rights and interests which are capable of being protected as Trademarks (including trademarks, service marks, certification marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), Licenses in respect thereof and rights to register, renew and extend such trademarks and trademark rights and any and all copyrights in such trademarks;
  - (ii) all patents, patent applications, industrial designs and industrial design applications, including all reissues, divisions and continuations in part, Licenses in respect thereof, foreign filing rights, and rights to register, renew and extend such rights;
  - (iii) the trademarks, trademark registrations and pending applications listed on **Schedule C** attached hereto, as the same may be updated hereafter from time to time, and all Licenses in respect thereof;
  - (iv) the patents, patent applications, industrial designs and industrial design applications listed on **Schedule C** attached hereto, as the same may be updated hereafter from time to time, and all Licenses in respect thereof;
  - (v) the right to register trademark claims and to apply for, renew and extend trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of the Debtor or in the name of the Administrative Agent for past, present and future infringements or violations of trademarks, registrations, or other trademark rights and the associated goodwill;
  - (vi) all of the Debtor’s right, title and interest in and to all patentable and unpatentable inventions and all industrial designs, and to file applications for patents and industrial designs and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of the Debtor or in the name of the Administrative Agent for past, present and future infringements of the patents and industrial designs;



- (vii) all copyrights, copyright applications, copyright registrations, know-how, trade secrets, technical processes, recipes and formulae and Licenses in respect thereof;
  - (viii) all general intangibles relating to the foregoing, including all associated goodwill; and
  - (ix) all proceeds of and rights associated with any and all of the foregoing (including, without limitation, claims by the Debtor against third parties for past, present or future infringement of the Intellectual Property, including those items listed in the Schedules to this Agreement, or for injury to the goodwill associated with the use of any of the Trademarks or for breach or enforcement of any License, Royalties (as defined herein) and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guarantee, payable by reason of loss or damage to or otherwise with respect to the Collateral.
- (i) **Inventory.** All personal property of whatever kind and wherever situated, which now or hereafter forms part of the inventory of the Debtor, in which the Debtor now or hereafter has an interest, including without limitation, all goods, merchandise, raw materials, goods in process, work in progress, finished goods and other tangible personal property now or hereafter held for sale, lease, resale or exchange or furnished or to be furnished under contracts for service or that are used or consumed in the business of the Debtor, and any part thereof (collectively, the “**Inventory**”);
  - (j) **Money.** All money in which the Debtor now or hereafter has an interest, and any part thereof (the “**Money**”);
  - (k) **Proceeds.** All proceeds and personal property in any form derived directly or indirectly from any dealing with the Collateral or any part thereof and all proceeds of proceeds and any part thereof (collectively, the “**Proceeds**”);
  - (l) **Records.** All books, papers, documents, writings, tapes, magnetic or other machine readable data and records, and all other information, however stored, recording or relating to any of the Collateral (collectively, the “**Records**”); and
  - (m) **Securities.** All shares, stock, warrants, bonds, debentures, debenture stock, mortgages and other Equity Interests (as defined in the Credit Agreement) and securities (including all certificates or similar documents evidencing the interest of the Debtor therein) in which the Debtor now or hereafter has an interest, and any part thereof (collectively, the “**Securities**”), including without limitation the Securities described in **Schedule B** attached hereto.

## 1.2 Floating Charge.

As security for the repayment and the performance of each of the Obligations, the Debtor grants a floating charge to the Administrative Agent on all the Debtor’s interest in real property, including without limitation, all fixtures, crops and improvements, both present and future, other than such as are validly and effectively charged under Section 1.1 or excluded under Section 1.5.

1.3 Nature of Security Interests.

Notwithstanding the Debtor's right to deal with the Inventory in the ordinary course of business as provided herein, the security interests created hereby shall operate as fixed and specific mortgages and charges of all of the Collateral presently existing, and with respect to all future Collateral, shall operate as fixed and specific mortgages and charges of such future Collateral which shall attach at the moment the Debtor acquires any right or interest therein. The security interest created by Section 1.2 is intended as a floating charge which shall attach at the time provided in Section 1.4.

1.4 Attachment.

The Debtor acknowledges that value has been given. The security interests created hereby are intended to attach, as to all of the Collateral in which the Debtor has an interest, forthwith when the Debtor executes this Security Agreement, and, as to all Collateral in which the Debtor acquires any right or interest after the execution of this Security Agreement, when the Debtor acquires such right or interest.

1.5 Exceptions – Leases and Licenses.

The last day of any term reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor is hereby excepted out of the security interests created hereby. The Debtor shall assign and dispose of such last day of any term reserved by any such lease or agreement in such manner as the Administrative Agent may from time to time direct in writing. Upon any sale, assignment, sublease or other disposition of such lease or agreement to lease, the Administrative Agent shall, for the purpose of vesting the aforesaid residue of any such term in any purchaser, assignee, sublessee or such other acquirer of the lease, agreement to lease or any interest therein, be entitled by deed or other written instrument to assign to such other person, the aforesaid residue of any such term in place of the Debtor and to vest the same freed and discharged from any obligation whatsoever respecting the same. The security interests shall not extend or apply to the last day of any term of years reserved by a License, but the Debtor shall stand possessed of any such reversion in trust to assign and dispose thereof as the Administrative Agent may direct.

1.6 Statement.

The Debtor acknowledges that a security interest is taken in all of the Debtor's present and after acquired property except the last day of any term reserved by any lease of real property, verbal or written or any agreement therefor, now held or hereafter acquired by the Debtor.

1.7 Where Consent Required.

Nothing herein shall constitute an assignment or attempted assignment of any right, privilege, benefit, contract, permit, policy or other document or instrument which by the provisions thereof or by law is not assignable or which requires the consent of any third party to its assignment unless and until such consent is obtained or is waived by the third party. In each such case the Debtor shall, unless the Administrative Agent otherwise agrees in writing, use reasonable commercial efforts to obtain the consent of any necessary third party to its assignment hereby and for its further assignment by the Administrative Agent to any third party who may acquire same as a result of the Administrative Agent's exercise of remedies after an Event of Default which is continuing. Upon such consents being obtained from, or waived by, such relevant third party, this Security Agreement shall apply thereto without regard to this Section 1.7 and without the necessity of any further assurance to effect the assignment thereof.

1.8 Pending Consent.

In any case to which Section 1.7 applies, unless and until consent to assignment is obtained as therein provided, the Debtor shall, to the extent it may do so by law or pursuant to the provisions of the document or interest therein referred to, hold all benefit to be derived therefrom in trust for the Administrative Agent as additional security for the performance of the Obligations and shall deliver up all such benefit to the Administrative Agent forthwith upon demand by the Administrative Agent.

**Section 2**  
**DEFINITIONS**

2.1 Collateral.

The property, assets, rights and undertaking charged hereunder, including all of such Accessions, Accounts, Chattel Paper, Documents of Title, Equipment, Instruments, Intangibles, Intellectual Property, Inventory, Money, Proceeds, Records and Securities together with all increases, additions, improvements and accessions thereto, and all substitutions or any replacements thereof are, unless otherwise specified, herein referred to as the “**Collateral**”.

2.2 Defined Terms.

- (a) “**Administrative Agent**” means Canadian Imperial Bank of Commerce and its successors and permitted assigns, in its capacity as administrative agent for the benefit of and on behalf of the Lenders under the Credit Agreement;
- (b) “**Credit Agreement**” means the subordinated secured credit agreement, dated as of October \_\_\_\_\_, 2007, among 1353537 Alberta Ltd., as borrower, the Lenders from time to time party thereto, as lenders, Canadian Imperial Bank of Commerce, as Lead Arranger and Administrative Agent, and Canadian Imperial Bank of Commerce, as Operating Lender;
- (c) “**Intercreditor Agreement**” means the intercreditor agreement, dated as of October \_\_\_\_\_, 2007, among Canadian Imperial Bank of Commerce, in its capacity as Administrative Agent under the Senior Credit Agreement (as defined in the Intercreditor Agreement), Canadian Imperial Bank of Commerce, in its capacity as Administrative Agent under the Subordinate Credit Agreement (as defined in the Intercreditor Agreement) and 1353537 Alberta Ltd.;
- (d) “**Lenders**” means, collectively, the Lenders (as defined in the Credit Agreement) and each Swap Lender (as defined in the Credit Agreement), and their respective successors and permitted assigns, and “**Lender**” means any one of them and its successors and assigns. Unless the context otherwise requires, the term “**Lenders**” includes the Operating Lender (as defined in the Credit Agreement) and its successors and permitted assigns;
- (e) “**Licenses**” means any and all licenses, sub-licenses, leases, sub-leases, agreements to license or sub-license or lease or sub-lease, rights of use or control (whether as licensee or licensor or lessee or lessor and whether exclusive or nonexclusive) in respect of or in connection with the acquisition, ownership or use of Intellectual Property, together in

each case with any amendments, supplements, modifications, extensions, renewals or replacements thereof, and “License” means any one of them;

- (f) “Official Body” means any government or political subdivision or any agency, authority, bureau, central bank, monetary authority, commission, department or instrumentality thereof, or any court, tribunal, grand jury or arbitrator acting under the authority of any of the foregoing, whether foreign or domestic, in each case having or purporting to have jurisdiction in the relevant circumstances;
- (g) “Royalties” means all royalties, rents, issues, proceeds, profits or other fees (including, without limitation, license fees), charges, assessments or penalties payable to the Debtor or due or accruing due to the Debtor pursuant to any License; and
- (h) Unless the context otherwise requires or unless otherwise specified, all the terms used herein without initial capitals which are defined in the *Personal Property Security Act* (Alberta) or the regulations thereunder, as they may be amended, restated or replaced by successor legislation of comparable effect (collectively, the “PPSA”), have the same meaning herein as in the PPSA.

### Section 3 OBLIGATIONS SECURED

#### 3.1 Obligations Secured.

The Collateral constitutes and will constitute continuing security for each of the following obligations (collectively, the “Obligations”) of the Debtor to any one or more of the Administrative Agent and the Lenders under the Credit Agreement or any other Loan Document (as defined in the Credit Agreement):

- (a) **Indebtedness.** The prompt payment, as and when due and payable, of all amounts now or hereafter owing by the Debtor to any one or more of the Administrative Agent and the Lenders under the Credit Agreement or any other Loan Document and any Swap Agreement (as such terms are defined in the Credit Agreement), including by way of guarantee or indemnity, whether now existing or hereafter incurred, matured or unmatured, direct, indirect, joint or several, or contingent including any extensions and renewals thereof, and all future advances and re-advances; and
- (b) **Performance of Agreements.** The strict performance and observance by the Debtor of all agreements, warranties, representations, covenants and conditions of the Debtor made pursuant to this Security Agreement or any other agreement between the Debtor and any one or more of the Administrative Agent and the Lenders in connection with the Credit Agreement all as now in effect or as hereafter entered into or amended.

#### 3.2 Reduction of Obligations.

The Obligations may be reduced to zero from time to time without affecting the validity, perfection or enforceability of this Security Agreement or the security interests created hereby until this Security Agreement is discharged in accordance with Section 9.10.

Section 4  
DEBTOR'S REPRESENTATIONS AND WARRANTIES

4.1 General.

The Debtor represents and warrants to and for the benefit of the Administrative Agent and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant as set out in this Section 4, and that each of the representations and warranties made with respect to the Debtor in the Credit Agreement is true and correct as if the same were given by the Debtor at the date hereof.

4.2 Places of Business of Debtor.

The locations specified in **Schedule D** hereto are the Debtor's only places of business (the "**Places of Business**") where the Debtor conducts its business operations or keeps or stores the Collateral and records in respect thereof and of the Debtor's business.

4.3 Serial Numbered Goods.

To the knowledge of the Debtor, the complete, accurate and appropriate serial number (as specified in the regulations under the PPSA) for each item of Equipment that is serial numbered goods in which the Debtor now has any interest (excluding, for certainty, any Equipment held by the Debtor under any operating lease), is set out in **Schedule A** hereto.

4.4 Account Debtor.

To the knowledge of the Debtor, each Account, Chattel Paper, Security and Instrument constituting Collateral is genuine and enforceable in accordance with its terms against the party obligated to pay thereunder (the "**Account Debtor**").

4.5 Amounts Due From Account Debtor.

The amount represented by the Debtor to the Administrative Agent from time to time as owing by each Account Debtor or by all Account Debtors shall, to the best of the Debtor's knowledge be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, save and except for normal cash discounts where applicable.

4.6 Survival and Reliance.

All representations and warranties of the Debtor made herein or in any certificate or other document delivered by or on behalf of the Debtor for the benefit of the Administrative Agent or any of the Lenders are material, shall survive the execution and delivery of this Security Agreement and shall continue in full force and effect without time limit. The Administrative Agent and each of the Lenders are deemed to have relied upon each such representation and warranty notwithstanding any investigation made by or on behalf of the Administrative Agent or any of the Lenders at any time.

4.7 Intellectual Property.

Attached hereto as **Schedule C** is a true and complete schedule setting forth all material Intellectual Property of the Debtor.

4.8 Validity: Enforceability.

The Debtor is not currently aware of any past, present, or prospective claim by any third party that any of the Intellectual Property is invalid or unenforceable or that the use of the Intellectual Property violates the rights of any third person, or of any basis for any such claims, except for those claims set out in **Schedule E** attached hereto.

4.9 Perfection of Security Interest in Intellectual Property.

Except for the filing of a financing statement with provincial or state personal property registries, and filings with the Canadian Patent Office, Canadian Copyright Office and Canadian Trademark Office, the United States Patent and Trademark Office and the United States Copyright Office, or the corresponding offices in any other country which may be necessary to perfect the security interest, no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by the Debtor of the security interest or for the execution, delivery or performance of this Security Agreement by the Debtor or for the perfection of or the exercise by the Administrative Agent of its rights hereunder to the Intellectual Property in Canada or the United States.

**Section 5**  
**DEBTOR'S COVENANTS**

5.1 General.

Unless compliance with the following covenants is waived by the Administrative Agent in writing or unless non-compliance with any such covenants is otherwise consented to by the Administrative Agent by written agreement with the Debtor, the Debtor covenants and agrees with the Administrative Agent to observe and perform each of the covenants set out in this Section 5, and to comply with each and every term, covenant, condition and agreement under the Credit Agreement, any Swap Agreement entered into by the Debtor with any Lender or any Affiliate of any Lender or any other agreement entered into by the Debtor in connection with such agreements and to not do anything which would result in a breach of the Credit Agreement, any Swap Agreement entered into by the Debtor with any Lender or any Affiliate of any Lender or any other agreement entered into by the Debtor in connection with such agreements.

5.2 Conduct of Business.

The Debtor will carry on and conduct its business in accordance with sound industry practice.

5.3 No Accessions or Fixtures.

The Debtor will prevent the Collateral from becoming an accession to any property other than the Collateral or from becoming a fixture unless the security interests hereby created rank prior to the interests of all other persons in the realty.

5.4 Marking the Collateral.

The Debtor will, at the reasonable request of the Administrative Agent, and if reasonably necessary for identification purposes, mark, or otherwise take appropriate steps to identify, the Collateral to indicate clearly that it is subject to the security interests hereby created.

5.5 Change of Places of Business, Collateral and Names.

The Debtor will not change its places of business, chief executive office, or the records in respect thereof or, other than in accordance with the Purchase Transactions or any Permitted Acquisition (as such terms are defined in the Credit Agreement), change its corporate name or any name or style under which it carries on business without giving to the Administrative Agent five (5) Business Day's prior written notice of the change or of the new name or style, as applicable.

5.6 Notice of Loss of Collateral.

The Debtor will give prompt written notice to the Administrative Agent of all loss or damage to or loss or possession of the Collateral otherwise than by disposition in accordance with the terms of the Credit Agreement unless such loss, damage or loss of possession would not, in the aggregate, reasonably be considered to constitute a Material Adverse Effect (as defined in the Credit Agreement).

5.7 Proceeds In Trust.

Upon the occurrence of and during the continuation of an Event of Default, the Debtor will and shall be deemed to hold all Proceeds in trust, separate and apart from other Money, Instruments or property, for the benefit of the Administrative Agent until all amounts owing by the Debtor to each of the Administrative Agent and the Lenders have been paid in full and all obligations of each of the Administrative Agent and the Lenders to the Debtor have been terminated.

5.8 Additional Securities.

In the event that the Debtor shall, during the currency of the Credit Agreement, become the beneficial owner of any other Securities than those set out in Schedule B hereto, the Debtor agrees that, subject to the terms of the Credit Agreement, and subject to the terms of the Intercreditor Agreement, it shall pledge such Securities to the Administrative Agent and forthwith deliver same to the Administrative Agent under the Senior Credit Agreement (as defined in the Intercreditor Agreement) that will hold such Securities on behalf of the Creditors (as defined in the Intercreditor Agreement) to be dealt with in accordance with the terms and conditions of the Intercreditor Agreement and such Securities shall become Securities so held by and on behalf of the Administrative Agent pursuant to the terms of this Security Agreement, the security interest of the Administrative Agent attaching when the Debtor has rights in such Securities.

5.9 Security Interest in Intellectual Property.

The Debtor agrees that the Administrative Agent will not be deemed in any manner to have assumed any obligation of the Debtor under any License nor shall the Administrative Agent be liable to any Official Body or license counterparties by reason of any default by any person under any contract. The Debtor agrees to indemnify and hold the Administrative Agent harmless of and from all liability, loss, damage or expense which it may or might incur by reason of any claim or demand against it based on its alleged assumption of the Debtor's duty and obligation to perform and discharge the terms, covenants and agreements in any License, other than those arising from gross negligence or willful misconduct.

5.10 Litigation and Proceedings With Respect to Intellectual Property.

The Debtor shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit and its own expense, such suits, administrative proceedings, or other actions

for infringement or other causes of action as are in its reasonable business judgment necessary to protect the Intellectual Property. The Debtor shall diligently defend all suits, administrative proceedings or other actions brought by third parties in respect of the Intellectual Property or use thereof unless such suits, proceedings or actions do not constitute a Material Adverse Effect. The Debtor shall provide to the Administrative Agent any information with respect to the foregoing in this Section 5.10 requested by the Administrative Agent. The Administrative Agent may, but shall not be required to, provide at the Debtor's expense all necessary cooperation in connection with any such suits, proceedings or actions including, without limitation, joining as a necessary party. Following the Debtor becoming aware thereof, the Debtor shall promptly notify the Administrative Agent of the institution of or any adverse determination in any proceeding in any patent, trademark or copyright office or other regulatory authority, or any Canadian, United States, state, provincial or foreign court regarding the Debtor's claim of ownership in any of the Intellectual Property, its right to apply for the same or its right to keep and maintain such rights, the whole provided that such proceeding is likely to constitute a Material Adverse Effect.

## Section 6 COLLECTION OF ACCOUNTS

### 6.1 Collection of Accounts.

The Administrative Agent may, upon the occurrence and during the continuation of an Event of Default, notify and direct any Account Debtor to make all payments whatever to the Administrative Agent. The Administrative Agent may hold all amounts acquired from any Account Debtor and any Proceeds as part of the Collateral.

### 6.2 Trust Provision.

Any payments received by the Debtor upon the occurrence and during the continuation of an Event of Default and after notification to Account Debtors, shall be held by the Debtor in trust for the Administrative Agent in the same medium in which received, shall not be commingled with any assets of the Debtor and shall, at the request of the Administrative Agent, be turned over to the Administrative Agent not later than the next business day following the day of their receipt.

## Section 7 DEFAULT

### 7.1 Default.

The occurrence of any "Event of Default" under the Credit Agreement, other than under Article VIII, subparagraphs (h) or (i) of the Credit Agreement, that has not been remedied or waived by the Administrative Agent in accordance with the provisions of the Credit Agreement and for which the Administrative Agent has provided a notice of acceleration to the Debtor, or the occurrence of any "Event of Default" specified in Article VIII, subparagraphs (h) or (i) of the Credit Agreement will constitute an "Event of Default" under this Security Agreement.

### 7.2 Crystallization.

The floating charge created by Section 1.2 shall become a fixed charge as soon as:

- (a) the Administrative Agent gives notice to that effect to the Debtor upon the occurrence and during the continuation of an Event of Default;



- (b) the Administrative Agent takes any step to accelerate or demand payment of the Obligations, or gives notice of its intention or takes any steps to enforce its security upon the occurrence and during the continuation of an Event of Default; or
- (c) an Event of Default described in Article VIII, subparagraphs (h) or (i) of the Credit Agreement occurs in respect of the Debtor.

7.3 Grant of License.

In addition, upon the occurrence of any default or Event of Default which is not susceptible of being remedied or waived, the Debtor shall, to the extent permitted by law, grant to the Administrative Agent a royalty-free exclusive license to use the Intellectual Property and associated goodwill to the extent necessary to enable the Administrative Agent to use, possess and realize upon the Intellectual Property and to enable any successor or assign to enjoy the benefits of all the Intellectual Property.

7.4 Waiver not to Affect Subsequent Breach.

The Administrative Agent may waive default or any breach by the Debtor of any of the provisions contained in this Security Agreement. No waiver shall extend to a subsequent breach or default, whether or not the same as or similar to the breach or default waived. No act or omission of the Administrative Agent shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of the Debtor or the rights of the Administrative Agent resulting therefrom. Any such waiver must be in writing and signed by the Administrative Agent to be effective.

**Section 8**  
**ADMINISTRATIVE AGENT'S REMEDIES ON DEFAULT**

8.1 Indebtedness Due and Rights and Remedies.

Upon the occurrence and during the continuation of an Event of Default, all of the Obligations shall become immediately due and payable without notice to the Debtor, and the Administrative Agent may, at its option, proceed to enforce payment of same and to exercise any or all of the rights and remedies contained herein, including, without limitation, the signification and collection of the Debtor's Accounts, or otherwise afforded by law, in equity or otherwise. The Administrative Agent shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law and the Administrative Agent expressly retains all rights and remedies not inconsistent with the provisions herein including all the rights it may have under the PPSA as well as the Credit Agreement, and, without restricting the generality of the foregoing, the Administrative Agent may upon such Event of Default which is continuing:

- (a) **Appointment of Receiver.** Appoint by instrument in writing a receiver, receiver-manager or receiver and manager (herein a "**Receiver**") of the Debtor and of all or any part of the Collateral and remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a Receiver. Any Receiver appointed by the Administrative Agent so far as concerns responsibility for its acts shall be deemed the agent of the Debtor and not of the Administrative Agent. Where the Administrative Agent is referred to in this Section the reference includes, where the context permits, any Receiver so appointed and the officers, employees, servants or agents of such Receiver;

- (b) **Enter and Repossess.** Immediately and without notice enter the Debtor's premises and repossess, disable or remove the Collateral and the Debtor hereby grants to the Administrative Agent a licence to occupy any premises of the Debtor for the purpose of storage of the Collateral;
- (c) **Retain the Collateral.** Retain and administer the Collateral in the Administrative Agent's sole and unfettered discretion, which the Debtor hereby acknowledges is commercially reasonable;
- (d) **Dispose of the Collateral.** Dispose of any Collateral by public auction, private tender or private contract with or without notice, advertising or any other formality, all of which are hereby waived by the Debtor. The Administrative Agent may, at its discretion establish the terms of such disposition, including, without limitation, terms and conditions as to credit, upset, reserve bid or price. The Administrative Agent may also lease the Collateral on such terms as it deems appropriate. The payments for Collateral, whether on a disposition or lease, may be deferred. All payments made pursuant to such dispositions shall be credited against the Obligations only as they are actually received. The Administrative Agent may buy in, rescind or vary any contract for the disposition of any Collateral and may dispose of any Collateral again without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Administrative Agent has taken possession of the Collateral;
- (e) **Foreclose.** Foreclose upon the Collateral in satisfaction of the Obligations. The Administrative Agent may designate any part of the Obligations to be satisfied by the foreclosure of particular Collateral which the Administrative Agent considers to have a net realizable value approximating the amount of the designated part of the Obligations, in which case only the designated part of the Obligations shall be deemed to be satisfied by the foreclosure of the particular Collateral;
- (f) **Carry on Business.** Carry on or concur in the carrying on of all or any part of the business of the Debtor and may, in any event, to the exclusion of all others, including the Debtor, enter upon, occupy and use all premises of or occupied or used by the Debtor and use any of the personal property (which shall include fixtures) of the Debtor for such time and such purposes as the Administrative Agent sees fit. The Administrative Agent shall not be liable to the Debtor for any neglect in so doing or in respect of any rent, costs, charges, depreciation or damages in connection therewith;
- (g) **Payment of Encumbrances.** Pay any encumbrance that may exist or be threatened against the Collateral. In any such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations secured by this Security Agreement;
- (h) **Payment of Deficiency.** If the proceeds of realization are insufficient to pay all monetary Obligations, the Debtor shall forthwith pay or cause to be paid to the Administrative Agent any deficiency and the Administrative Agent may sue the Debtor to collect the amount of such deficiency; and
- (i) **Dealing with Collateral.** Subject to applicable law, seize, collect, realize, borrow money on the security of, release to third parties, sell (by way of public or private sale), lease or otherwise deal with the Collateral in such manner, upon such terms and conditions, at such time or times and place or places and for such consideration as may seem to the

Administrative Agent advisable and without notice to the Debtor. The Administrative Agent may charge on its own behalf and pay to others sums for reasonable expenses incurred and for services rendered (expressly including legal services, consulting, receivers and accounting fees) in or in connection with seizing, collecting, realizing, borrowing on the security of, selling or obtaining payment of the Collateral and may add such sums to the Obligations secured by this Security Agreement.

8.2 Assemble the Collateral.

To assist the Administrative Agent in the implementation of such rights and remedies the Debtor will, at its own risk and expense and at the Administrative Agent's request, assemble and prepare for removal such items of the Collateral as are selected by the Administrative Agent as shall, in the Administrative Agent's sole judgment, have a value sufficient to cover all the Obligations.

8.3 Administrative Agent Not Liable for Failure to Exercise Remedies.

None of the Administrative Agent or the Lenders shall be liable or accountable for any delay or failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Collateral. None of the Administrative Agent or the Lenders shall be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Administrative Agent, the Debtor or any other person in respect of the Collateral or against any Account Debtor.

8.4 Allocation of Proceeds.

All monies collected or received by the Administrative Agent in respect of the Collateral may be held by the Administrative Agent and may be applied on account of such parts of the Obligations at the sole discretion of the Administrative Agent, the whole subject to the terms of the Credit Agreement.

8.5 Extension of Time.

Each of the Administrative Agent and the Lenders may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Collateral to third parties and otherwise deal with the Debtor's guarantors or sureties and others and with the Collateral and other securities as such of the Administrative Agent or the Lenders may see fit without prejudice to the liability of the Debtor to the Administrative Agent, or the Administrative Agent's rights, remedies and powers under this Security Agreement.

8.6 Forbearance is not Waiver.

No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given by the Administrative Agent to the Debtor shall operate as a waiver, alteration or amendment of the rights of the Administrative Agent or otherwise preclude the Administrative Agent from enforcing such rights.

8.7 Effect of Appointment of Receiver.

As soon as the Administrative Agent takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the directors and officers of the Debtor with

respect to that Collateral shall cease, unless specifically continued by the written consent of the Administrative Agent or the Receiver.

8.8 Limitation of Liability.

The Administrative Agent and the Lenders shall not be liable by reason of any entry into or taking possession of any of the Collateral hereby charged or intended so to be or any part thereof, to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or any act or omission for which a secured party in possession might be liable. The Debtor acknowledges and agrees that any and all payments, responsibilities, obligations and liabilities in respect of the Collateral shall remain those of the Debtor and no such payments, responsibilities, obligations or liabilities are assigned hereby nor are assumed or incurred by the Administrative Agent or the Lenders hereunder, other than gross negligence or wilful misconduct.

8.9 Release by Debtor.

The Debtor hereby releases and discharges the Administrative Agent, the Lenders and the Receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Debtor or any person claiming through or under the Debtor by reason or as a result of any act or omission of the Administrative Agent or any successor or assign claiming through or under the Administrative Agent or the Receiver under the provisions of this Security Agreement unless such claim is the result of dishonesty or gross neglect.

8.10 Performance by Agent.

Nothing herein shall obligate the Administrative Agent to assume or perform any obligation of the Debtor to any third party in respect or arising out of the Collateral. The Debtor agrees to indemnify and save harmless the Administrative Agent from any and all claims of such third parties, other than those arising out of gross negligence or wilful misconduct. The Administrative Agent may however at its option assume or perform any such obligations which the Administrative Agent considers necessary or desirable to obtain the benefit of the Collateral, or any part thereof, free of any set off, deduction or abatement and any money so expended by the Administrative Agent shall form part of the Obligations and shall bear interest at the interest rate(s) provided for in the Credit Agreement.

**Section 9**  
**MISCELLANEOUS**

9.1 Costs.

The Debtor will indemnify and reimburse the Administrative Agent on demand for all interest, commissions, costs of realization and other reasonable costs and expenses (including the full amount of all legal fees and expenses paid by the Administrative Agent) incurred by the Administrative Agent, any of the Lenders or any Receiver in connection with:

- (a) the registration of any financing statement registered in connection with the security interests hereby created;
- (b) the preparation, execution, perfection, protection, enforcement of and advice with respect to this Security Agreement;

- (c) the realization, disposition of, retention, protection, insuring or collection of any Collateral;
- (d) the protection or enforcement of the rights, remedies and powers of any of the Administrative Agent or the Lenders or any Receiver, including, without limitation, participation, preparation and advice with respect to any actions or proceedings commenced or threatened by or against the Debtor or any Guarantor/Indemnitator;
- (e) the inspection of the Collateral;
- (f) investigating title to the Collateral;
- (g) the compliance by the Administrative Agent with all demands made upon the Administrative Agent to amend, extend, cancel or discharge any registrations and filings related hereto; and
- (h) any other reasonable cost related hereto.

All amounts for which the Debtor is required hereunder to reimburse the Administrative Agent or any of the Lenders or any Receiver shall, from the date of disbursement until the date the Administrative Agent, such Lenders or the Receiver receives reimbursement, be deemed advanced to the Debtor by the Lenders, shall be deemed to be Obligations and shall bear interest at the interest rate(s) provided for in the Credit Agreement.

#### 9.2 Appointment of Attorney.

The Debtor hereby constitutes and appoints the Administrative Agent, or any Receiver, the true and lawful attorney of the Debtor irrevocably with full power of substitution to do, make and execute all such assignments, documents, acts, matters or things with the right to use the name of the Debtor whenever and wherever it may be deemed necessary or expedient. This power of attorney may only be exercised upon the occurrence and during the continuation of an Event of Default. The Debtor hereby declares that the irrevocable power of attorney granted hereby, being coupled with an interest, is given for valuable consideration.

#### 9.3 No Obligation to Make Advances.

Nothing herein shall obligate the Administrative Agent or any of the Lenders to make any advance or loan or further advance or extend credit to the Debtor and, in particular, nothing herein shall obligate the Administrative Agent or any of the Lenders to advance any unadvanced portion of any loan or credit to the Debtor after the occurrence of an Event of Default which is continuing. Except to the extent that the Administrative Agent or any of the Lenders:

- (a) by accepting bills of exchange drawn on it by the Debtor; or
- (b) by issuing letters of credit or letters of guarantee on the application of the Debtor,

is required to advance monies on the maturity of those bills or pursuant to those letters of credit or letters of guarantee, as the case may be, none of the preparation, execution, perfection or registration of this Security Agreement or the advance of any monies by the Administrative Agent or any of the Lenders shall bind the Administrative Agent or the Lenders to make any further advance.

9.4 Security Interests Effective Immediately.

Neither the execution of, nor any filing with respect to, this Security Agreement shall bind the Administrative Agent or any of the Lenders to grant any credit to the Debtor, but the security interests hereby created shall take effect forthwith upon the execution of this Security Agreement by the Debtor.

9.5 Security in Addition and not in Substitution, Remedies Cumulative.

The rights, remedies and powers conferred by this Security Agreement are in addition to, and not in substitution for, any other rights, remedies or powers the Administrative Agent and the Lenders may have under this Security Agreement, at law, in equity or by or under the PPSA or any other statute. The Administrative Agent may proceed by way of any action, suit or other proceeding at law or in equity and no right, remedy or power of the Administrative Agent shall be exclusive of or dependent on any other. The Administrative Agent may exercise any of its rights, remedies or powers separately or in combination and at any time.

9.6 Statutory Waivers.

To the fullest extent permitted by law, the Debtor waives all of the rights, benefits and protection given by the provisions of any existing or future statute which imposes limitations upon the rights, remedies or powers of the Administrative Agent or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute. In particular, the Debtor waives all rights, benefits and protection given by the *Civil Enforcement Act* of the Province of Alberta insofar as they extend to or relate to any of the Collateral. The *Limitation of Civil Rights Act* of the Province of Saskatchewan shall not apply to the security interests hereby created or any of the rights, remedies or powers of the Administrative Agent or any Receiver.

9.7 Provisions Reasonable.

The Debtor acknowledges that the provisions of this Security Agreement and, in particular, those respecting rights, remedies and powers of the Administrative Agent and any Receiver against the Debtor, its business and any Collateral upon an Event of Default, are commercially reasonable and not manifestly unreasonable.

9.8 Further Assurances.

The Debtor shall at all times, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Administrative Agent may reasonably require in order to give effect to the provisions hereof and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the security interests hereby created and the priority accorded to them by law or under this Security Agreement.

9.9 Notices. Every notice, demand and other communication in connection with this Security Agreement (including, without limitation, notices required or permitted under the *Bankruptcy and Insolvency Act*) and all legal process in regard hereto shall be validly given, made or served in accordance with the Credit Agreement.

9.10 Release of Collateral and Discharge.

The Administrative Agent shall, in accordance with the provisions of the Credit Agreement, release any of the Collateral from time to time from the security interest created pursuant to this Security Agreement. Upon payment and performance by the Debtor of the Obligations secured hereby the Administrative Agent shall promptly upon request in writing by the Debtor deliver up this Security Agreement to the Debtor and shall at the expense of the Debtor cancel and discharge the security interests hereby created and execute and deliver to the Debtor such documents as shall be requisite to discharge the security interests hereby created.

9.11 Amalgamation.

In the event of the amalgamation of the Debtor, this Security Agreement and all other security delivered by the Debtor in connection with this Security Agreement shall be binding on the amalgamated corporation and charge its present and future undertaking, property and assets to secure the present and future Obligations of the amalgamated corporation, all as if the amalgamated corporation had originally executed and delivered those documents; provided nothing in this paragraph shall be construed as a consent or a permission for the Debtor to amalgamate.

9.12 Delivery of Copy/Waiver.

The Debtor hereby acknowledges receiving a copy of this Security Agreement. The Debtor waives all rights to receive from the Administrative Agent a copy of any financing statement or financing change statement registered or verification statement issued at any time in respect of this Security Agreement.

9.13 Conflict.

In the event of a conflict or inconsistency between the provisions of this Security Agreement and the provisions of the Credit Agreement, the provisions of the Credit Agreement shall prevail provided that they do not invalidate any security created hereunder.

9.14 Release of Information.

The Debtor hereby authorizes the Administrative Agent to provide a copy of this Security Agreement and such other information (including full details of the Obligations) as may be requested of the Administrative Agent by persons entitled thereto under the PPSA.

**Section 10**  
**INTERPRETATION**

10.1 Entire Agreement/Amendment.

This Security Agreement contains the entire agreement between the parties relating to the security interests hereby created. Any amendment of this Security Agreement shall not be binding unless in writing and signed by the Administrative Agent and the Debtor. The Debtor confirms that there are no

representations, warranties, covenants or acknowledgements affecting, or relied upon in entering this Security Agreement.

10.2           Severability.

Any provision of this Security Agreement prohibited by law or otherwise ineffective shall be ineffective only to the extent of such prohibition or ineffectiveness and shall be severable without invalidating or otherwise affecting the remaining provisions hereof.

10.3           Joint and Several Liability.

If more than one person executes this Security Agreement as Debtor, their obligations hereunder and the liability resulting therefrom shall be joint and several.

10.4           Headings.

All headings and titles in this Security Agreement are for reference only and are not to be used in the interpretation of the terms hereof.

10.5           Included Words.

Wherever the singular or the masculine are used herein, the same shall be deemed to include the plural or the feminine or the body politic or corporate where the context or the parties so require.

10.6           Applicable Law.

This Security Agreement shall be construed and enforceable under and in accordance with the laws of Alberta. The Debtor hereby irrevocably submits and attorns to the jurisdiction of the courts of Alberta.

10.7           Binding Effect.

This Security Agreement shall be binding on the Debtor and its successors, heirs, administrators and executors and shall enure to the benefit of the Administrative Agent and its successors and assigns.

[SIGNATURE PAGE FOLLOWS]



COVER-ALL BUILDING SYSTEMS INC.

By: Franklin H. Foster  
Name: Franklin H. Foster  
Title: Secretary

VAN01: 2422498: v1

**SCHEDULE A**

**SPECIFIC EQUIPMENT DESCRIPTION**

**[NTD: complete once relative schedule to the Credit Agreement is settled]**

**SCHEDULE B**

**SECURITIES OWNED BY THE DEBTOR**

(1) IN THE CAPITAL OF SUMMIT STRUCTURES LIMITED

<u>CLASS OF SHARES</u>	<u>CERTIFICATE NUMBER</u>	<u>NUMBER OF SHARES</u>
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(2) IN THE CAPITAL OF SUMMIT STRUCTURES, LLC

100 Units

(3) IN THE CAPITAL OF QUICK STRUCTURES, LLC

1,000 Units

(4) IN THE CAPITAL OF COVER-ALL HOLDINGS U.S., LLC

<u>CLASS OF SHARES</u>	<u>CERTIFICATE NUMBER</u>	<u>NUMBER OF SHARES</u>
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**SCHEDULE C**

**INTELLECTUAL PROPERTY OF THE DEBTOR**

**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 - DURAWEAWE
- B. United States Trademark Registration Serial No. 2,267,575 – DURAWEAWE
- 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 | Application containing embedded web browsers for accessing PDL, US Wizard uploader and the DW Order Guide as well as the |

(CDMA)	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 D**

**DEBTOR'S PLACES OF BUSINESS**

1. 3815 Wanuskewin Road  
Saskatoon, Saskatchewan S7P 1A4
2. 37651 Amberly Road  
R.R. #1  
Lucknow, Ontario N0G 2H0
3. 4500, 855 – 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 4K7



**SCHEDULE E**

**CLAIMS AGAINST INTELLECTUAL PROPERTY OF THE DEBTOR**

**PENDING INFRINGEMENTS**

1. Letter issued to Pavilion Structures and Pavilion Buildings dated August 27, 2007 concerning images of Cover-All structures being passed off as Pavilion-made structures on Pavilion's website and promotional materials;
2. Letter issued to Fabrinno Co., Ltd. dated June 4, 2007 in connection with trademark infringement of the registered trademark Duraweave® and unfair competition concerning images of Cover-All structures featuring Duraweave® fabric on Fabrinno's website.

**SETTLEMENTS**

1. Settlement of a dispute respecting three "COVERALL" trademarks registered in the United States by Flex-O-Glass, Inc., as evidenced by a Trademark Agreement dated August 21, 2002 between Flex-O-Glass, Inc. and Cover-All Building Systems Inc.