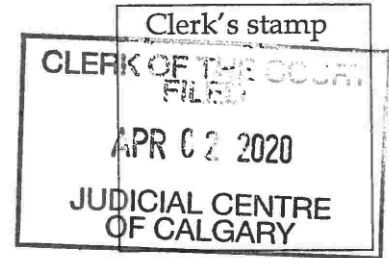


Court File Number 25-2618433
Court COURT OF QUEEN'S BENCH OF ALBERTA
Judicial Centre CALGARY
Matter



IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, OF TARTAN COMPLETION SYSTEMS INC.

Applicant TARTAN COMPLETION SYSTEMS INC.

Document ORDER

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File Number: 147292.1001

Counsel for the Applicant, Tartan Completion Systems Inc.

DATE ON WHICH ORDER WAS PRONOUNCED: March 12, 2020
NAME OF JUDGE WHO MADE THIS ORDER: Justice P.R. Jeffrey
LOCATION OF HEARING: Calgary, AB

UPON THE APPLICATION (the "Application") of Tartan Completion Systems Inc. (the "Applicant"); AND UPON HAVING READ MNP Ltd.'s (the "Trustee") first report (the "First Report"), acting in its capacity as the proposal trustee to the Notice of Intention to Make a Proposal of the Applicant (the "NOI") filed in support thereof, the affidavit of Bill Chu, sworn March 10, 2020 (the "First Chu Affidavit"); the supplemental affidavit of Bill Chu, sworn March 11, 2020; the second supplemental affidavit of Bill Chu, sworn March 12, 2020 (the "Third Chu Affidavit"); the affidavit of Serge Abrasky, sworn March 11, 2020; the Affidavit of Jonathan Brindley, sworn March 12, 2020 and the documents referred to in each circumstance therein; AND UPON HAVING READ the amended proposed interim financing facility commitment letter; AND UPON HEARING from some or all counsel for the parties present at the hearing of the Application and at a further hearing via teleconference on March 31, 2020 AND UPON NOTING the provisions of the *Bankruptcy and Insolvency Act* (the "BIA");

IT IS HEREBY ORDERED THAT:

1. The Application is granted, and shall maintain force and effect unless either:
 - (a) Rapid Design Group Inc. ("Rapid") and the Applicant do not meet the filing requirements by the dates as set forth below in relation to the determination of ownership of certain patents (the "Patent Dispute"), or as by such other dates as are further ordered by this Court:
 - i. Rapid shall file ⁹ and serve its brief of law and argument in relation to the Patent Dispute by no later than April 15, 2020;
 - ii. The Applicant shall file and serve its brief of law and argument in relation to the Patent Dispute by no later than April 16, 2020;
 - iii. If Rapid elects to file and serve any rebuttal argument in response to the Applicant's brief of law and argument referenced in paragraph 1(ii), it shall do so no later than April 17, 2020.
 - (b) the extension of the stay of proceedings described at paragraph 3 herein is not made known to the judge hearing the Patent Dispute that is the subject of the

Consent Order in advance of the hearing of the Patent Dispute.

- 1.1 Should any of the conditions in paragraph 1 not be met at any time, the proposal proceedings of the Applicant shall immediately and automatically be terminated without further Order and the Applicant shall automatically and immediately be deemed bankrupt.

Service

2. The time for service of the Application for this order (the "Order") is hereby abridged and deemed good and sufficient.

Extension of NOI Stay of Proceedings

3. The stay of proceedings resulting from the filing by the Applicant of its *Notice of Intention to Make a Proposal* pursuant to the BIA on February 14, 2020, is hereby extended until April 27, 2020.

Interim Financing

4. The Applicant shall be and is hereby authorized to borrow, repay and reborrow from Tartan Energy Group Inc. ("TEGI") such amounts from time to time as the Applicant may consider necessary or desirable, up to a maximum principal amount of \$538,000 outstanding at any time (the "Updated Interim Financing Facility"), on the terms and conditions as set forth in the Commitment Letter filed as Exhibit "D" of the Third Chu Affidavit (the "Updated Commitment Letter"), to fund the ongoing expenditures of the Applicant and to pay such other amounts as are permitted by this Order and by the Updated Commitment Letter, the terms of which are hereby ratified.
5. The Applicant is hereby authorized to execute and deliver such other documents, as may be required by TEGI in connection with the Updated Interim Financing Facility and the Updated Commitment Letter (collectively, the "Updated Interim Financing Documents"), and the Applicant is hereby authorized to perform all of its obligations under the Updated Interim Financing Documents.

6. The Applicant shall pay to TEGI, when due, all amounts owing under the Updated Commitment Letter and shall perform all of its other obligations to TEGI pursuant to the Updated Commitment Letter, the Updated Interim Financing Documents and this Order.
7. All of the Applicant's present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated (collectively, the "Property") is hereby subject to a charge and security for an aggregate amount of \$200,000 (such charge and security is referred to herein as the "Updated Interim Financing Charge") in favour of TEGI as security for all of the Applicant's obligations under or in connection with the Updated Commitment Letter and the Updated Interim Financing Documents. The Updated Interim Financing Charge shall have the priority established by paragraphs 14 and 15 of this Order.
8. The claims of TEGI pursuant to the Updated Interim Financing Documents shall not be compromised or arranged pursuant to any proposal or these proceedings and TEGI, in that capacity, shall be treated as an unaffected creditor in these proceedings and in any such proposal.
9. TEGI may:
 - (a) notwithstanding any other provision of the Order, take such steps from time to time as it may deem necessary or appropriate to register, record or perfect the Updated Interim Financing Charge and the Updated Interim Financing Documents in all jurisdictions where it deems it is appropriate; and
 - (b) notwithstanding the terms of the paragraph to follow, refuse to make any advance to the Applicant if the Applicant fails to meet the provisions of the Updated Interim Financing Facility and the Updated Interim Financing Documents.
10. TEGI shall not take any enforcement steps under the Updated Interim Financing Documents or the Updated Interim Financing Charge without providing at least 5 business days written notice (the "Notice Period") of a default thereunder to the

Applicant, the Trustee and to creditors whose rights are registered or published at the appropriate registers or requesting a copy of such notice. Upon expiry of such Notice Period, TEGI shall be entitled to take any and all steps under the Updated Interim Financing Documents and the Updated Interim Financing Charge and otherwise permitted at law, but without having to send any demands under Section 244 of the BIA.

11. Subject to further order of this Court, no order shall be made varying, rescinding, or otherwise affecting paragraphs 4 to 11 hereof unless either (a) a notice of a motion for such order is served on TEGI by the moving party within seven (7) days after that party was served with this Order or (b) TEGI applies for or consents to such order.

Administration Charge

12. The Applicant shall pay the reasonable fees and disbursements of the Trustee, the Trustee's legal counsel and the Applicant's legal counsel (collectively the "Professionals"), which are directly related to these proceedings, as defined in the Application, whether incurred before or after the Order (collectively, the "Professional Fees").
13. The Professionals shall be entitled to the benefit of and are hereby granted a charge and security in the Property to the extent of the aggregate amount of \$200,000 (the "Administration Charge"), as a security for the payment of the Professional Fees. The Administration Charge shall have the priority set out in paragraphs 14 and 15 of this Order.

Priorities and General Provisions Relating to Charges

14. The priorities of the Updated Interim Financing Charge and the Administration Charge (collectively, the "Charges"), as between them with respect to any Property to which they apply, shall be as follows:
 - (a) First, the Administration Charge; and
 - (b) Second, the Updated Interim Financing Charge.

15. Each of the Charges shall rank in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances or security of whatever nature of kind (collectively, the "Encumbrances") affecting the Property.
16. Except as otherwise expressly provided for herein, the Applicant shall not grant any Encumbrances in or against any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Applicant obtains the prior written consent of the Trustee and the approval of the Court.
17. Each of the Charges shall attach, as of the date hereof, to all present and future Property of the Applicant, notwithstanding any requirement for the consent of any party to any such charge or to comply with any condition precedent.
18. The Charges and the rights and remedies of the beneficiaries of such Charges, as applicable, shall be valid and enforceable and shall not otherwise be limited or impaired in any way by: (i) these proceedings and any declaration of insolvency made herein; (ii) any petition for a receiving order filed pursuant to the BIA in respect of the Applicant or any receiving order made pursuant to any such petition or any assignment in bankruptcy made or deemed to be made in respect of the Applicant; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any agreement, lease, sub-lease, offer to lease or other arrangement which binds the Applicant (a "Third Party Agreement"), and notwithstanding any provision to the contrary in any Third Party Agreement:
 - (a) the creation of any of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Third Party Agreement to which it is a party; and
 - (b) any of the beneficiaries of the Charges shall not have liability to any person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the Charges.
19. Notwithstanding: (i) these proceedings and any declaration of insolvency made herein; (ii) any petition for a receiving order filed pursuant to the BIA in respect of the Applicant and any receiving order allowing such petition or any assignment in

bankruptcy made or deemed to be made in respect of the Applicant; and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by the Applicant pursuant to the Order and the granting of the Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

20. The Charges shall be declared valid and enforceable as against all Property of the Applicant and against all persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver of the Applicant, for all purposes.

General

21. The Applicant and any party to these proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing a PDF or other electronic copy of such materials to counsels' email addresses.
22. Unless otherwise provided herein, under the BIA, or ordered by this Court, no document, order or other material need be served on any person in respect of these proceedings, unless such person has served a notice of appearance on the solicitors for the Applicant and the Trustee and has filed such notice with this Court, or appears on the service list prepared by the Trustee or its attorneys, save and except when an order is sought against a person not previously involved in these proceedings.
23. The Applicant or the Trustee may, from time to time, apply to this Court for directions concerning the exercise of their respective powers, duties and rights hereunder or in respect of the proper execution of the Order on notice only to each other.
24. The Order and all other orders in these proceedings are declared to have full force and effect in all provinces and territories in Canada.
25. The Applicant, with the prior consent of the Trustee, shall be authorized to apply as it

may consider necessary or desirable, with notice to any affected party, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and any subsequent orders of this Court and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code, for which the Trustee shall be the foreign representative of the Applicant. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Trustee as may be deemed necessary or appropriate for that purpose.

26. The aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America or elsewhere is requested in order to act in aid of and to be complementary to this Court in carrying out the terms of the Order.
27. The provisional execution of this Order is ordered to be rendered notwithstanding any appeal and without the necessity of furnishing any security.
28. There shall be no costs associated with this Order.


Justice of the Court of Queen's
Bench of Alberta