



NYSE Amex: COVR

Building The Future of Insurance

**Semi-Annual NY Micro Cap Conference In
Partnership with Houlihan Lokey
January 9, 2012**

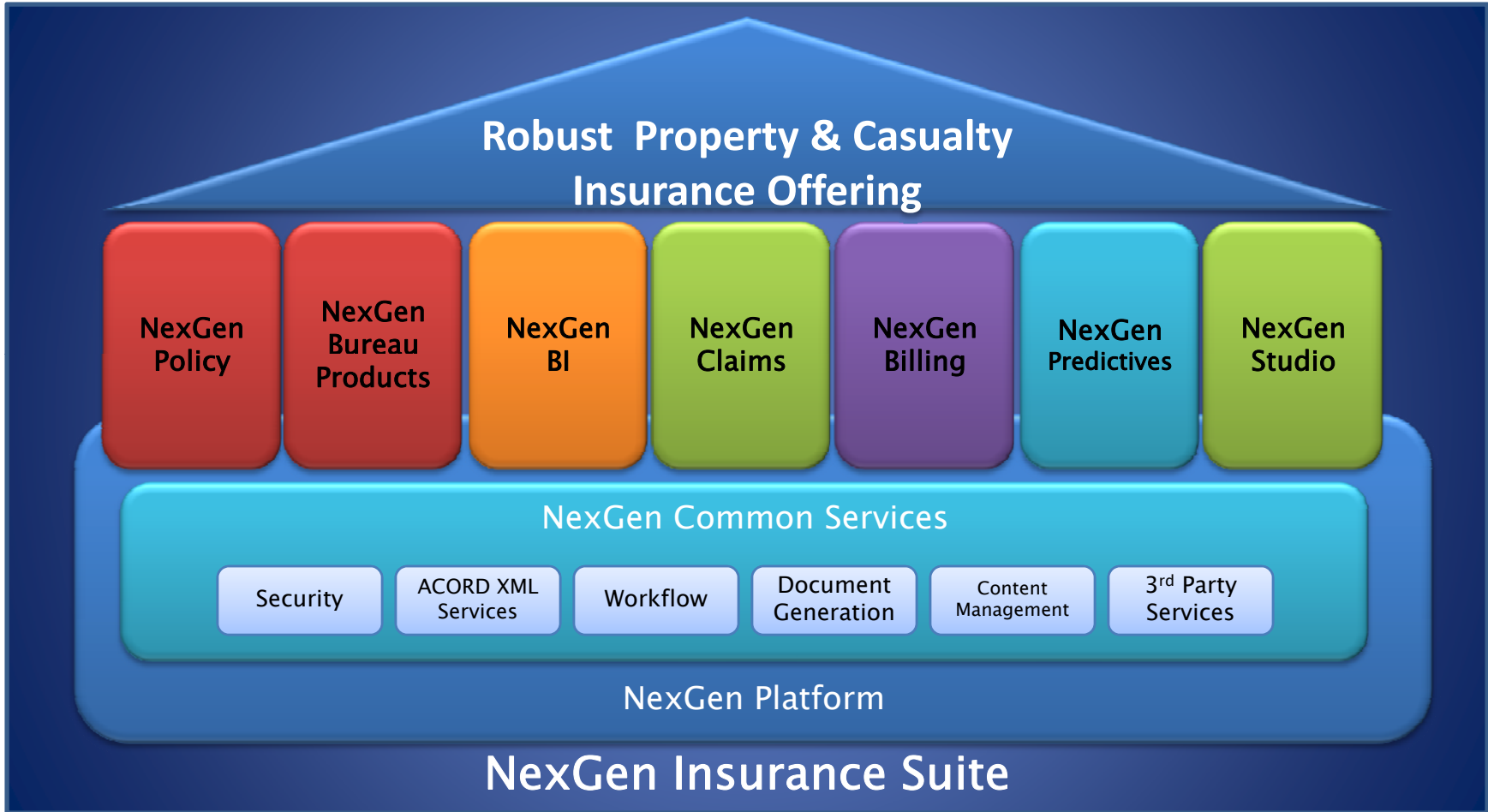


Safe Harbor Statement

This presentation contains forward looking statements including, future projections, descriptions of Management's plans and objectives for future operations, statements of future economic performance and statements concerning the assumptions underlying and relating to these projections, plans, objectives and future performance. Actual results may differ materially from those stated or implied by such forward-looking statements presented today. Factors that could affect these forward-looking statements include, among others, potential volatility in Cover-All's stock price, customer acceptance of new products and services offered by the company, uncertainty of future revenue and profitability and fluctuations in the Company's quarterly operating results. More information about potential factors that could affect the Company's business and financial results is included in Cover-All's filings with the Securities and Exchange Commission over the last 12 months, including our Form 10-K filed with the SEC on March 24, 2011 and Post-Effective Amendment No. 3 to Form S-1 on Form S-3 (File No. 333-156397) filed with the SEC on July 26, 2011. Investors should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation.

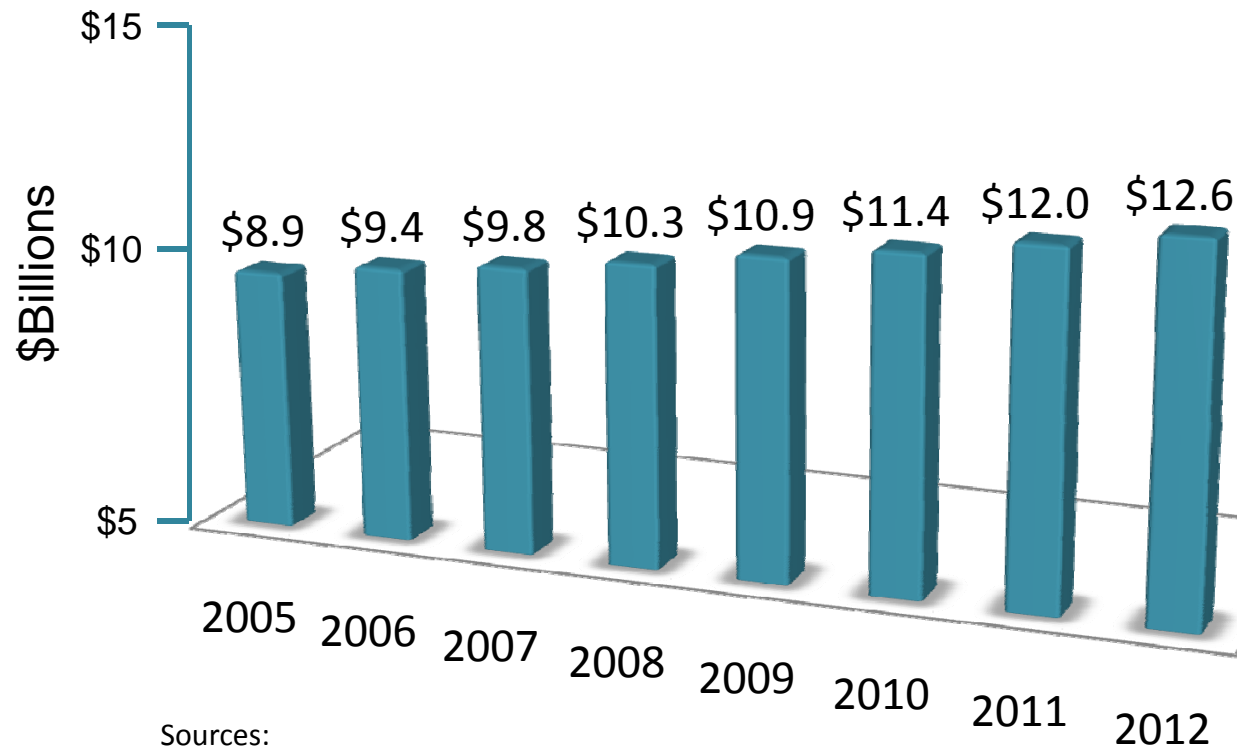
Investment Highlights

- **Poised for Organic and Acquisitive Growth**
 - Acquisition of BlueWave Claims Solution
 - New Business Intelligence product accelerates organic growth (cross-selling) and broadens market opportunity
 - My Insurance Center NexGen: 2 major new products introduced in Q2, 2011
 - New Customer, Existing Customer Impact
 - Expanded marketing presence leveraging industry acclaim and increasing sales pipeline
- **Expanding recurring revenue base drives predictable profitability**
 - Four consecutive years of record revenue and operating results
 - Focused on profitable growth year-over-year
- **Strong balance sheet**
 - \$4.0M in cash (as of 9/30/11), \$5.6M in working capital, \$21.0M in assets and no long-term debt
 - \$16M NOLs (Federal)
- **Large and growing market opportunity**
 - Estimated at \$12.6B for 2012 – Not including BI or Claims
 - Cover-All has approx. 0.1% of market share
- **Established customer base, including some of the biggest and best-known carriers in the industry**
 - 35+ customers



Large Market

Note: Does Not Include BI or Claims



Sources:

- Industry size and growth rate: Tower Group (industry analyst)
- P&C segment based on Insurance Information Institute research (US only)

- Most U.S. insurers spend 4-5% of premiums on IT
- Cover-All can reduce technology spending to 1-2% of premiums & significantly reduce overall expenses
- 1% market share = \$100M-plus in annual revenue

Partial Customer List



Sophisticated Enterprise Products

Software & Services Model; Multi-Year Commitment



<p>Commercial Auto Business Auto, Garage, Truckers , Motor Carrier</p>	<p>Comm. Package Property, General Liability, Inland Marine, Crime</p>	<p>Workers' Comp Work Comp, Employers Liability</p>	<p>Custom Products e.g. Professional Liability, Umbrella</p>
Customizations	Customizations	Customizations	State and Company Specific Customizations
State Exceptions	State Exceptions	State Exceptions	
Rates, Rules, Forms	Rates, Rules, Forms	Rates, Rules, Forms	Rates, Rules, Forms

<p>Security Users, Roles, Functional and Data Controls</p>	<p>Agency Facing Portal Quoting, Issuance, Policy Servicing</p>	<p>Administration Perf Monitoring, System Maintenance Tools, Release Management</p>
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<p>Policy Lifecycle Management Rating, Quoting, Issuance, Endorsements, Cancellations, Renewals</p>	<p>Underwriting Assistance Electronic UW files, Workflows, UW Rules, Web Services (Polk, MSB, Predictive Analytics etc.)</p>	<p>Financials Installments, Commissions, Program Fees, Surcharges, Taxes, Earnings</p>	<p>Document Generation & Imaging Printing, Paperless Delivery, Archiving</p>	<p>Compliance Security Audits, Rates, Rules, Forms Adoption Auditing, Internal Controls, ISO Edits Checks</p>
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NexGen Business Intelligence

Performance Mgmt

- Dashboards
- Scorecards
- Product, Producer, Profit Center Analysis

Business Analysis

- Reports
- Slice & Dice

Turn-key Data Model

- Broad Scope
- Premiums, Losses, Expenses, Financial & Operational Ratios
- Leverage data from other sources
- Instant connectivity to MIC

“The Business Acquisition Platform”

- “My Insurance Center™” – Customer Benefits
 - **Nimble** – New Products creation (short cycle times)
 - **Flexible** – Multiple distribution channels supported
 - **Speed** – Speed to market, implementation and change
 - **Secure** – Across the extended enterprise
 - **Powerful** – Extensive functionality
 - **Customizable** – Flexible for each customer
 - **Compliant** – Insurance reporting complexity a byproduct of straight through processing
 - **Efficient** – Annual operating costs less than 25%-50% of industry averages
 - **State of the Art** – No legacy code; data centric design, WEB 2.0
 - **Extensible & Scalable** – Architected for change, built for the present and the future

Celent Market Analysis - 2011

*“Cover-All’s MIC NexGen is one of the most advanced and configurable systems available on the market. By leveraging strong SOA design, adapter libraries, single code base, and a strong configuration approach, **MIC NexGen is a must consideration for any commercial lines vendor considerations.**”*

Celent Report:

Policy Administration System Vendors

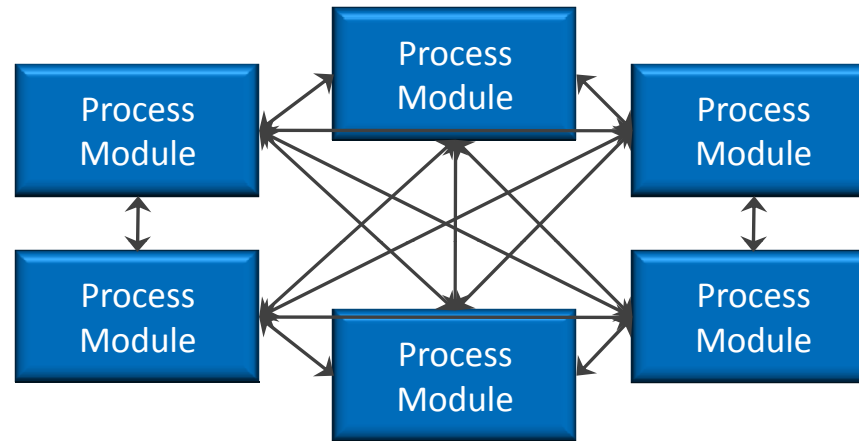
North American Commercial P/C Insurance 2011

(Emphasis added)

The “Conventional” Approach

Process-centric approach used by competitors

“We’ll show you our way to run your business”



Drawbacks:

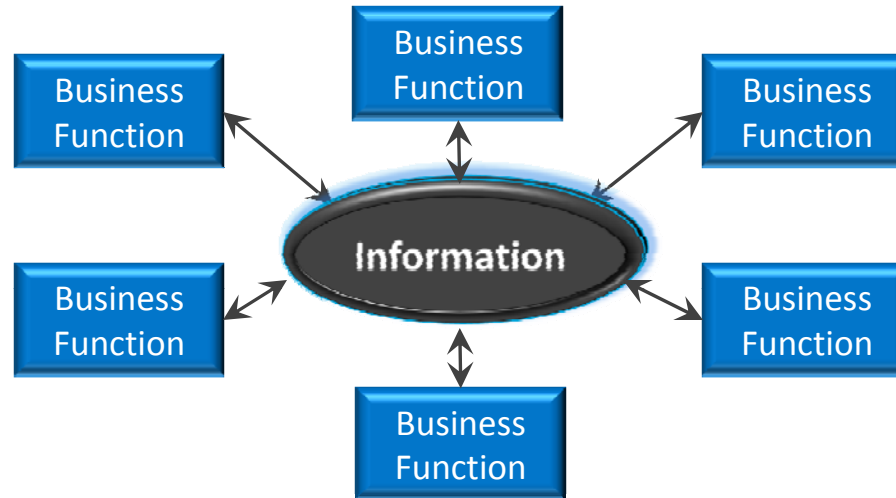
- Short-term focused; Often creates inefficiency and poor quality within the organization
- Not adaptable or flexible; Creates additional challenges during M&A integration
- Expensive; Costly just to maintain; Low ROI
- Slow; Changes take months; Poor speed to market

Time for a game-changer

Cover-All's Unique Approach

Integrate the data; Customize the processes

"Let's figure out the best way to help your business"



Benefits:

- Allows the customer to optimize their organization; efficient and effective technology matched to enhanced business processes
- Significantly improves the ROI; Rapid and quantifiable cost-reductions
- Accelerates speed to market; New products and new business models can be rapidly deployed
- Adaptable; Streamlines M&A
- Flexible; Ideal for emerging business models and trends

Custom-designed software with cost & time benefits of packaged solution

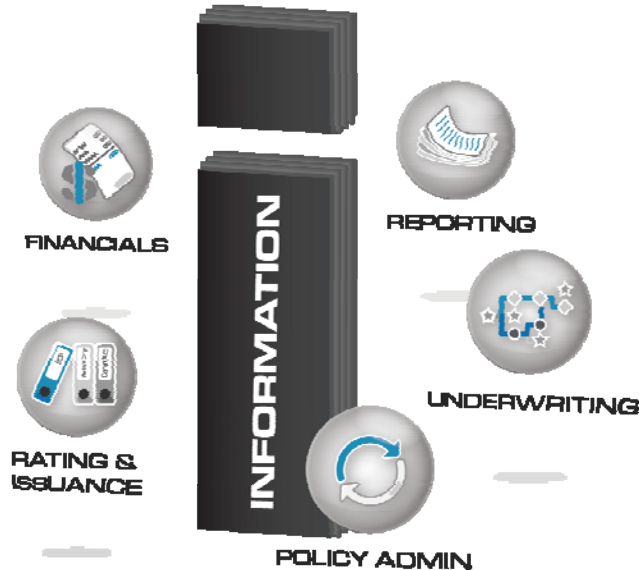
Leveraging Information for Business Expansion and Profitability

Take Action

Real-time analysis.
Launch new products. Expand distribution channels. Create new business models.

Develop Insights

Access to timely and accurate information.

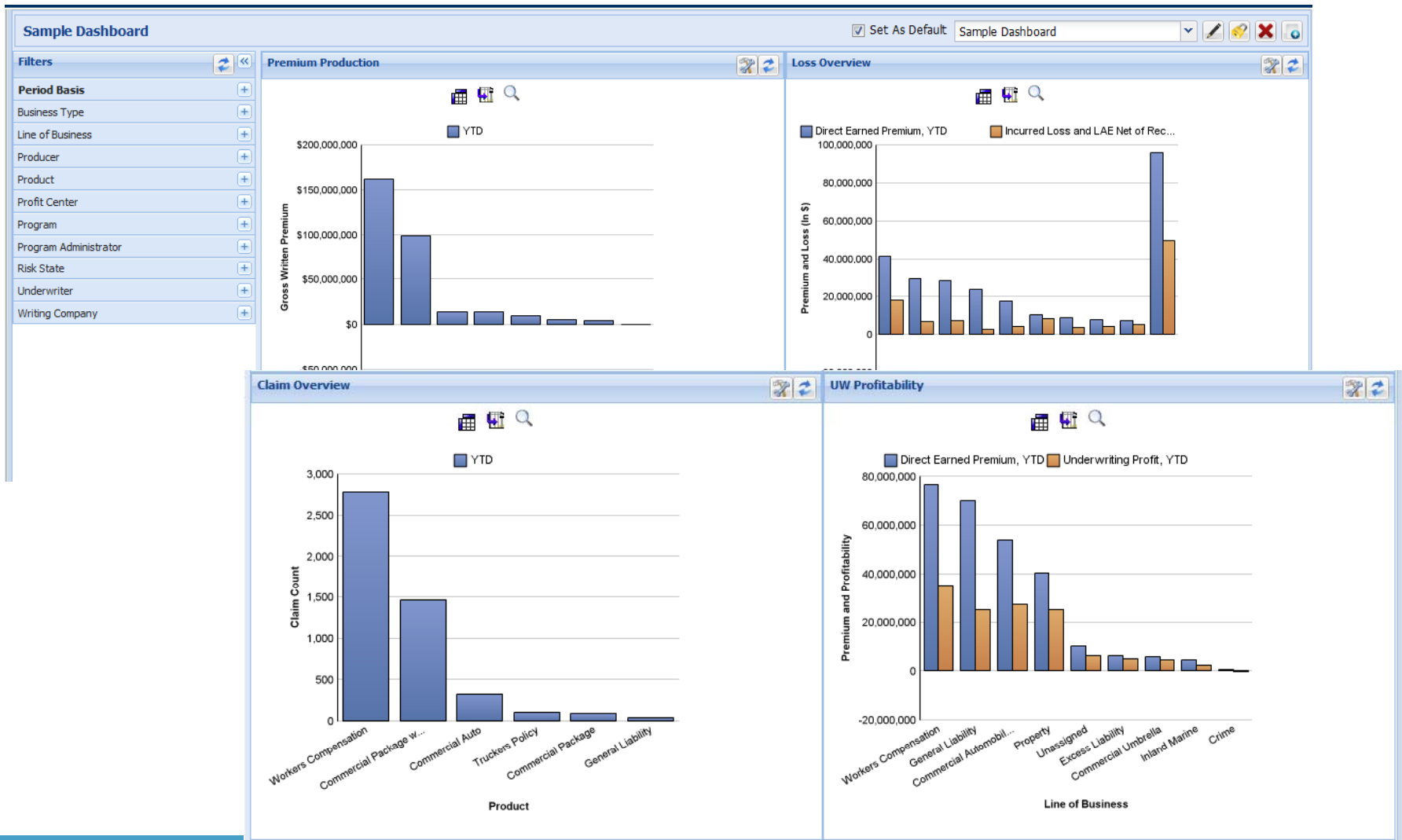


Achieve Results

Improved ROI.
Profitable growth.
Expands without limitations.

MYINSURANCECENTERTM
The Business Acquisition Platform

NexGen Business Intelligence



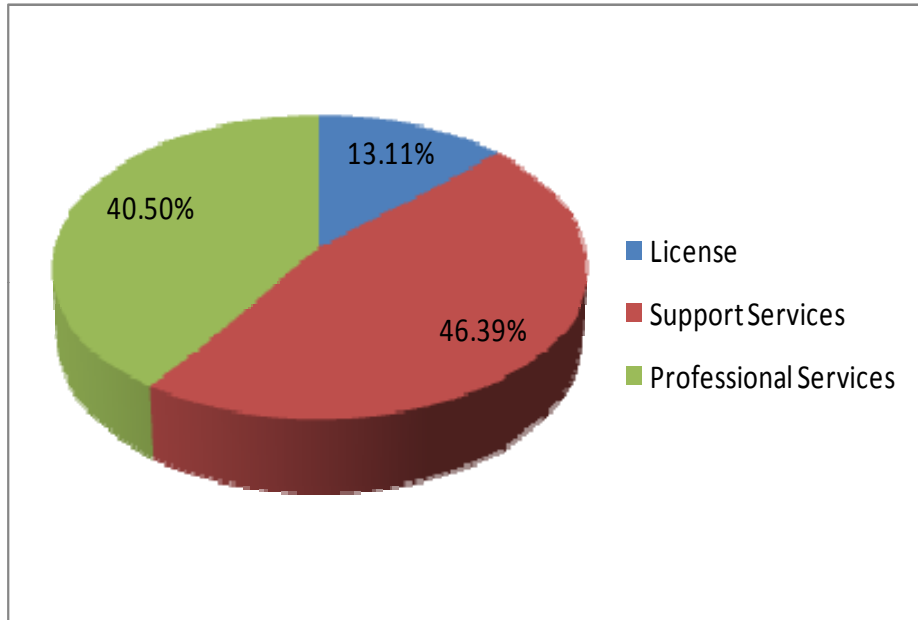
“The Business Intelligence Solution”

- “Business Intelligence” – Customer Benefits
 - **Flexible** – Multiple currencies, as of dates, dashboards, reports, Excel & other tools
 - **Nimble** – User configured, graphics, slice and dice, drill down
 - **Speed** – Product configured and tested – connected through adapters (MIC already competed)
 - **Secure** – Across the extended enterprise
 - **Powerful** – Data warehouse, data marts, staging and multidimensional cube
 - **Customizable** – Utilizing adapters for multiple sources
 - **Compliant** – Extensive balancing and controls
 - **State of the Art Technology and Design**
 - **Extensibility** – Architected for change, built for the present and the future

Growth Opportunities

- **Conventional Growth**
 - New clients: current market penetration: 0.1%
 - “New” Company
 - Business Intelligence
 - BlueWave Claims
 - My Insurance Center – NexGen
 - Existing clients:
 - Upgrade to NexGen
 - Additional products and services – Business Intelligence, insurance products, Claims, custom services and support
 - Additional user licenses and state expansion to products
- **Opportunistic Mergers & Acquisitions**
 - Robust platform and strategic onshore design & offshore development economic downturn has created opportunities - BlueWave
 - Ancillary technologies to facilitate cross-selling
 - Attractive valuations
- **International Expansion**
 - Platform built for global market penetration
- **Software as a Service / BPO**
 - Targeting underserved middle-market

Revenue Distribution



Year ended 12/31/2010

License Fees

- Vary by quarter
- 5 – Year or Perpetual License

Professional Services

- Customization of software
- Ongoing changes during customer lifecycle
- Leading indicator of “recurring” revenue

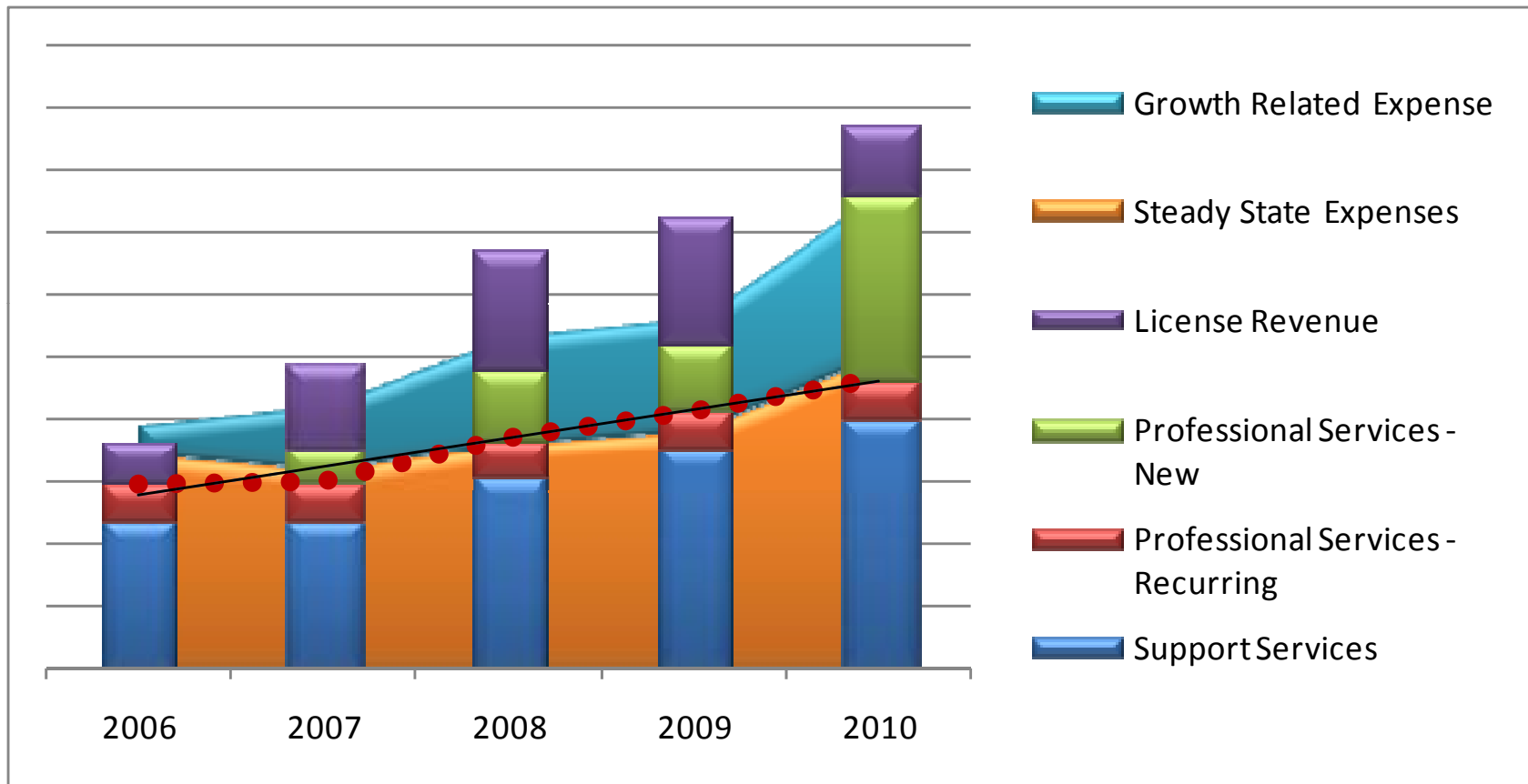
Support Services

- Typically five-year contracts
- Automatic cost-of-living price increases
- Unique models for special customers including sharing in revenues

Present value (discounted at 8%) of \$1 million license fee (and resulting Professional Services & Support Services) over 10 years: approx \$6.4 million

Growth and Profitability

Variable business model enables growth with sustainable profitability



Customer Success Stories

Growth

- Full support for new MGA/Carrier start-up in 3 months
- Enabled growth from \$0 to \$125M DWP in 2 years

Expense Reduction

- Platform for \$750M premium with 700+ users
- Technology expense less than 0.5% DWP

Speed to Market

- Creation of new 7 coverage package product
- Full rate/quote/policy admin in 3 months

Data Mining & Analytics

- Full Business Intelligence implementation in 3 months

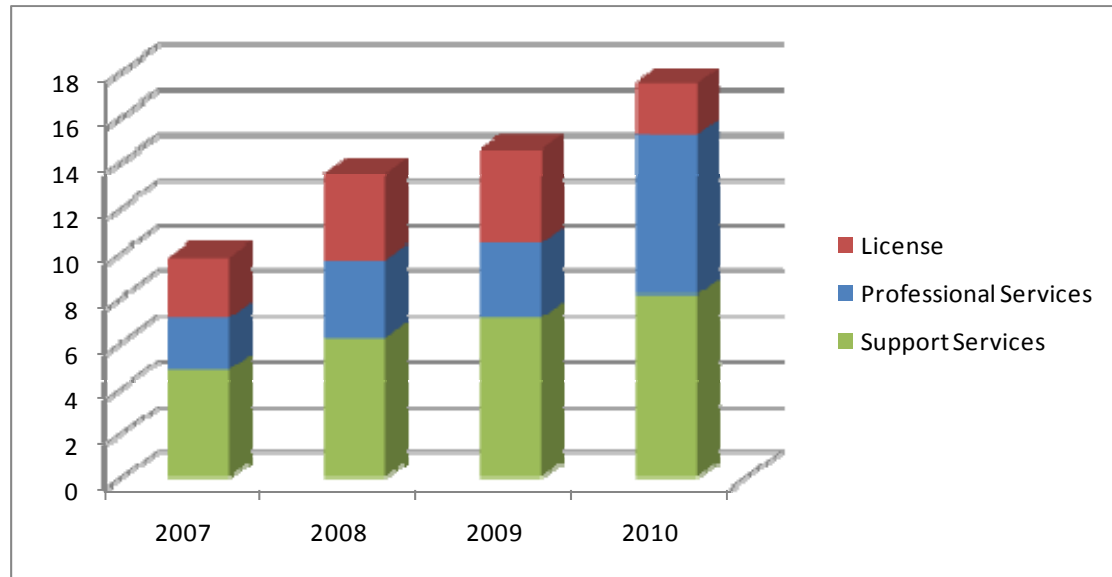


Financial Review

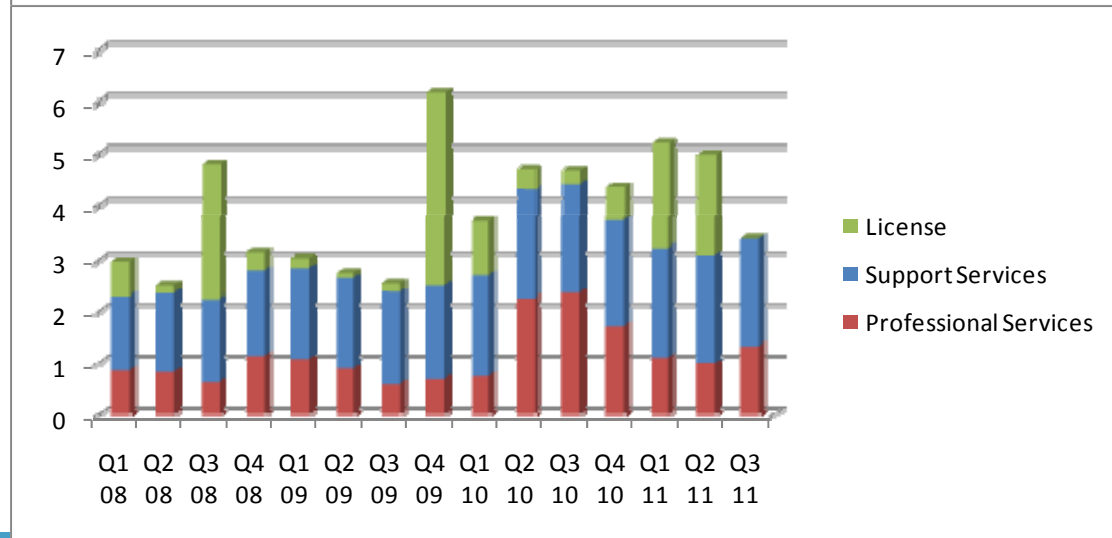


Revenue

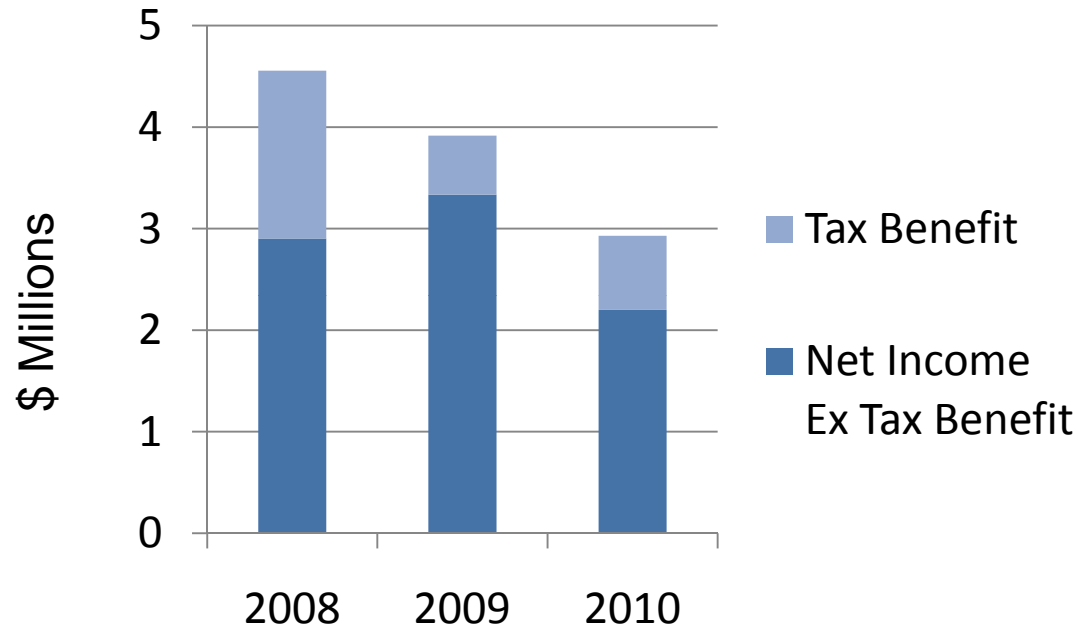
Annual Revenue
(\$ in Millions)



Quarterly Revenue
(\$ in Millions)



Profitability



notes:

- \$738,000 paid in a one-time dividend, April 2009
- 2008, 2009 and 2010 net income amounts include \$1,680,000, \$787,500 and \$800,000, respectively, in net tax benefits associated with NOL carryforwards

Q3, 2011 & FY 2010 Comparative P&L

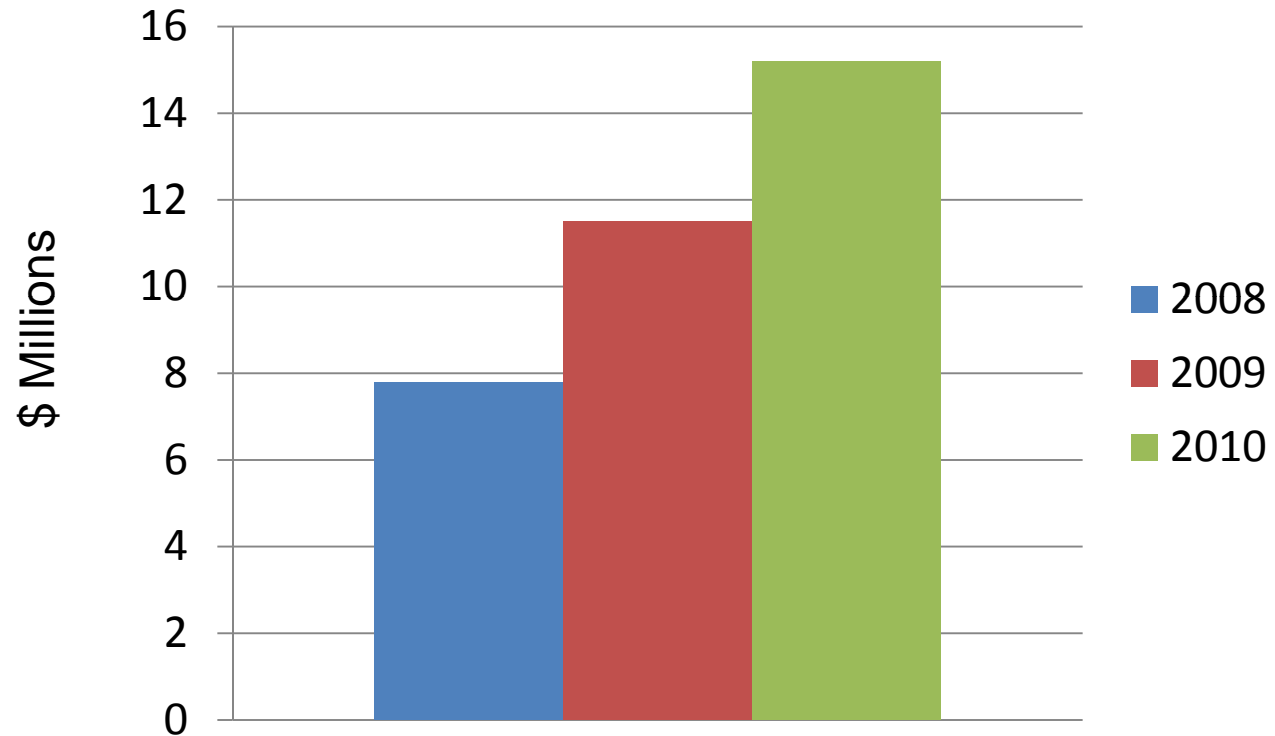
(\$ Thousands)

	Q3 2011	Q3 2010	9M 2011	9M 2010
Total Revenues	\$3,384	\$4,669	\$13,577	\$13,118
Gross Profit	\$422	\$1,591	\$4,493	\$5,380
Gross Profit %	12.5%	34.1%	33.1%	41.0%
Operating Exp.	\$1,123	\$1,069	\$3,283	\$3,109
Acquisition Costs	\$0	\$0	\$0	\$285
Operating Profit	(\$701)	\$522	\$1,210	\$1,986
Operating Margin	-20.7%	11.2%	8.9%	15.1%
Tax	\$0	(\$86)	(\$37)	(\$279)
Net Income	(\$710)	\$448	\$1,176	\$1,743
Diluted EPS	(\$0.03)	\$0.02	\$0.05	\$0.07

Balance Sheet Summary

	As of Sept 30, 2011	As of Dec 31, 2010
Cash and cash equivalents	\$3,701,284	\$5,892,649
Total current assets	\$7,906,991	\$9,278,874
Total assets	\$20,228,315	\$19,513,360
Total current liabilities	\$3,421,262	\$4,265,844
Total long-term liabilities	\$4,379	\$43,788
Total stockholders' equity	\$16,802,672	\$15,203,728
Total liabilities & stockholders' equity	\$20,228,315	\$19,513,360

Shareholder's Equity



Source: Company Filings

Current Valuation Metrics

• COVR Share Price at 1/5/12	\$1.80
• Market Capitalization	\$46.09M
• Enterprise Value	\$42.39M
• Cash and Investments (6/30/11)	\$3.7M
• EPS (ttm)	\$0.10
• Trailing P/E Ratio (ttm)	18.18
• Price to Sales Ratio (ttm)	2.61
• Book Value per share (9/30/11)	\$0.64
• Long Term Debt	None
• NOL Carryforward (Federal)	\$16M
• 52-Week Change	-5.26%
• S&P 500 52-Week Change	.27%

COVR vs. Industry

<i>Comp</i>	<i>APP S/W Industry</i>	<i>Business S/W Industry</i>	<i>COVR (10/18/11)</i>
P/E (ttm)	17.5	34.7	18.18
Price / Book (mrq)	10.5	11.2	2.81
Net Profit Margin (ttm)	23.2%	9.9%	13.36%
Return on Equity	24.9%	11.4%	14.24%
Total Debt / Equity (mrq)	31.1%	25.3%	0%

Source: finance.yahoo.com and Cover-All 10-K for 2010, 10Q for Q3, 2011

At industry valuation, COVR would be trading between \$3 to \$4 per share

Management Team

John W. Roblin, Chief Executive Officer

President from December 1999 until November 2008 and CEO since December 1999. Director of the Company since March 2000 and named Chairman of the Board in February 2001. From 1994 until 1998, he was CIO and Senior VP for Advanta Corporation. He was also the Chief Information Officer, Member of the Operating Committee and Managing Director of Chubb & Son, as well as the CIO at USF&G and Traveler's Personal Lines Division and Chief Information Officer and Senior VP for CIGNA Property and Casualty.

Manish D. Shah, President and Chief Technology Officer

CTO since May 2004 and was named President in November 2008. Was Director of Technology from December 2002 through May 2004 and served as technology consultant from September 2000 through December 2001. Previously, Mr. Shah held several technology management positions at various companies such as Andersen Consulting, P&O Nedlloyd and Tata Consultancy Services in different industries for over 10 years.

Maryanne Z. Gallagher, Chief Operating Officer

COO since February 2001. Prior, Ms. Gallagher was Senior VP since January 2000. From November 1998 until December 1999, Ms. Gallagher served as VP - Customer Service. Ms. Gallagher joined Cover-All in 1990 and has held various development and support positions in the Classic division through 1998. Prior to Cover-All, Ms. Gallagher was at MetLife in their Group Department for seven years.

Ann F. Massey, Chief Financial Officer

CFO since February 2001, Secretary since April 1997 and Controller since March 1997. From March 1996 to March 1997, Ms. Massey served as Assistant Treasurer. From 1994 until February 1996, Ms. Massey served as Assistant Controller for our insurance services division.

Miguel Edwards, Senior Vice President – Business Development

Joined Cover-All in 2009 from WillisHRH, a global insurance broker, where he served as a Director of Business Engagement since 2006. Before Willis, Mr. Edwards managed a global shared service operation at Tyco International, client engagements at EBS Dealing Resources, and several other technical roles earlier in his career.



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Thank You

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