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Frequently Asked Questions (FAQ)
Carriage Hills Vacation Owners Association & Carriage Ridge Owners Association
June 16, 2021

BDO Canada Limited (“**BDO**”) was appointed as Administrator over Carriage Hills Vacation Owners Association (the “**Carriage Hills Resort**”) and Carriage Ridge Owners Association (the “**Carriage Ridge Resort**”) and together with Carriage Hills, the “**Resorts**”) pursuant to Court orders granted May 15, 2020. Subsequently, pursuant to Amended and Restated Appointment Orders dated December 11, 2020, BDO was appointed as Receiver, with an effective date of January 6, 2021, over all of the assets, undertakings and properties of the Resorts (the “**Property**”), together with the lands and premises on which the Resorts operate (the “**Lands**” and collectively with the Property, the “**Resort Assets**”).

On May 27, 2021 the Court granted Approval and Vesting Orders, approving the sale transaction contemplated by the agreement of purchase and sale dated April 6, 2021 (the “**Sale Agreement**”) between the Receiver, as seller, and the Sunray Group of Hotels Inc., in trust for companies to be incorporated as purchaser (the “**Purchaser**”), with respect to the Purchased Assets (as defined in the Sale Agreement) (the “**Sale Transaction**”).

The Receiver understands that many owners have questions with respect to the Sale Transaction. To assist owners, below is a list of Frequently Asked Questions received by the Receiver designed to be responsive to such questions or concerns.

1. When will the Sale Transaction close?

The Sale Transaction is scheduled to close on Monday June 28, 2021, which is the first business day following the date on which is thirty (30) days following the date on which the Approval and Vesting Orders were granted.

Shortly after the Sale Transaction closes the Receiver will send an email to all Owners for whom the Receiver has an email address informing the Owners that the Sale Transaction has closed. Confidential information sealed by the Court will then be posted to the Receiver’s website as described herein.

2. Is the Purchaser buying all of the assets?

The Purchaser is buying the Purchased Assets, which are detailed in Schedule “B” of the Sale Agreement. The Purchased Assets include the following:

- ✓ The Lands
- ✓ The personal property (the “**Personal Property**”) (i.e. chattels) located within the Resorts (i.e. furniture, fixtures, kitchenware, gym equipment, etc.), except for the motor vehicles.
- ✓ Contracts related to the Lands and the Personal Property except for the Timeshare Agreements with Owners.
- ✓ Warranty rights related to the Lands and the Personal Property, if any, which warranty rights are not the responsibility or obligation of the Receiver or the Owners.
- ✓ Permits related to the Lands and the Personal Property.



The Purchased Assets do not include the following:

- × Cash in the Associations' bank accounts
- × Motor vehicles
- × Accounts receivable
- × Timeshare Agreements with Owners

3. What is the selling price for the Resorts?

In order to preserve the integrity and efficacy of the court-supervised Sale Transaction, the selling price for the Purchase Assets, as well as certain other sensitive information, such as details of the offers received and the appraisals values, remain confidential, sealed and protected (the “**Sealed Information**”) pursuant to Court Orders.

4. When will the Receiver disclose the Sealed Information?

The Sealed Information will be disclosed approximately two (2) business days following the closure of the Sale Transaction, which is scheduled to close on June 28, 2021. The Receiver anticipates disclosing the Sealed Information on or before June 30, 2021.

5. I would like to receive information on what is happening with the Resorts.

All information related to the Resorts can be found at the following link to BDO's case website <https://www.bdo.ca/en-ca/extranets/carriage/>. In addition, dedicated email addresses have been created to receive questions any stakeholders may have. The email addresses are:

For Carriage Hill Resort inquiries: BDOCarriageHills@bdo.ca
For Carriage Ridge Resort inquiries: BDOCarriageRidge@bdo.ca