

COURT FILE NUMBER 2001-06722
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF HSBC CANADA, AS AGENT
DEFENDANT Q'MAX SOLUTIONS INC., FLUID HOLDINGS CORP.,
Q'MAX SOLUTIONS HOLDINGS INC., 1356760 ALBERTA
LTD. and QMAX CANADA OPERATIONS INC.



DOCUMENT **APPROVAL AND VESTING ORDER
(KUWAIT JV)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
OSLER, HOSKIN & HARCOURT LLP
2700, 225 – 6th Avenue SW
Calgary, Alberta T2P 1N2
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DATE ON WHICH ORDER WAS PRONOUNCED: March 20, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: Madame Justice B. Johnston

UPON THE APPLICATION of KPMG Inc. in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of the assets, properties and undertakings of Q’Max Solutions Inc., Fluid Holdings Corp., Q’Max Solutions Holdings Inc., 1356760 Alberta Ltd., and QMax Canada Operations Inc. (collectively, the “**Debtors**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by a share purchase agreement between United Oil Projects Company K.S.C.C. (the “**Kuwait JV Purchaser**”) and the Receiver, dated January 30, 2024 (the “**Kuwait JV SPA**”), a redacted version of which is appended to the Fourth Report of the Receiver, dated March 11, 2024 (the “**Fourth Report**”) as Appendix “B”, and a confidential version of which is appended to the Confidential Supplement to the Fourth Report (the “**Confidential Supplement**”) as Confidential Appendix “A”, and vesting in the Kuwait JV Purchaser (or its nominee) all of QSI’s right, title, and interest in and to the shares (the “**Purchased Shares**”) of United Qmax Drilling Fluids Company Co. (the “**Kuwait JV**”); **AND UPON** having read the

Consent Receivership Order granted by the Honourable Madam Justice A.D. Grosse on May 28, 2020 (the “**Receivership Order**”), the Fourth Report, the Confidential Supplement and the Affidavit of Service of Elena Pratt, sworn March 19, 2024; **AND UPON** hearing from counsel for the Receiver and any other interested parties that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and the execution of the Kuwait JV SPA by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Shares to the Kuwait JV Purchaser (or its nominee).

VESTING OF PROPERTY

3. Upon the delivery of a Receiver's certificate to the Kuwait JV Purchaser substantially in the form set out in Schedule "A" hereto (the "**Pre-Closing Receiver's Certificate**"), subject only to the permitted encumbrances listed on Schedule "B" hereto (the "**Permitted Encumbrances**"), all of QSI's beneficial right, title and interest in and to the Purchased Shares described in the Kuwait JV SPA and listed on Schedule "C" hereto, shall vest absolutely in the name of the Kuwait JV Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and

whether secured, unsecured or otherwise (collectively, “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
- (c) those claims listed on Schedule "D" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances); and

for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Purchased Shares are hereby expunged, discharged and terminated as against the Purchased Shares.

4. Without limiting the effect or generality of the foregoing paragraph, legal title to the Purchased Shares will not transfer from QSI to the Kuwait JV Purchaser upon delivery of the Pre-Closing Receiver’s Certificate, but will remain with QSI until Closing (as that term is defined in the Kuwait JV SPA). Upon Closing, the Receiver shall deliver a Receiver's certificate to the Kuwait JV Purchaser substantially in the form set out in Schedule "E" hereto (the "**Closing Receiver's Certificate**"), and upon delivery of such Closing Receiver’s Certificate legal title to the Purchased Shares will transfer to and vest absolutely in the name of the Kuwait JV Purchaser (or its nominee), free and clear of and from any and all Claims and subject only to the Permitted Encumbrances.
5. Upon delivery of the Closing Receiver's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Closing Receiver's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Kuwait JV Purchaser or its nominee clear title to the Purchased Shares subject only to Permitted Encumbrances.

6. Without limiting the foregoing, the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtors in any of the Purchased Shares.
7. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities, upon presentment of the Closing Receiver's Certificate, to take such steps as are necessary to give effect to the terms of this Order and the Kuwait JV SPA. Presentment of this Order and the Closing Receiver's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Shares of any Claims including Encumbrances but excluding Permitted Encumbrances.
8. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Shares is required for the due execution, delivery and performance by the Receiver of the Kuwait JV SPA.
9. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Shares (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Shares from and after delivery of the Pre-Closing Receiver's Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Shares and may be asserted against the net proceeds from sale of the Purchased Shares with the same priority as they had with respect to the Purchased Shares immediately prior to the sale, as if the Purchased Shares had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Shares without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay

any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

10. Except as expressly provided for in the Kuwait JV SPA, the Kuwait JV Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtors.
11. Upon completion of the Transaction, the Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Shares, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Shares, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Shares, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Shares, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Shares, they shall forthwith deliver possession thereof to the Kuwait JV Purchaser (or its nominee).
12. The Kuwait JV Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Shares for its own use and benefit without any interference of or by the Debtors, or any person claiming by, through or against the Debtors.
13. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
14. The Receiver is directed to file with the Court a copy of the Pre-Closing Receiver's Certificate and Closing Receiver's Certificate forthwith after delivery of same to the Kuwait JV Purchaser (or its nominee).

MISCELLANEOUS MATTERS

15. Notwithstanding:
 - (a) the pendency of these proceedings;

- (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “**BIA**”), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtors; and
- (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Shares in the Kuwait JV Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 16. The Receiver, the Kuwait JV Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
- 17. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
- 18. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;

- (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Kuwait JV Purchaser or the Kuwait JV Purchaser's solicitors; and
- (b) Posting a copy of this Order on the Receiver's website at:

www.home.kpmg/ca/qmax,

and service on any other person is hereby dispensed with.

19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

BB Johnston

Justice of the Court of ~~Queen's~~ Bench of Alberta
Kings

Schedule "A"

Form of Pre-Closing Receiver's Certificate

COURT FILE NUMBER	2001-06722	Clerk's Stamp
COURT	COURT OF KING'S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	HSBC CANADA, AS AGENT	
DEFENDANT	Q'MAX SOLUTIONS INC., FLUID HOLDINGS CORP., Q'MAX SOLUTIONS HOLDINGS INC., 1356760 ALBERTA LTD. and QMAX CANADA OPERATIONS INC.	
DOCUMENT	PRE-CLOSING RECEIVER'S CERTIFICATE: KUWAIT JV	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	OSLER, HOSKIN & HARCOURT LLP 2700, 225 – 6th Avenue SW Calgary, Alberta T2P 1N2 Attn: Randal Van de Mosselaer Telephone: 403-260-7060 Facsimile: 403-260-7024 E-mail: rvandemosselaer@osler.com	

RECITALS

- A. Pursuant to the Consent Receivership Order of the Honourable Justice A.D. Grosse granted May 28, 2020, KPMG Inc. was appointed as receiver and manager (the "**Receiver**") of Q'Max Solutions Inc., Fluid Holdings Corp., Q'Max Solutions Holdings Inc., 1356760 Alberta Ltd., and QMax Canada Operations Inc. (collectively, the "**Debtors**").
- B. Pursuant to an Approval and Vesting Order granted by the Honourable ● on March 20, 2024 (the "**Order**"), the Court approved the share purchase agreement between United Oil Projects Company K.S.C.C. ("**Purchaser**") and the Receiver, dated January 30, 2024 (the "**Share Purchase Agreement**"), and vested in the Purchaser (or its nominee) all of QSI's beneficial right, title, and interest in and to the shares of United Qmax Drilling Fluids Company Co. upon the filing of a Pre-Closing Receiver's Certificate. This Pre-Closing Receiver's Certificate is the certificate referred to in paragraph 3 of the Order.
- C. Capitalized terms not otherwise defined herein have the meanings given to those terms in the Share Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Shares payable on the Pre-Closing Date pursuant to the Share Purchase Agreement.
2. The conditions to Pre-Closing as set out in Article 3 of the Share Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser.
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

**KPMG Inc., in its capacity as
court-appointed receiver of Q'Max
Solutions Inc., Fluid Holdings
Corp., Q'Max Solutions Holdings
Inc., 1356760 Alberta Ltd. and
QMax Canada Operations Inc.,
and not in its personal or
corporate capacity.**

Per: _____

Name:

Title:

Schedule "B"

Permitted Encumbrances

Nil

Schedule "C"

Purchased Shares

49 shares of United Q'Max Drilling Fluids Co. (W.L.L.)

Schedule "D"

Encumbrances

All pledges, liens, charges, security interest, mortgages, or adverse claims or encumbrances of any kind or character.

Schedule “E”

Form of Closing Receiver’s Certificate

COURT FILE NUMBER	2001-06722	Clerk’s Stamp
COURT	COURT OF KING’S BENCH OF ALBERTA	
JUDICIAL CENTRE	CALGARY	
PLAINTIFF	HSBC CANADA, AS AGENT	
DEFENDANT	Q’MAX SOLUTIONS INC., FLUID HOLDINGS CORP., Q’MAX SOLUTIONS HOLDINGS INC., 1356760 ALBERTA LTD. and QMAX CANADA OPERATIONS INC.	
DOCUMENT	CLOSING RECEIVER’S CERTIFICATE: KUWAIT JV	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	OSLER, HOSKIN & HARCOURT LLP 2700, 225 – 6th Avenue SW Calgary, Alberta T2P 1N2 Attn: Randal Van de Mosselaer Telephone: 403-260-7060 Facsimile: 403-260-7024 E-mail: rvandemosselaer@osler.com	

RECITALS

- D. Pursuant to the Consent Receivership Order of the Honourable Justice A.D. Grosse granted May 28, 2020, KPMG Inc. was appointed as receiver and manager (the “**Receiver**”) of Q’Max Solutions Inc., Fluid Holdings Corp., Q’Max Solutions Holdings Inc., 1356760 Alberta Ltd., and QMax Canada Operations Inc. (collectively, the “**Debtors**”).
- E. Pursuant to an Approval and Vesting Order granted by the Honourable ● on March 20, 2024 (the “**Order**”), the Court approved the share purchase agreement between United Oil Projects Company K.S.C.C. (“**Purchaser**”) and the Receiver, dated January 30, 2024 (the “**Share Purchase Agreement**”), and vested in the Purchaser (or its nominee) all of QSI’s legal right, title, and interest in and to the shares of United Qmax Drilling Fluids Company Co. upon the filing of a Closing Receiver’s Certificate. This Closing Receiver’s Certificate is the certificate referred to in paragraph 4 of the Order.
- F. Capitalized terms not otherwise defined herein have the meanings given to those terms in the Share Purchase Agreement.

THE RECEIVER CERTIFIES the following:

5. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Shares payable on the Pre-Closing Date pursuant to the Share Purchase Agreement.
6. The conditions to Closing as set out in Article 3 of the Share Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser.
7. The Transaction has been completed to the satisfaction of the Receiver.
8. This Certificate was delivered by the Receiver at [Time] on [Date].

**KPMG Inc., in its capacity as
court-appointed receiver of Q'Max
Solutions Inc., Fluid Holdings
Corp., Q'Max Solutions Holdings
Inc., 1356760 Alberta Ltd. and
QMax Canada Operations Inc.,
and not in its personal or
corporate capacity.**

Per: _____

Name:

Title: