



**Frequently Asked Questions (FAQ)**  
**Shell Mountainside Lodge**  
**May 9, 2025**

As you are aware, Shell Owners Association – Pacific (“**SOAP**”) and SVC-Mountainside ULC (“**ULC**” and collectively with SOAP, the “**Petitioners**”) commenced proceedings (the “**Proceedings**”) in the Supreme Court of British Columbia (the “**Court**”) pursuant to section 39 of the *Law and Equity Act* related to the Shell Mountainside Lodge. By order granted by the Court on January 24, 2025 (the “**Appointment Order**”), BDO Canada Limited (“**BDO**”) was appointed as the administrator of the Petitioners (the “**Administrator**”).

Members of the Shell Mountainside Lodge may have questions with respect to updates and next steps related to the Proceedings. Below is a list of Frequently Asked Questions that intend to be responsive to questions or concerns raised about the Proceedings and the impact on members of the Shell Mountainside Lodge.

**The May 8, 2025 Hearing**

**1. What was the outcome of the May 8<sup>th</sup> Court hearing?**

The Court granted the relief requested by the Petitioners and the Administrator. Specifically, the Court issued orders dated May 8, 2025, among other things:

- i) approving the sale transaction (the “**Transaction**”) with Executive Hotels, the stalking horse bidder (the “**Approval and Vesting Order**”) for the sale of all of the Petitioners’ interest in the strata lots comprising the Shell Mountainside Lodge;
- ii) approving the reimbursement of 2025 maintenance fees to SOAP Members and MLMA Members (each as defined below) who paid 2025 maintenance fees but are unable to use the Shell Mountainside Lodge after May 26, 2025, due to the shutdown of operations on that date;
- iii) amending and restating the Appointment Order (the “**A&R Appointment Order**”) to appoint BDO as receiver of the Petitioners (in such capacity, the “**Receiver**”); and
- iv) approving the activities, fees and disbursements of the Administrator and its legal counsel.

**The Sale and Investment Solicitation Process (“SISP”) and Restructuring Process**

**2. What was the result of the sale process?**

Pursuant to Court order dated January 24, 2025, the Court approved the SISP and the Administrator oversaw the SISP, including by engaging Avison Young Commercial Real Estate Services, LP (“**Avison**”) to act as the listing agent for the Shell Mountainside Lodge.

On January 27, 2025, Avison began actively marketing the opportunity, which lasted for approximately 8-weeks up to the Phase I Bid Deadline (as defined in the SISP), being March 25, 2025. During that timeframe, 61 parties signed non-disclosure agreements and were provided with access to a confidential data room. Avison’s marketing efforts were further supported by broadcasts by 12 media outlets, including CTV, Global News, Daily Hive, Hotelier Magazine, Stay Magazine and several platforms which were presented in Chinese and French languages.

Although there was strong market interest in the opportunity, due to several factors, including the restrictive nature of the municipal bylaws/zoning regulations, and tariff and economic uncertainty, no bids were received by the Phase I Bid Deadline. As such, the Administrator declared Executive Hotels as the successful bidder and the stalking horse agreement the successful bid under the SISP.



**3. What is a “stalking horse bid”?**

A stalking horse bid is an offer to purchase the Shell Mountainside Lodge that was negotiated and agreed to in advance of the commencement of the SISP. The stalking horse bid was used as a baseline offer to compare any other bids submitted during the SISP, however no superior bids were received during the course of the SISP, such that the stalking horse bid was the sole offer to be considered by the Administrator.

**4. What is the sale price of the Shell Mountainside Lodge?**

The stalking horse purchase price is \$CAD12 million.

**5. When is the Transaction expected to close?**

It is anticipated that the Transaction closing date will be May 30, 2025.

**6. What will happen to the Shell Mountainside Lodge after completing the Transaction?**

Executive Hotels has advised they will not continue the vacation lease business nor the timeshare business following the closing of the Transaction. In preparation for closing the Transaction, all operations of the Shell Mountainside Lodge will cease on May 27, 2025.

**7. When is the last day the Shell Mountainside Lodge will be open?**

May 26, 2025 (the “Resort Closure Date”).

**8. How will the proceeds of the Transaction be distributed?**

The distribution of the sale proceeds has yet to be determined, however, the Receiver will develop a claims process to identify all claimants and quantify their claims. Any distributions will be subject to Court approval and will be made to stakeholders in accordance with their respective priorities and pursuant to applicable law.

**2025 Maintenance Fee Refunds**

**9. When will I receive the refund of my 2025 maintenance fees?**

In the event that you are unable to use your right-of-use entitlement at the Shell Mountainside Lodge due to the Transaction with Executive Hotels, the Petitioners will refund your 2025 maintenance fees, excluding any interest or penalties, if applicable.

It is anticipated that refunds will be issued in June 2025, following the Transaction closing. Efforts will be made to issue refunds to applicable members using the same payment method originally used by members to pay their 2025 maintenance fees. Members that made payments using a credit card should expect a refund to the same credit card used. All other refunds will be issued by cheque to the last known address. Refunds will be processed by Wyndham Resort Development, an affiliate of the Petitioners.

**Claims Processes**

**10. How much money will a claimant receive?**

The distribution of sale proceeds or other asset recoveries has yet to be determined. A claims process will be conducted to identify all claimants and quantify their claims. Any distributions will be subject to Court approval and will be made to stakeholders in accordance with their respective priorities pursuant to applicable law. The amount of money will depend on, among other things, the amount of a claimant’s claim and the recoveries available to each class of claimant.



**11. I am a member of Mountainside Lodge Members Association. How am I affected?**

Members of Mountainside Lodge Members Association (“**MLMA Members**”) are members who have vacation leases with ULC. Effective as of the Resort Closure Date, ULC will no longer be able to fulfill its obligations under the vacation leases and as such, MLMA Members may have a claim related to the termination of their vacation lease.

**12. I am a member of SOAP. How am I affected?**

Members of SOAP are members who have a timeshare purchase agreement with ULC (“**SOAP Members**”) and collectively with MLMA Members, the “**Members**”). Effective as of the Resort Closure Date, ULC will no longer be able to offer SOAP Members the ability to stay at the Shell Mountainside Lodge. As such, SOAP Members may have a claim related to the termination of their timeshare purchase agreement.

**13. How can I assert a claim against the Petitioners as a Member?**

Pursuant to the A&R Appointment Order, the Receiver will develop and commence a claims process, subject to further order of the Court, to identify all claimants and quantify all claims against the Petitioners. The details of the claims process will be communicated to all potential claimants, including Members, as soon as possible.

**14. What will be the structure of the claims process for Members?**

The Receiver anticipates creating a negative claims process. A negative claims process is one where the Receiver considers the similarities and difference of each claim and develops a methodology to group similarly situated claimants together. This methodology will be subject to Court approval. The Receiver populates the pertinent information related to each claim into a claim form and distributes a claim form to each Member. This information forms the basis for calculating each Member’s respective claim. This method reduces the effort required by each Member to submit a claim and provides for consistency between how claims are treated.

While all claimants are required to submit a claim under a negative claims process, claimants will only need to modify their claim if they disagree with the inputs used in calculating their claim, limiting the need for claimants to compile or deliver any additional documentation in respect of their claim unless they disagree with the quantum of their claim as established by the Receiver.

**15. How will the calculation methodology in the member claims process be determined?**

The intention of the calculation methodology is to provide a fair and consistent calculation of claims, while at the same time taking into consideration differences between the claimants. The Receiver is investigating the data inputs available and legal considerations for the calculation methodology.

The calculation methodology and claims process structure will be subject to Court approval.

**16. How will I receive my claim form?**

It is anticipated the Receiver will distribute information related to the claims process and a claim form to Members through electronic communication, such as email or online claims portal.

Members may contact the Receiver using the email addresses contained in FAQ #22 to update their email address on file with the Receiver.

**17. What are the timelines associated with a claims process?**

As the claims process is currently being developed, timelines have not yet been established. Timelines will be communicated once available.



## **The Role of the Receiver**

### **18. What is the role of BDO?**

BDO is an independent party with experience in restructuring. The Receiver acts as the 'eyes and ears' of the Court, in a neutral capacity ensuring that the restructuring is completed in a businesslike manner as approved by the Court. The powers of the Receiver are outlined in the A&R Appointment Order.

### **19. Why is BDO being appointed as Receiver?**

The appointment of BDO as Receiver is necessary to facilitate, among other things, the closing of the Transaction, the recovery of assets not sold to the stalking horse bidder (i.e. delinquent accounts), the development and administration of creditor claims process(es) and to ensure efficient distributions are made to stakeholders, subject to the approval of the Court.

### **20. To whom does BDO report?**

As a Court officer, BDO is accountable to and will report directly to the Court through written reports. BDO's reports will be publicly available once they are filed with the Court and will be found on BDO's website for the Shell Mountainside Lodge.

## **Communications**

### **21. Who should I contact about reservation questions and the status of my maintenance fees?**

For all reservation and maintenance fee related questions prior to the Resort Closure Date, please contact Raquel Brimo ([Raquel.brimo@wyn.com](mailto:Raquel.brimo@wyn.com)) or Caitlin Dawe ([caitlin.dawe@wyn.com](mailto:caitlin.dawe@wyn.com)).

### **22. I would like to receive information on what is happening with the Shell Mountainside Lodge.**

All information related to the Shell Mountainside Lodge Proceedings will be posted to the Receiver's case website (<https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/mountainsidelodge>).

The Receiver will also maintain email distribution lists to notify members of reports filed and any upcoming Court applications in these proceedings. The Receiver will circulate FAQs periodically to answer common questions.

Dedicated email addresses are available for direct questions from stakeholders. The email addresses are:

For SOAP Member inquiries: [BDO-MountainsideSOAP@bdo.ca](mailto:BDO-MountainsideSOAP@bdo.ca)

For MLMA Member inquiries: [BDO-MountainsideMLMA@bdo.ca](mailto:BDO-MountainsideMLMA@bdo.ca)

### **23. How can I receive materials filed with the Court?**

The Receiver will post materials related to the receivership proceedings to the Receiver's case website, including Court issued materials and orders.

You may also complete and submit a Demand for Notice to be served with any future Court application or other materials. A Demand for Notice is available on the Receiver's case website using the following link: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/mountainsidelodge>