

Shareholders of Crossroads-DMD Mortgage Investment Corporation

We write to provide information on an application filed with the Alberta Court of Queen's Bench by Crossroads-DMD Mortgage Investment Corporation ("**Crossroads**").

On March 2, 2020, Crossroads filed an application seeking to have the Alberta Court rectify a Unanimous Shareholders' Agreement ("**USA**") entered into by Crossroads and the original Class "A" Shareholders (the "**Application**"). The Honourable Justice Hunt McDonald heard the Application on March 13, 2020.

As background to the Application, the USA was executed on May 9, 2001, the date Crossroads was incorporated. At that time, the only Crossroads shareholders were the Class "A" shareholders, and no Class "B" shares had yet been issued. Prior to incorporation, the original Class "A" shareholders agreed to implement certain restrictions on the transfer of Class "A" voting shares. After incorporation, these restrictions, among other terms, were drafted into the USA. The restrictions imposed on Class "A" shareholders include a right of first refusal, as well as requiring all new Class "A" shareholders to execute an acknowledgment of the USA and an agreement to be bound by the terms of the USA. In contrast, Class "B" share transfers did not have these same restrictions imposed on them through the USA, nor was it the original intention to have Class "B" shareholders bound by the USA. However, due to the drafting of the USA it on its face appeared to also apply to Class "B" shareholders.

The Application sought to rectify this inaccuracy by modifying the definition of "Shares" in the USA from:

"Shares" means shares of any class in the share capital of [Crossroads]"

to

"Shares" means Voting Shares.

The Application named all current Class "A" shareholders as respondents to the Application, and an affidavit sworn by Gerry MacDonald was filed in support of the Application. Further, all Class "A" shareholders agreed with the relief sought. Following hearing of the Application on March 13, Justice Hunt McDonald granted the requested relief. We have attached a copy of the Order granted by her below.

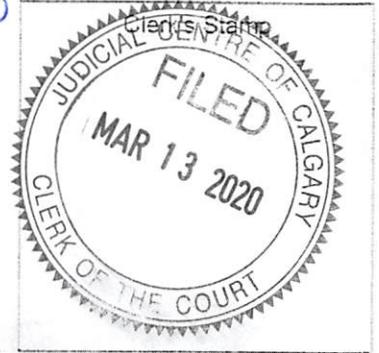
You will see in the Order that the USA is rectified by the Court and Crossroads is permitted to take any steps necessary to give effect to the rectification of the USA. The Order also allows any shareholders of Crossroads to apply to the Alberta Court of Queen's Bench to have the Order set aside or varied.

The clause permitting any shareholder to apply to have the Order set aside or varied ensures any shareholder of Crossroads who disagrees with the Order and believes it should not have been granted can apply to the Court to set aside or vary the Order. We have provided all shareholders with a copy of the Order to ensure full transparency in this process. However, we view the Application as proper and do not believe the Order or Application causes any adverse impact on Class "B" shareholders as the terms of the USA did not impact the rights of Class "B" shareholders. If you disagree with the Order and believe that the Order should be varied or set aside, you may apply to the Court on or before **April 27, 2020**.

I hereby certify this to be a true copy of
the original Order

Dated this 13 day of March 2020
Ekay
for Clerk of the Court

Order
Rule 9.1



COURT FILE NO.: 2001-03395

COURT Court of Queen's Bench of Alberta

JUDICIAL CENTRE CALGARY

APPLICANT CROSSROADS-DMD MORTGAGE INVESTMENT CORPORATION

RESPONDENTS GERALD MACDONALD; MAUREEN MACDONALD; ROBERT DRESSLER; MARIAN RUTH DRESSLER; JAMES DEVLIN; DONNA LYNNE DEVLIN; 702653 ALBERTA LTD.; CMS REAL ESTATE LTD.; DEVCO MANAGEMENT LTD.; PRO-TEST SERVICES LTD.; GINA DEVLIN; BLAIR ROBERTSHAW; 485380 ALBERTA LTD.; and DRB HOLDINGS INC.

DOCUMENT ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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File No. A161600

Attention: Kenneth J. Warren, Q.C. / Kevin Pedersen

DATE ON WHICH ORDER WAS PRONOUNCED: March 13, 2020

LOCATION AT WHICH ORDER WAS MADE: CALGARY

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice Hunt MacDonald

UPON THE APPLICATION of counsel for the Applicant, Crossroads-DMD Mortgage Investment Corporation ("Crossroads") for rectification of the May 9, 2001 Unanimous Shareholders'

Agreement between Crossroads and the original Class "A" shareholders of Crossroads (the "USA"); AND UPON HEARING submissions of counsel for Crossroads; AND UPON REVIEWING the Affidavit of Gerald John Macdonald, filed March 2, 2020; AND UPON NOTING no respondents appeared in opposition to the Application;

IT IS HEREBY ORDERED THAT:

1. The USA is rectified, with retroactive effect to May 9, 2001, by removing the current definition of "Shares" at Section 1.1(j) of the USA and replacing it with:

"Shares" means Voting Shares;
2. The directors of Crossroads are permitted to take any action required to give effect to the rectification of the USA as outlined at paragraph 1 of this Order;
3. Crossroads is directed to serve this Order on all current shareholders of Crossroads, including Class "A" shareholders and Class "B" shareholders;
4. Service of this Order on the Class "B" shareholders of Crossroads is to be effected by both:
 - (a) Sending a copy of this Order by way of email to the email addresses maintained by Caplink Financial Corporation in an email registry; and
 - (b) Posting an update on the website maintained by Caplink Financial Corporation (<http://www.caplink.ca/crossroads-dmd-mortgage-corporation/>), which shall include a copy of this Order.
5. Service as set out in paragraph 4 shall occur forthwith;
6. Service shall be deemed to be effected on the date by which the update outlined at paragraph 4(b) occurs;
7. Any shareholders of Crossroads, including both Class "A" Shareholders and Class "B" Shareholders, may apply to the Court on or before April 27, 2020 to have this Order set aside or varied.