Court File No. VLC-S-S-249020

VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *LAW AND EQUITY ACT*,

R.S.B.C. 1996, C. 253, AS AMENDED

AND IN THE MATTER OF THE PROCEEDINGS OF

SVC-MOUNTAINSIDE ULC AND SHELL OWNERS ASSOCIATION – PACIFIC

Petitioners

RECEIVER’S FIRST REPORT TO THE COURT

BDO CANADA LIMITED

September 14, 2026

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I. INTRODUCTION

1. This report dated September 14, 2026 (the "**First Report**") is filed by BDO Canada Limited ("**BDO**") in its capacity as court-appointed receiver (in such capacity, the "**Receiver**") of SVC-Mountainside ULC ("**ULC**") and Shell Owners Association – Pacific ("**SOAP**" and together with ULC, the "**Petitioners**") pursuant to an amended and restated appointment order granted by the Supreme Court of British Columbia (the "**Court**") on May 8, 2025 (the "**A&R Appointment Order**").

2. ULC is an unlimited liability corporation incorporated under the laws of the Province of Nova Scotia on December 23, 2004, and is registered extra-provincially in British Columbia under the laws of the Province of British Columbia ("**BC**"). ULC is an indirect subsidiary of Travel + Leisure Co. ("**T+L**"), a publicly traded corporation listed on the New York Stock Exchange with a diverse global portfolio of resort, membership and lifestyle travel brands.

3. SOAP is a not-for-profit non-stock corporation incorporated under the laws of the State of Delaware, USA, on December 22, 2004, and is registered extra-provincially under the laws of BC. SOAP is related to ULC through common ownership. As a non-stock corporation, SOAP was controlled by its members ("**SOAP Members**") through its board of directors.

4. The Petitioners operated and managed a resort comprised of a vacation lease business line (the "**Vacation Lease Business**") and a timeshare business line (the "**Timeshare Business**" and together with the Vacation Lease Business, the "**Business**") through partial ownership of a building located at 4417 Sundial Place, Whistler, British Columbia (the real property alone, "**4417 Sundial**", and together with the Business, the "**Shell Mountainside Lodge**"). 4417 Sundial consists of one four-story building and is governed by the *Strata Property Act*.

5. On May 8, 2025, the Honourable Justice Coval granted the following order:

   a) The A&R Appointment Order appointing BDO as Receiver and discharging BDO as Administrator;

   b) An approval and vesting order (the "**AVO**") approving the Sale Transaction as among the Petitioners, as vendors, and Executive Mountainside Holdings Ltd. (the "**Purchaser**"), as purchaser;

c) An order (the "**First Ancillary Order**") authorizing the Petitioners, in consultation with the Receiver, to refund certain 2025 maintenance fees to SOAP Members or members of Mountainside Lodge Members Association ("**MLMA Members**" and collectively with SOAP Members, the "**Members**"), and approving an employee retention plan (the "**ERP**"); and

d) An order (the "**Fee and Activity Approval Order**") approving the activities of BDO in its capacity as Administrator and approving the fees and disbursements of BDO and its counsel, Fasken Martineau DuMoulin LLP ("**Fasken**").

6. A comprehensive overview of the Shell Mountainside Lodge, including a list of the various orders granted in these proceedings, is attached hereto as **Appendix "A"**.

II. DISCLAIMER & TERMS OF REFERENCE

7. In preparing this First Report, the Receiver has relied upon the books and records of the Petitioners and their affiliates' books and records, unaudited and draft financial information available, certain financial information obtained from third parties, third party reports and discussions with various individuals (collectively, the "**Information**"). The Receiver has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided, and in consideration of the nature of the evidence provided to this Court, in relation to the relief sought herein. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook and, as such, the Receiver expresses no opinion or other form of assurance in respect of the Information. An examination of the Petitioners' financial forecasts in accordance with the Chartered Professional Accountants of Canada Handbook has not been performed. Any future-oriented financial information reported on or relied upon in this First Report is based upon assumptions regarding future events; actual results achieved may vary from forecast and such variations may be material.

8. This First Report has been prepared for the use of the Court to provide general information and background relating to the proceedings detailed herein. This First Report should not be relied upon for any other purposes. BDO will not assume any responsibility or liability for losses incurred as a result of the circulation, publication, reproduction, reliance on or use of this First Report contrary to the provisions of this paragraph.

9. Unless otherwise noted, capitalized terms used herein and not defined in this First Report shall have the meaning ascribed to them in the Administrator's Pre-Filing Report, the Administrator's First Report or Appendix "A" hereto.

10. Unless otherwise noted, all monetary amounts contained in this First Report are expressed in Canadian dollars.

11. All materials filed with the Court with respect to these proceedings are accessible on the Receiver's case website at: www.bdo.ca/mountainsidelodge.

III. PURPOSE OF REPORT

12. The purpose of this First Report is to provide the Court with:

    a) Information and updates regarding these proceedings, including:

        (i) Activities of the Administrator leading up to the date of the Administrator's discharge;

        (ii) Activities of the Receiver since its appointment;

        (iii) Completion of the Sale Transaction; and

        (iv) Details of Member delinquent accounts and the Receiver's proposed recovery strategy;

    b) The Receiver's comments and recommendations with respect to the following four orders sought by the Receiver:

        (i) A Member claims process order (the "**Member Claims Process Order**") approving and authorizing the Receiver to initiate the proposed Member Claims Process (as defined herein), including authorizing the Receiver to engage BDO Canada LLP (the "**Claims Support Agent**"), *nunc pro tunc*, to assist with the administration of the Member Claims Process;

        (ii) A non-Member creditor claims process order (the "**Non-Member Claims Process Order**"), approving and authorizing the Receiver to conduct the proposed Non-Member Claims Process (as defined herein);

        (iii) An ancillary order (the "**Second Ancillary Order**"):

            1. Approving the activities of the Administrator up to the date of the Administrator's discharge as detailed herein;

            2. Approving the activities of the Receiver detailed herein;

3. Approving the Receiver's interim statements of receipts and disbursements for the period May 8, 2025, to August 31, 2026, for each of ULC, SOAP and MLMA (the "**Interim R&D(s)**"); and

4. Approving the fees and disbursements of BDO and its legal counsel, Fasken as outlined herein; and

(iv) A members' representation order (the "**Members Representation Order**"):

1. Approving the appointment of up to three (3) SOAP Members to act as an advisory committee representing the interests of all SOAP Members (the "**SOAP Advisory Committee**");

2. Approving the appointment of up to five (5) MLMA Members to act as an advisory committee representing the interests of all MLMA Members (the "**MLMA Advisory Committee**", and together with the SOAP Advisory Committee, the "**Member Advisory Committees**");

3. Approving the appointment of Borden Ladner Gervais LLP ("**BLG**") as representative counsel ("**Representative Counsel**") to the Member Advisory Committees; and

4. Approving the Representative Counsel Charge (as defined herein) up to the maximum amount of $100,000.

IV. ACTIVITIES OF THE ADMINISTRATOR AND THE RECEIVER

Prior Appointment as Administrator

13. Since the date of the Administrator's First Report and prior to BDO's appointment as Receiver, the Administrator performed, among other things, the following activities:

a) consulting with the Petitioners regarding the operations of the Business, the Sale Transaction and the transition of the Business and bank accounts pending the Delayed Appointment Date (as defined herein), including the cessation of operations and termination of employees;

b) monitoring the financial affairs of the Petitioners and the Business, including cash flow activity and Delinquent Accounts (as defined herein);

c) compiling and reviewing employee, payroll, financial and operational information to support stakeholder communications, employee claim quantification and ongoing administration of these proceedings;

d) consulting with the Petitioners' external accountants regarding financial reporting matters and income tax filings;

e) attending to Member inquiries regarding these restructuring proceedings, the Sale Transaction, potential claims and related matters, and corresponding with the Member Advisory Committees regarding the Sale Transaction and other stakeholder concerns; and

f) supporting the Petitioners in communicating with stakeholders, including Members, creditors and employees, regarding the Sale Transaction and closure of the Shell Mountainside Lodge.

Upon appointment as Receiver

14. Since its appointment under the A&R Appointment Order, the Receiver has taken possession and control of the Property and administered the affairs of the Petitioners, including:

a) taking possession of, securing, preserving and insuring the Property, including attending at 4417 Sundial, and coordinating the completion of the Sale Transaction;

b) assuming control of the Petitioners' bank accounts, including implementing banking controls, establishing trust accounts and monitoring bank account activity;

c) overseeing employee and payroll matters, including final payroll obligations, statutory reporting requirements, employee reimbursements and communications with Unifor Local 3000 (the "**Union**"), including monitoring the Union's application under section 35 of the *Labour Relations Code* for a declaration of successorship by the British Columbia Labour Relations Board;

d) taking custody of and organizing the Petitioners' books and records, updating accounting records and investigating potential realizable assets, including deposits, refunds and account credits;

e) administering post-closing matters arising from the Sale Transaction, including developing a purchase price allocation methodology, remitting non-resident withholding taxes to the Canada Revenue Agency (the "**CRA**") and dealing with related correspondence regarding tax refunds;

f) overseeing Member-related matters, including 2025 Maintenance Fee Refunds, cessation of ongoing Member billings, administration of SOAP Member accounts and Timeshare Points, and responding to Member inquiries;

g) developing and implementing the proposed Member Claims Process, including compilation of the master Interval listings (the "**Master Member Listing**"), developing the Member Claim Quantification Methodology, engaging the Claims Support Agent and establishing an online claims portal;

h) attending to taxation, regulatory and statutory compliance matters, including opening sales tax accounts, completing tax filings, communicating with the CRA and fulfilling reporting obligations under the *Bankruptcy and Insolvency Act* (Canada);

i) consulting and corresponding with key stakeholders, including the Petitioners, their legal counsel, the Listing Agent, the Union, the Member Advisory Committees, Computershare Trust Company of Canada ("**Computershare**"), creditors and other interested parties;

j) carrying out the ongoing administration of these receivership proceedings, including maintaining the service list and case website, issuing Member communications and frequently asked question ("**FAQ**") documents, preparing interim statements of receipts and disbursements, and preparing statutory notices and reports for the benefit of the Court and all stakeholders; and

k) drafting this First Report.

V. COMPLETION OF THE SALE TRANSACTION

15. Capitalized terms used in this section and not otherwise defined have the meanings ascribed to them in the SISP.

16. The Court issued the AVO on May 8, 2025, approving the Sale Transaction, which contemplated closing ten (10) business days following Court approval.

17. The Purchaser and the Receiver agreed to an extension of the closing to May 30, 2025, with an agreed reduction to the Purchase Price of $10,000. The Sale Transaction was completed on May 30, 2025, and a Receiver's Certificate was filed with the Court confirming completion.

18. Following adjustments to the Purchase Price for commissions payable to the Listing Agent, non-resident withholding tax reductions, property taxes, utilities and other matters, the net proceeds received by the Receiver were $9,147,896.

19. The Receiver prepared a purchase price allocation to allocate the net proceeds between the Petitioners based on the Petitioners' respective fractional ownership interest in the Real Property weighted proportionally based on the Strata Corporation's unit entitlement for the purposes of assessing fees for each strata lot. The overall purchase price allocation for the Petitioners is 62.1324% to ULC and 37.8676% to SOAP and total net proceeds allocated to ULC were $6,613,509 and to SOAP were $2,534,387.

20. The proceeds to SOAP were net of a deduction of $1,466,076 for non-resident withholding tax deductions (the "**Withholding Taxes**"). The Withholding Taxes were remitted to the CRA as required under applicable law. Following the closing of the Sale Transaction, the Receiver identified a miscalculation with respect to the quantum of Withholding Taxes, and subsequently remitted an additional $28,747 to the CRA, for a total of $1,494,823 in Withholding Taxes. The Receiver asserts that SOAP is eligible to recover the Withholding Taxes and has filed a claim for refund with the CRA.

VI. ACCOUNTS RECEIVABLE

21. Each Member entered into a Member Contract for use of the Shell Mountainside Lodge. A Member remains contractually bound for liabilities and obligations associated with their Member Contract (the "**Charges**"). The list of Members who have not paid their Charges (the "**Delinquent Members**") had been growing in the years leading up to the commencement of these proceedings. Delinquent Members contributed to the Petitioners' financial difficulties by not fulfilling their obligations under their Member Contracts and adversely impacted the viability of the Shell Mountainside Lodge.

22. The table below summarizes the number and dollar value of Delinquent Members' accounts (together, the "**Delinquent Accounts**") as at May 31, 2026. As presented, there are 891 Delinquent Members that collectively owe in excess of $9.1 million (including late fees and interest).

	MLMA Members		SOAP Members		Total	
	#	$	#	$	#	$
Total	618	8,439,984	273	708,171	891	9,148,155

23. In light of the volume and quantum of the Delinquent Accounts and the number of Delinquent Members, in the view of the Receiver, commencing individual court actions against each Delinquent Member to collect each Delinquent Account is not commercially reasonable. The collection process would be resource intensive, reduce the economic benefit for stakeholders, and would be taxing on the court system.

24. Instead, the Receiver proposes to address Delinquent Accounts as part of the Member Claims Process. Delinquent Members will have the ability to acknowledge or dispute their Delinquent Account as part of their submission in the Member Claims Process.

25. As part of the Member Claims Process, the Receiver will:

    a) Review disputed Delinquent Accounts and attempt to resolve such disputes with the Delinquent Member. A court-approved dispute resolution process will be considered in the event disputes cannot be mutually resolved;

    b) Consider offsetting Delinquent Account balances against any claims submitted or acknowledged by Members as part of the Member Claims Process, thus reducing the Member Claim (as defined herein) by the balance of the Delinquent Account; and

    c) Consider the optimal method for addressing remaining Delinquent Accounts, if any, including a court-approved collection plan process on a smaller subset of Delinquent Accounts.

26. In the Receiver's view, the plan for addressing Delinquent Accounts is procedurally fair for Members, balanced with the need for practicality and recovery in the estates and the integrity of the receivership proceedings, generally.

27. The proposed setting off of Delinquent Accounts in the Member Claims Process is discussed in further detail under the Member Claim Quantification Methodology section of this First Report.

VII. NON-MEMBER CLAIMS PROCESS

28. The Receiver proposes to implement a creditor claims process which will be established for the calling and determination of claims, excluding Member Claims (the "**Non-Member Claims Process**") against the Petitioners. Potential claimants in the Non-Member Claims Process include trade creditors, the CRA, T+L, and its affiliates.

29. Key dates of the Non-Member Claims Process are summarized in the following table:

Event	Per Non-Member Claims Process Order	Date
Court Approval		September 25, 2026
Posting copy of Non-Member Claims Process Order to Receiver's Case Website	No later than ten (10) business days after Court approval of the Non-Member Claims Process	On or before October 13, 2026
Publication in National Edition of *The Globe & Mail*	No later than ten (10) business days after Court approval of the Non-Member Claims Process	On or before October 13, 2026
Mailing of Non-Member Claims Package	No later than ten (10) business days after Court approval of the Non-Member Claims Process	On or before October 13, 2026
Non-Member Claims Bar Date	Sixty (60) calendar days after Court approval of the Non-Member Claims Process	5:00 p.m. (Vancouver time) on November 24, 2026
Non-Member Notice of Revision or Disallowance of Claim	As soon as possible after receiving the Non-Member Proof of Claim	
Non-Member Notice of Dispute	No later than 5:00 p.m. (Vancouver time) on the day that is thirty (30) calendar days from the date of Non-Member Notice of Revision or Disallowance	
Determination as to Non-Member Notice of Dispute	Receiver and Claimant (as defined herein) will attempt to resolve the dispute as soon as practicable	
Hearing to Resolve Dispute	On a date to be scheduled in consultation with the Petitioners and affected Claimant(s)	

30. Documents to be used in the administration of the Non-Member Claims Process are as follows (collectively the "**Non-Member Claims Package**"):

a) A notice informing claimants of the Non-Member Claims Process;

b) A non-Member proof of claim instruction letter;

c) A blank non-Member proof of claim form ("**Non-Member Proof of Claim**");

d) A non-Member notice of revision or disallowance of claim form (the "**Non-Member Notice Revision or Disallowance of Claim**"); and

e) A notice to the Receiver disputing the Non-Member Notice of Revision or Disallowance of Claim issued by the Receiver (the "**Non-Member Notice of Dispute**").

31. The Non-Member Claims Process is described below:

a) The Receiver will compile a listing of known and potential non-Member claimants ("**Claimants**") of the Petitioners;

b) No later than ten (10) business days after court approval of the Non-Member Claims Process, the Receiver shall:

    (i) deliver via ordinary mail or email, the Non-Member Claims Packages to known and potential Claimants;

    (ii) post the Non-Member Claims Package to the Receiver's case website; and

    (iii) publish on a one-time basis a notice of the Non-Member Claims Process and the Non-Member Claims Bar Date (as defined herein) in *The Globe and Mail* national edition newspaper;

c) Claimants must submit a completed Non-Member Proof of Claim so that it is received by the Receiver by 5:00 pm (Vancouver time) on November 24, 2026 (the "**Non-Member Claims Bar Date**") failing which the Claimant will be forever barred from asserting or enforcing any claim or filing a proof of claim with respect to such claim against the Petitioners or proceeds from the sale of the Property and such claim shall be forever extinguished;

d) If the Receiver revises or disallows the Non-Member Proof of Claim, in whole or in part, the Receiver will issue, as soon as possible after the Non-Member Claims Bar Date, a Non-Member Notice of Revision or Disallowance;

e) Claimants will have thirty (30) calendar days from the date of the mailing of the Non-Member Notice of Revision or Disallowance to submit a Non-Member Notice of Dispute, failing which the non-Member claim will be disallowed or valued as set out in the Non-Member Notice of Revision or Disallowance; and

f) The Receiver will attempt to resolve and settle any unresolved Non-Member Notice of Dispute. In the event that a dispute raised in a Non-Member Notice of Dispute cannot be resolved within a reasonable period of time, the Receiver will file a report with the Court summarizing the unresolved disputes and will bring a motion seeking advice and directions from the Court in respect of the process for the resolution of such disputes.

32. The Receiver seeks approval and authorization for the implementation of the Non-Member Claims Process.

VIII. MEMBER CLAIMS PROCESS

33. As a result of the Sale Transaction, Members have lost their right-of-use entitlement to the Shell Mountainside Lodge provided by the Member Contracts. Member Contracts have been effectively breached and, as a result, Members may have damages claims as a result of such breach (each a "**Member Claim**"). The Receiver intends to administer a claims process to determine the Member Claims (the "**Member Claims Process**").

Overview of Member Claims Process

34. The Receiver is proposing a negative or reverse-claims process for the Member Claims Process, whereby the Receiver will pre-populate the information needed to calculate each Member Claim. Members would only need to acknowledge that the information associated with their claim is correct, and would only be required to provide additional information if they disagree with the pre-populated information included in their Member Claim.

35. The Receiver has determined that a traditional claims process would be challenging and inefficient as:

    a) Many Members would likely require assistance in completing their claim, and there are potentially over 1,800 Member Claims;

    b) Members would be required to assemble and provide supporting documents associated with their Member Claim;

    c) Most Members do not have experience in damage loss quantification and contract law, and may face difficulties in quantifying their claims for the effective breach of their Member Contracts; and

    d) The Receiver would be required to review and assess each individual claim calculation submission for appropriateness and consistency among all Member Claims to ensure fairness.

36. The Receiver has made significant efforts to prepare a comprehensive listing of all salient information for each Member Contract, including purchase price, right-of-use entitlements, duration and contact particulars based on the Petitioners' books and records made available to the Receiver. The Receiver has manually reviewed hundreds of Member Contracts, including cross-referencing this information with the Vacation Lease details maintained by Computershare resulting in the creation of the Master Member Listing.

37. Through the process of creating the Master Member Listing, the Receiver has identified several issues in respect of information regarding Members and their Member Contracts, which include the following (among others):

    a) There are discrepancies between the Member names recorded in the Petitioners' records and in the Computershare database;

    b) It does not appear that all Member interests recorded in the Petitioners' records are up-to-date as at the Resort Closure Date;

    c) It is uncertain if the Petitioners' records list the names of all individual Members associated with a Member Contract, due to database field size limitations; and

    d) Data inconsistencies have been identified between the Computershare database and the terms of the underlying Vacation Lease documents, such as lease termination dates.

38. Members will have an opportunity to dispute their Member Information through the Member Claims Process if they believe that the information associated with their claim is incorrect.

39. Member Claims will be pre-populated with information contained in the Master Member Listing, including the names, contact information, particulars of contractual interests (i.e. purchase price, duration, etc.), number and type of Intervals and, if applicable, Delinquent Account balance (collectively, the "**Member Information**"). Through the reverse claims process, any Member wishing to participate in a distribution must confirm their Member Information. The Member Information will be used to quantify each Member's claim pursuant to the Member Claim Quantification Methodology (the Member Claim Quantification Methodology has not been finalized and the Receiver will return to Court to seek approval of the Member Claim Quantification Methodology at a later date).

40. Specific to SOAP Members, the Member Information will include any unused annual points for which the SOAP Member is not contemplated to receive a refund.

41. Where a Member agrees with the Member Information contained in their Member Claim, the Member is required to acknowledge that the Member Information is correct and would not be required to provide any additional documentation to support their Member Claim. Where a Member does not agree with the Member Information contained in their Member Claim, the Member may request an amendment, in whole or in part, to the Member Information contained in their Member Claim and would be required to submit documentation supporting their request.

42. Each Member will have a positive onus to acknowledge the correctness of, or request an amendment to, their Member Information. If a Member does not respond, they will not be entitled to any distribution from the estates of the Petitioners. For the reasons set out in the Member Claims Quantification Methodology section below, at this time, the Member Claims Process is intended to advance the information gathering process by confirming the Member Information inputs that will be required to assess the Member Claims when the Member Claim Quantification Methodology is finalized.

The Claims Support Agent

43. Given the volume of claims that will need to be processed, the Receiver has engaged the Claims Support Agent to assist with the development and administration of the Member Claims Process, including the development of an online claims portal for the submission of Member Claims (the "**Claims Portal**").

44. In selecting the Claims Support Agent, the Receiver assessed proposals from three (3) potential service providers including, Kroll Restructuring Administration, Epiq Corporate Restructuring and BDO Canada LLP. The Receiver determined that it would be most practical and economical to administer the Member Claims Process with the assistance of BDO Canada LLP. The Receiver consulted with the MLMA Advisory Committee and T+L with respect to same and each confirmed support for BDO Canada LLP being engaged as the Claims Support Agent. The Claims Support Agent has experience with administering large claims processes and the development of online claim portals, and has experienced staff trained in dealing with technical inquiries from claimants.

45. The Receiver engaged the Claims Support Agent pursuant to the Claims Support Agent Engagement Letter dated December 17, 2025, a copy of which is attached hereto as **Appendix "B"**.

Administration of the Member Claims Process

46. Documents to be used in the administration of the Member Claims Process are as follows (collectively the "**Member Claims Package**"):

    a) A notice informing Members of the Member Claims Process and the Member Claims Process Bar Date (as defined herein) (the "**Notice to Members**");

    b) A login identification form containing individualized login instructions for accessing the Claims Portal;

c) A pre-populated form (the “**Acknowledgement Form**”) containing the Member Information to be used in quantifying the Member Claim, which also contains the Request for Amendment to be completed by a Member who intends to dispute the Member information outlined in the Acknowledgement Form;

d) A letter providing instructions on how to participate in the Member Claims Process;

e) A blank claim form for the submission of a claim by any party believing itself to be a Member other than those Members who otherwise received an Acknowledgement Form (“an **Additional Proof of Claim**);

f) A letter providing instructions on how to complete and submit an Additional Proof of Claim (the “**Additional Proof of Claim Instruction Letter**”);

g) A Member notice of acceptance, revision or disallowance letter disallowing, in whole or in part, a Request for Amendment or Additional Proof of Claim (the “**Member Notice of Acceptance, Revision or Disallowance**”); and

h) A notice to the Receiver disputing the Receiver’s Member Notice of Disallowance form (the “**Member Notice of Dispute**”).

47. Key dates of the Member Claims Process are summarized in the following table:

Event	Per Member Claims Process Order	Date
Court Approval		September 25, 2026
Posting copy of Member Claims Process Order to Receiver’s Case Website	No later than ten (10) business days after Court approval of the Member Claims Process	On or before October 13, 2026
Publication in National Edition of *The Globe & Mail*	No later than ten (10) business days after Court approval of the Member Claims Process	On or before October 13, 2026
Issuance of Member Claims Package	As soon as possible after Court approval of the Member Claims Process	
Member Claims Process Bar Date		5:00 p.m. (Vancouver time) on January 15, 2027
Member Notice of Acceptance, Revision or Disallowance	As soon as possible after receiving an Acknowledgement Form or Additional Proof of Claim	
Member Notice of Dispute	5:00 p.m. (Vancouver time) on the day which is thirty (30) calendar days after the date of the Member Notice of Acceptance, Revision or Disallowance or such later date as the Receiver may agree to in writing or the Court may order	

48. The proposed Member Claims Process is described below:

a) On or before October 13, 2026, the Receiver will post a copy of the Member Claims Process Order (together with their schedules) on the Receiver's case website;

b) On or before October 13, 2026, the Receiver will publish on a one-time basis the Notice to Members in *The Globe and Mail* newspaper (national edition);

c) The Claims Support Agent will send the applicable documents from the Member Claims Package to all Members identified by the Receiver as soon as possible after issuance of the Member Claims Process Order;

d) The Claims Support Agent will send the Member Claims Package via email to every Member that has provided a working email address and via ordinary mail to every other Member that has not provided a working email address, to the last physical address known to the Receiver. The Claims Support Agent will not be required to send a Member Claims Package to an address which has been proven to be inaccurate by way of previously returned mail during these proceedings;

e) The Acknowledgement Form will include the Member Information necessary to determine the quantum of the Member Claim to be calculated under the Member Claim Quantification Methodology if and when Court approved;

f) Each Member will be required to acknowledge or request an amendment to the Member Information by the Member Claims Process Bar Date. Any Member who disagrees with the Member Information must complete a Request for Amendment within the Claims Portal or in writing, and provide all relevant supporting documentation to the Claims Support Agent;

g) Any party that did not receive a Member Claims Package but believes themselves to be eligible to submit a Member Claim will be required to complete and submit an Additional Proof of Claim with the Claims Support Agent, through the Claims Portal or in writing, by the Member Claims Process Bar Date. Those Members whose Member Information could not be reconciled by the Receiver will receive a Member Claims Package containing, inter alia, an Additional Proof of Claim form and an Additional Proof of Claim Instruction Letter. Such Members will be required to submit a completed Additional Proof of Claim form, within the Claims Portal or in writing, and provide all of the necessary and relevant documentation to support such claim, which must be received by the Member Claims Process Bar Date;

h) Each Member is obligated to provide any missing or incorrect Member Information;

i) In the event that the Member Information is acknowledged through the submission of an Acknowledgement Form, it will be final and binding on the Member, and may be relied upon by the Receiver in valuing such Member's Member Claim for all purposes, and the Member will be barred from making any claim inconsistent with the information contained in the Member Information;

j) All Acknowledgement Forms and Additional Proofs of Claim must be submitted, through the Claims Portal or delivered in writing by ordinary mail, courier, personal delivery or electronic or digital transmission, so that it is received by the Claims Support Agent by 5:00 pm (Vancouver time) on January 15, 2027, or such later date as the Receiver may agree in writing or the Court may order (the "**Member Claims Process Bar Date**");

k) Any Member who does not deliver an Acknowledgement Form or Additional Proof of Claim, on or before the Member Claims Process Bar Date:

    (iv) shall be forever barred from asserting or enforcing any claim against the Petitioners and all such claims shall be forever extinguished;

    (v) shall not be entitled to receive any distribution from the Petitioners' estate; and

    (vi) shall not be entitled to any further notice and shall not be entitled to participate as a creditor in these receivership proceedings;

l) Where a Request for Amendment or Additional Proof of Claim has been accepted by the Receiver, it will constitute a proven claim for the purposes of the Member Claims Process;

m) The Receiver will review and consider any Request for Amendment and Additional Proof of Claims received and may accept the amendments requested, or revise or disallow them by way of a Member Notice of Acceptance, Revision or Disallowance;

n) As applicable, the Claims Support Agent will deliver a Member Notice of Acceptance, Revision or Disallowance together with the Member Notice of Dispute to the Member;

o) Any Member who intends to dispute a Member Notice of Acceptance, Revision or Disallowance is required to deliver a Member Notice of Dispute to the Claims Support Agent so that it is received no later than 5:00 p.m. (Vancouver time) on the day which is thirty (30) calendar days after the date of the Member Notice of Acceptance, Revision or

Disallowance or such later date as the Receiver may agree to in writing or the Court may order. Once a Member Notice of Dispute is received, the Receiver may attempt to resolve and settle the dispute with the Member; and

p) If a Member fails to properly deliver a Member Notice of Dispute in a timely manner, the amount of such claim will be deemed to be the amount set out in the Member Notice of Acceptance, Revision, or Disallowance.

49. The Member Claims Process Order does not provide for a process to adjudicate Notices of Dispute that cannot be consensually resolved by the Receiver and the disputing Member. It is the Receiver's opinion that such a process should only be devised once the nature and quantum of the disputes are determined, so that an appropriate mechanism may be proposed to the Court for approval.

50. At any time, the Receiver may:

a) Request additional information with respect to any Member Claim;

b) Request that a Member file a revised Request for Amendment or revised Additional Proof of Claim;

c) Attempt to consensually resolve any Request for Amendment, Notice of Dispute, or Additional Proof of Claim; or

d) Revise or disallow a Member Claim.

51. Unless a Member takes a positive step to confirm the Member Information or submit a Request for Amendment contained within the Acknowledgement Form, through the Claims Portal or in writing, on or before the Member Claims Process Bar Date, such Member will not be eligible for a distribution from the Petitioners' estates. It will be made clear in the circulated notices and materials that Members who do not respond by acknowledging or requesting an amendment will not be entitled to participate in any distribution from the estates of the Petitioners or proceeds from the sale of the Property.

52. In many cases, there is more than one party associated with an Interval, such as the interests in Member Contracts being shared between family members, friends, business owners/partners or other relationships. In order to balance the costs and administrative burden of conducting the Member Claims Process with stakeholder recoveries and distributions, the Receiver recommends that a single Member Claim be issued for each Member Contract, and will not require each co-Member to individually confirm or dispute an interest in a Member Contract.

Members that have competing interests in an Interval may each file a Member Claim in respect of their separate interests.

53. If a Member is deceased, the Receiver may accept a Member Claim on such deceased Member's behalf from the duly appointed legal representative or estate trustee of such deceased Member.

54. If a Member has become incapacitated, and no legal representative has been appointed or otherwise has authority to act on behalf of such Member, the Receiver will have the discretion to allow such Member's surviving spouse, survivor, or next-of-kin to act on such Member's behalf.

55. Before allowing a party to act on behalf of a deceased or incapacitated Member, the Receiver may require the party to execute a statutory declaration or provide some other similar form of document confirming the party's relationship to the deceased or incapacitated Member.

56. The Receiver recommends this Court grant the Member Claims Process Order approving the Member Claims Process.

IX. MEMBER CLAIM QUANTIFICATION METHODOLOGY

Member Damage Claims

57. The Receiver, with the assistance of a damage quantification professional, is developing a methodology for quantifying each Member Claim (the "**Member Claim Quantification Methodology**") to the extent the breach of their contract has caused the Member to suffer a financially quantifiable loss. Broadly, the intention is to quantify damages by comparing the economic position of the Member with and without the breach of Member Contracts.

58. The Member Claim Quantification Methodology is meant to be a predetermined formula which will be used to quantify Member Claims. The Member Claim Quantification Methodology includes numerous data points, many of which are based on the information contained in each Member's contractual agreement related to the Shell Mountainside Lodge. Although each Member Contract is a unique and separate legal contract, the contracts include substantially similar terms and purpose. A Member Claims Quantification Methodology will ensure all Member Claims are valued consistently and fairly.

59. The Receiver estimates there may be approximately 1,800 Member Claims. The Member Claim Quantification Methodology greatly improves efficiency, as each Member will not be required to come up with a methodology for valuing their claim, which in turn reduces professional fees as

the Receiver will not be required to assess each individual methodology used to support every Member Claim.

60. The Receiver has investigated quantification methodologies that are generally accepted and used in cases to quantify losses arising from a breach of contract. The Receiver has supplemented its own experience and investigation through consultation with legal professionals and an experienced, Court-recognized damage loss quantification expert. The Receiver has prepared calculations under two legally recognized damage claim methodologies, being reliance damages and expectation damages. Broadly speaking, the reliance damages theory attempts to put the party in the position they would have been in if the contract had never been entered into, while the expectation damages theory attempts to put the party in the position they would have been in if the contract had been performed.

61. The Receiver has calculated total net Member Claims, after setting off Delinquent Accounts, of approximately \$4.07 million under reliance damages and approximately \$36.28 million under expectation damages as summarized in the chart below:

Net Damage Claims	Reliance Damages	Expectation Damages
Gross Damages / Claim	$ 5,447,178	$ 48,209,042
Less: Delinquent member offsets	(1,138,003)	(6,115,679)
Less: Full offset due to delinquent balances	(238,383)	(5,818,278)
Net Damages / Claims	$ 4,070,792	$ 36,275,084

62. The Receiver has provided its views for the proposed methodology to, and solicited feedback from, key stakeholders in the Receivership proceeding, namely, the MLMA Advisory Committee (whose interests are expected to be aligned with SOAP Members who, until now, have not had an organized committee to represent their interests) and T+L (a material creditor and equity holder of the Shell Mountainside Lodge). The MLMA Advisory Committee and T+L have differing views on the appropriate methodology to be used in the circumstances. In light of the divergent views, the Receiver intends to seek Court approval of the Member Claims Process without seeking approval of the Member Claim Quantification Methodology at this time, in order to advance matters while negotiations in respect of the appropriate Member Claim Quantification Methodology continue.

63. The Receiver is hopeful that the key stakeholders will be able to negotiate a consensual resolution to the Member Claim Quantification Methodology to avoid costly and protracted litigation, which would likely require the involvement of multiple experts.

64. At this time, the Member Claims Process is primarily focused on confirming the Member Information inputs that will be required to assess the Member Claims when the Member Claim Quantification Methodology is finalized. It is intended to advance the information gathering process while the discussions with respect to the appropriate Member Claim Quantification Methodology are ongoing.

X. NEED FOR SOAP ADVISORY COMMITTEE & REPRESENTATIVE COUNSEL

SOAP Advisory Committee

65. The Receiver has consulted with both the MLMA Advisory Committee and T+L with respect to the determination of the appropriate Member Claim Quantification Methodology, and it is apparent from those discussions that the parties have differing views as to the appropriate methodology to use to quantify Member Claims.

66. To date, SOAP has not had a committee of member representatives. As such, the Receiver has not been able to consult with a representative body of SOAP Members. SOAP previously had a Board of Directors, however, all board members were employees of T+L or its affiliates. Given this potential conflict of interest, the Receiver believes it is appropriate to form a SOAP Advisory Committee to represent the interests of SOAP Members in these proceedings.

67. As part of the FAQ released on April 27, 2026, the Receiver solicited interest from SOAP Members to volunteer to join a SOAP Advisory Committee. In the FAQ, the Receiver described the purpose of the SOAP Advisory Committee and set out the requirements to volunteer to participate in the committee.

68. Three (3) SOAP Members have volunteered to join a SOAP Advisory Committee, subject to Court approval.

69. The Receiver is seeking an order approving the appointment of the SOAP Advisory Committee, and, *nunc pro tunc*, the MLMA Advisory Committee, and confirming, among other things, that the Member Advisory Committee members will have no personal liability or obligations as a result of the performance of their duties under the Members Representation Order, save and except liability arising out of gross negligence or wilful misconduct or liability arising from the terms of their contractual obligations (including non-disclosure agreements) as a result of being appointed to the Member Advisory Committees.

70. The Order being sought will also appoint representative counsel to represent the interests of the Member Advisory Committees. It is intended that Representative Counsel will be entitled to rely

and act on the instructions of the majority of the Member Advisory Committees, without the need for further communications to or from Members.

Representative Counsel

71. The Receiver recommends that representative legal counsel be appointed to represent the interests of the Members in these receivership proceedings (the "**Mandate**"), including but not limited to matters relating to any Member Claims and any disagreement surrounding the Member Claims Quantification Methodology.

72. Following discussions with the Receiver regarding the purpose and objectives of representative legal counsel, the MLMA Advisory Committee supports the engagement of BLG as representative legal counsel on behalf of the MLMA Members. The Receiver is of the view that the interests of Members are aligned and it would be both appropriate and efficient for BLG to also act as representative legal counsel on behalf of the SOAP Members. The Receiver recommends that BLG also be appointed as representative legal counsel for SOAP Members, such that there will be a single representative counsel in respect of all Members.

73. Representative Counsel will engage with the stakeholders to discuss the Member Claims Process and the Member Claim Quantification Methodology and, if possible, negotiate a settlement or resolution on behalf of, as applicable, MLMA Members and SOAP Members in respect of the Member Claim Quantification Methodology.

74. The fees and expenses of Representative Counsel will be secured pursuant to a charge in favour of the Representative Counsel (the "**Representative Counsel Charge**") up to the maximum amount of $100,000, which fees will be paid from the proceeds from the sale of the Shell Mountainside Lodge currently held in trust by the Receiver. The Representative Counsel Charge shall have the same priority as the Administration Charge as set forth under the A&R Appointment Order.

XI. MEMBER REFUNDS

75. The 2025 Maintenance Fee Refund was approved pursuant to the First Ancillary Order. The Administrator's First Report discussed the Administrator's initial assessment that the 2025 Maintenance Fees were comprised of:

    a) Approximately $485,682 owing to 293 MLMA Members, with each refund ranging between $1,049 and $2,383; and

b) Approximately $24,094 owing to 11 SOAP Members, with each refund ranging between $536 and $5,042.

76. Since the Administrator's First Report, the Receiver has further investigated the 2025 Maintenance Fee Refund and the eligibility of Members for a refund and reports as follows:

a) 290 MLMA Members (three (3) net fewer) may be eligible for refunds with the total amount of refunds being reduced by $6,874 to $478,808; and

b) SOAP Member refunds have been delayed and not yet released due to the number of SOAP Members identified as potentially eligible for refund being substantially higher than presented in the Administrator's First Report, as further detailed below.

77. The Receiver further understands that some MLMA Members have paid annual membership fees relating to the 2026 calendar year prior to the Resort Closure Date. The Receiver is investigating claims related to 2026 calendar year membership fee payments and will assemble further information through the Member Claims Process to assess such claims.

78. In July 2025, the Receiver transferred $401,876 to Wyndham Resort Development ("**WRD**"), an affiliate of T+L, to process certain MLMA Member refunds back to the original form of payment used. An additional $52,796 was transferred to WRD in November 2025. As at the date of this First Report, there are $24,136 in potential 2025 Maintenance Fee refunds possibly owing to thirty-eight (38) MLMA Members awaiting processing subject to investigation of eligibility by the Receiver.

79. The Receiver has made efforts to investigate which SOAP Members may qualify for a 2025 Maintenance Fee refund. Determining refund eligibility for SOAP Members has proven challenging due to the structure and administrative nuances of the Timeshare Business, including:

a) The annual billing cycle was always on a calendar year basis, whereas individual SOAP Member yearly periods under a Timeshare Purchase Agreement can be any consecutive 12-month period, which may not start in January;

b) SOAP Members were able to access points from their current yearly period (allocated points), their previous yearly period (banked points) and their immediately upcoming yearly period (borrowed points), all of which were in different stages of the billing process;

c) SOAP Members were provided with the option of paying their annual maintenance fee in monthly installments;

d) The entirety of Timeshare Point types were immediately available for use provided the SOAP Member account was in good standing at the time the Timeshare Points were utilized by the SOAP Member; and

e) The system used to track SOAP Member account Timeshare Point details was not designed for the mass export and manipulation of SOAP Member level information.

80. The Receiver, in coordination with T+L, has estimated that $261,007 may be refundable to one-hundred and ninety-six (196) SOAP Members where the following reasonable eligibility conditions are met:

a) The amount was paid to the Petitioners in January 2025 or later; and

b) The SOAP Member did not use their Timeshare Points or a portion thereof prior to the Resort Closure.

81. However, the Receiver has been unable to conclusively determine the quantum of SOAP Member refunds based on the above criteria as the Receiver has been unable to verify that the 2025 fees paid by SOAP Members were actually received into a bank account controlled by SOAP over which the Receiver has taken possession. As noted in the Administrator's Pre-Filing Report, the cash management systems of the Petitioners and MLMA were highly integrated with T+L, and it is therefore prudent for the Receiver to confirm that it is in possession of the funds paid by SOAP Members eligible for refunds.

82. T+L has experienced challenges in assembling information required to enable the Receiver to confirm the payments made by SOAP Members were transferred into a SOAP bank account.

83. As such, the Receiver intends to continue to gather the information necessary to confirm eligibility of 2025 Maintenance Fee refunds from SOAP Members through the Member Claims Process. Any SOAP Member refunds will remain subject to Court approval, to be obtained by the Receiver at a later date.

XII. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

84. The Receiver's Interim R&Ds for each of ULC, SOAP and MLMA are attached hereto as **Appendix "C", Appendix "D",** and **Appendix "E"**, respectively.

85. Between the Delayed Appointment Date and August 31, 2026, the Receiver collected total receipts of $7,722,595 and $4,909,509 for ULC and SOAP, respectively. The majority of the receipts relate to the sale of the Purchased Assets, cash in a bank accounts, and interest earned on deposits. Total disbursements over the same period amounted to $1,398,390 and $2,336,621 for ULC and SOAP, respectively, the majority of which relate to the Withholding Taxes applicable to SOAP and professional fees of the Receiver, various legal counsel and the Claims Support Agent. The Interim R&Ds report net receipts over disbursements of $6,324,205 and $2,572,888 for ULC and SOAP, respectively.

86. Pursuant to issuance of the A&R Appointment Order, the Receiver took possession of the funds in the MLMA bank accounts. Subject to the determination of beneficial interests in such funds, the Receiver has segregated the MLMA funds recovered. Between the Delayed Appointment Date and August 31, 2026, the Receiver collected total receipts of $3,521,985 for MLMA, which receipts are primarily comprised of the funds in the MLMA bank accounts. Total disbursements over the same period amounted to $460,141, the majority of which relate to MLMA Member 2025 Maintenance Fee Refunds. The MLMA Interim R&D reports net receipts over disbursements of $3,061,843.

87. The Receiver has allocated costs to ULC, SOAP and MLMA based on the nature of the underlying expense. Where costs incurred are applicable to both ULC and SOAP, the Receiver has allocated costs on the same basis as the purchase price allocation, with 62.1324% allocated to ULC and 37.8676% allocated to SOAP. At present no shared costs (e.g. professional fees) have been allocated to and disbursed from the funds held for MLMA.

XIII. PROFESSIONAL FEES

88. BDO, in its capacity as both Administrator and Receiver, its legal counsel, Fasken, and legal counsel to the Petitioners, Thornton Grout Finnigan LLP ("**TGF**"), have been paid their fees and disbursements at their standard hourly rates and charges from time to time.

89. Pursuant to paragraph 30 of the A&R Appointment Order, the Receiver and its legal counsel are to pass their accounts from time to time.

90. BDO's fees, for the period April 19, 2025, to June 30, 2026, which encompasses both its appointment in its capacity as Administrator of the Petitioners under the Appointment Order and in its capacity as Receiver under the A&R Appointment Order, were $742,159.50 plus disbursements of $3,408,18 and applicable sales taxes of $37,278.39 for a total of $782,846.07, as set out in the Affidavit of Matthew Marchand dated September 9, 2026, and filed herein. The average hourly rate of BDO is $577.51 (excluding applicable sales taxes).

91. Fasken's fees for the period April 25, 2025, to July 31, 2026, were $347,565.00 plus disbursements of $3,137.64 and applicable sales taxes of $41,841.84 for a total of $392,544.48, as set out in the Affidavit of Dylan Chochla, dated September 11, 2026, and filed herein. The average hourly rate of Fasken is $759.54 (excluding applicable sales taxes).

92. The Receiver respectfully submits that the fees and disbursements of BDO and Fasken, as set out in the respective fee affidavits, are reasonable in the circumstances and have been validly incurred in accordance with the administration of these proceedings.

93. The Claims Support Agent's fees and disbursements paid by the Receiver over the course of these proceedings total $123,314 through to August 31, 2026.

94. The Receiver has and will allocate and pay outstanding and future professional fees (the "**Fee Allocation**") based on the beneficial ownership allocation of the strata lots between the Petitioners, being 62.1324% and 37.8676% for ULC and SOAP, respectively.

95. The Receiver respectfully requests approval of the fees and disbursements of BDO and Fasken, including Fee Allocation, as set out in this First Report.

XIV. OTHER

96. Pursuant to paragraph 21 of the A&R Appointment Order, on or around October 22, 2025, the Receiver reimbursed WRD for amounts paid to employees of the Petitioners in respect of wage arrears and accrued vacation pay for the period May 17, 2026, through to May 26, 2026, in the amount of $29,599.

97. Pursuant to the Ancillary Order, the former employees were paid amounts in accordance with the terms of the ERP totaling $16,000 subject to applicable withholding taxes and deductions.

98. On or around June 26, 2025, the Receiver was notified that the Union had submitted an application to the Labour Relations Board of British Columbia ("**LRB**") for an order pursuant to section 35 of the *Labour Relations Code* that the Purchaser or the Receiver be declared the successor employer to the former employees of the Petitioners and bound by a collective agreement between the Petitioners and the Union. The Receiver's counsel advised the LRB that:

    a) A stay of proceedings has been in place since January 24, 2025, and all rights, remedies and proceedings against the Petitioners and the Receiver are stayed and suspended;

    b) The A&R Appointment Order expressly provides that the Receiver shall not be liable for any employee-related liabilities of the Petitioners, including liability as a successor employer; and

    c) All employees of the Petitioners were terminated prior to the Delayed Appointment Date, and prior to the Receiver being appointed over the operating business.

99. On March 30, 2026, the LRB issued a decision letter wherein the LRB dismissed the successorship application under section 35 of the *Labour Relations Code*.

100. In addition, the CRA initiated and completed audits of the Underused Housing Tax ("**UHT**") returns of SOAP for the reporting years 2022, 2023 and 2024, in which SOAP claimed an exemption from tax under the *Underused Housing Tax Act.* The Receiver assisted in assembling and providing information to the CRA for the completion of the UHT audits. The UHT audits reassessed that SOAP was not exempt from tax under the *Underused Housing Tax Act* and levied taxes payable of $98,528, $116,741, and $128,000, for the reporting years 2022, 2023 and 2024, respectively, plus interest, for an aggregate amount owing of approximately $396,000 as of July 14, 2026. The amount owing to the CRA for unpaid UHT is an unsecured claim which will be reviewed as part of the Non-Member Claims Process.

XV. RECOMMENDATIONS

101. For the reasons set forth herein, the Receiver recommends that this Honourable Court grant the relief described in paragraph 12(b) of this First Report.

All of which is respectfully submitted on the 14th day of September, 2026.

BDO Canada Limited
solely in its capacity as Court-appointed Receiver of
SVC-Mountainside ULC and
Shell Owners Association – Pacific
and not in its personal or corporate capacity

Matthew Marchand, CPA, CMA, CIRP, LIT
Senior Vice President

APPENDIX "A"

FACTUAL BACKGROUND OF THESE PROCEEDINGS

1. The Petitioners operated and managed a resort comprised of a vacation lease business line (the "**Vacation Lease Business**") and a timeshare business line (the "**Timeshare Business**" and together with the Vacation Lease Business, the "**Business**") through partial ownership of a building located at 4417 Sundial Place, Whistler, British Columbia (the real property alone, "**4417 Sundial**", and together with the Business, the "**Shell Mountainside Lodge**"). 4417 Sundial consists of one four-story building and is governed by the Strata Property Act. A detailed overview of the Shell Mountainside Lodge is provided in the Pre-Filing Report.

2. The Shell Mountainside Lodge operated as a resort consisting of an administrative office, a front desk and 42 units comprised of 9 studio units, 19 studio loft units, 13 one-bedroom units and one two-bedroom unit (each a "**Guest Room**"). 4417 Sundial also included several amenities such as a heated outdoor pool, hot tub, fitness facility and underground parking for guests.

3. SOAP operated the Timeshare Business, which consisted of a vacation plan (the "**Timeshare Plan**") wherein individuals acquired a certain number of points ("**Timeshare Points**") each year in exchange for certain annual fees. Individuals participated in the Timeshare Plan pursuant to a purchase agreement with SOAP (each a "**Timeshare Purchase Agreement**", and collectively the "**Timeshare Purchase Agreements**"), at which time they became a member of SOAP. There are approximately 530 Timeshare Purchase Agreements held by approximately 445 SOAP Members.

4. ULC operated the Vacation Lease Business, which consisted of approximately 1,300 vacation leases (each a "**Vacation Lease**", collectively, the "**Vacation Leases**" and together with Timeshare Purchase Agreements, the "**Member Contracts**") granted by ULC, as lessor, to MLMA Members, as lessees. The remaining duration of the Vacation Leases, on average, is approximately 23 years, with the average lease expiring in or around September 2046.

5. Mountainside Lodge Members Association ("**MLMA**") is an unincorporated association that represented individuals with Vacation Leases. Pursuant to the Vacation Leases, the lessees automatically become MLMA Members. There are approximately 1,200 individual MLMA Members.

Intervals

6. Each Guest Room at the Shell Mountainside Lodge was divided into weekly right of use entitlements (each an "**Interval**" and together the "**Intervals**"). Each Interval permitted the right to use a Guest Room for a period of one-week on a fixed or floating time basis. There were three types of Intervals, as follows:

    a) those with the right to use a unit for one-week every year ("**Every Year Intervals**");

    b) those with the right to use a unit for one-week every other odd year (an "**Odd Year Intervals**"); and

    c) those with the right to use a unit for one-week every other even year (an "**Even Year Intervals**", and together with Odd Year Intervals, "**Odd/Even Year Intervals**").

7. Accordingly, each of the 42 units could be divided into 52 weeks, providing for 52 separate Every Year Intervals or 104 separate Odd/Even Year Intervals or a combination thereof. Collectively, the 42 units provided for a potential 2,184 Every Year Intervals or 4,368 Odd/Even Year Intervals or a combination thereof.

8. Additionally, calendar years could contain a 53rd week approximately every 5 to 6 years, providing an additional Interval in such calendar years (collectively, "**Week 53 Intervals**").

9. Parties had a right to use an Interval pursuant to the various agreements that form the Business, including the Timeshare Purchase Agreements, the Vacation Leases, or the SOAP and ULC respective beneficial ownership interests.

10. Intervals were subject to the interests of certain stakeholder groupings as follows:

    d) SOAP Members pursuant and limited to the right to use interests afforded by the Timeshare Purchase Agreements (the "**SOAP Intervals**");

    e) MLMA Members pursuant and limited to leasehold interests under the Vacation Leases (the "**MLMA Intervals**"); and

    f) ULC pursuant to its retained interests in certain Intervals, which are not subject to Vacation Leases (the "**ULC Intervals**").

11. The table below summarizes the number of Intervals categorized by stakeholder grouping and Interval type, as understood by the Receiver at the date of this First Report:

# of Intervals	Even Year	Odd Year	Every Year	Week 53	Total
SOAP Intervals	89	88	699	8	884
ULC Intervals	243	272	59	5	579
MLMA Intervals	216	188	878	29	1,311
Total Intervals	548	548	1,636	42	2,774

PROCEDURAL BACKGROUND OF THESE PROCEEDINGS

1. On January 24, 2025, the Honourable Justice Coval issued an appointment order (the "**Appointment Order**"), among other things:

   a) Appointing BDO as administrator (in such capacity, the "**Administrator**") of the Petitioners;

   b) Authorizing the Petitioners to remain in possession and control of the Property, and continue operating the Business (as defined herein) in the ordinary course and in a manner consistent with the preservation of the Property and Business, and under the supervision of the Administrator;

   c) Granting a first ranking charge on the Property in favour of the Administrator, the Administrator's legal counsel, and legal counsel to the Petitioners to the maximum aggregate amount of $500,000 (the "**Administration Charge**"); and

   d) Granting a second ranking charge on the Property in favour of the Petitioners' directors and officers to the maximum amount of $350,000 (the "**D&O Charge**").

2. On January 24, 2025, the Honourable Justice Coval issued a sale and investment solicitation process approval order (the "**SISP Approval Order**"), among other things:

   a) Approving the proposed sale and investment solicitation process in respect of the Petitioners' Property (the "**SISP**"), including the procedures, milestones and timelines set out therein;

   b) Approving the listing agreement dated January 24, 2025, entered into by the Administrator and Avison Young Commercial Real Estate Services, LP (the "**Listing Agent**") in respect of the Listing Agent's engagement in relation to the SISP;

   c) Authorizing the Petitioners, as vendors, to enter into an asset purchase agreement dated December 16, 2024 (the "**Stalking Horse Agreement**") with Executive Mountainside Holdings Ltd., as purchaser (the "**Stalking Horse Bidder**"); and

d) Approving the Stalking Horse Agreement solely for the purpose of being the Stalking Horse Bid (as defined in the SISP) and providing that the approval of the transaction contemplated by the Stalking Horse Agreement (the "**Sale Transaction**") shall be considered by the Court on a subsequent application should the Stalking Horse Agreement be the Successful Bid (as defined in the SISP).

3. On May 8, 2025, the Honourable Justice Coval issued the A&R Appointment Order, among other things:

a) Appointing BDO as Receiver:

(i) Immediately in respect of the 56 strata lots owned by the Petitioners and the Purchased Assets up to and including May 26, 2025; and

(ii) On May 27, 2025 (the "**Delayed Appointment Date**"), in respect of all of the Petitioners' present and future assets, undertakings and property, including all proceeds thereof (collectively, the "**Property**");

b) Authorizing, notwithstanding the appointment of the Receiver, the Petitioners to have continued access to 4417 Sundial up to and including May 30, 2025, to continue operating or shutting down the Business, provided that until the Delayed Appointment Date the Receiver shall have no authority to operate the Business;

c) Authorizing the Receiver to, among other things, execute, for and on behalf of the Petitioners, the Stalking Horse Agreement between the Petitioners and the Stalking Horse Bidder, and any transaction documents required to complete the Sale Transaction;

d) Authorizing the Receiver to repay T+L, or one of its affiliates, in respect of amounts paid to employees of the Petitioners in respect of wage arrears and accrued vacation pay for the period May 17, 2025, to May 26, 2025;

e) Amending the Administration Charge by removing reference to any maximum aggregate amount of the Administration Charge; and

f) Discharging the Administrator effective on the Delayed Appointment Date.

4. On May 8, 2025, the Honourable Justice Coval issued an approval and vesting order among other things:

a) Approving the Sale Transaction contemplated by the Stalking Horse Agreement;

b) Upon closing the Sale Transaction, vesting all of the Petitioners' right, title and interest in and to the Purchased Assets described in the Stalking Horse Agreement, absolutely in the Stalking Horse Bidder in fee simple, free and clear of and from any and all claims, subject to permitted encumbrances as set out in the Stalking Horse Agreement; and

c) Authorizing and directing the Receiver to pay from the net proceeds from the sale of the Purchased Assets, any outstanding professional fees and disbursements owing to: (i) legal counsel to the Petitioners, (ii) BDO, (iii) legal counsel to the Administrator and the Receiver, and (iv) the Listing Agent.

5. On May 8, 2025, the Honourable Justice Coval issued an ancillary order (the "**First Ancillary Order**"), among other things:

a) Authorizing the Petitioners, in consultation with the Receiver, to refund all or a portion of 2025 maintenance fees paid by the Petitioners, SOAP Members or members of Mountainside Lodge Members Association ("**MLMA Members**" and collectively with SOAP Members, the "**Members**"), who are unable to use their interval(s) for the 2025 calendar year (collectively, the "**2025 Maintenance Fee Refund**"); and

b) Approving an employee retention plan ("**ERP**"), and authorizing and directing the Petitioners or one of their affiliates to make payments in accordance with the terms of the ERP.

6. On May 8, 2025, the Honourable Justice Coval issued a fee and activity approval order (the "**Fee and Activity Approval Order**"), among other things:

a) Approving the activities of BDO, both prior to its appointment and in its capacity as Administrator as described in the Administrator's pre-filing report dated January 22, 2025 (the "**Administrator's Pre-Filing Report**"), and in the Administrator's first report dated May 1, 2025 (the "**Administrator's First Report**"); and

b) Approving the professional fees and disbursements of BDO and its legal counsel, Fasken Martineau DuMoulin LLP ("**Fasken**") for the periods detailed therein.

APPENDIX “B”

CLAIMS SUPPORT AGENT ENGAGEMENT LETTER DATED DECEMBER 17, 2025

Tel: 416-865-0200
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www.bdo.ca

BDO Canada LLP
222 Bay Street, Suite 2200
Toronto, ON
M5K 1H1

December 17, 2025

CONFIDENTIAL

BDO Canada Limited
20 Wellington Street East, Suite 500
Toronto, Ontario M5E 1C5

Dear Mr. Marchand:

Thank you for selecting BDO Canada LLP to assist you with this assignment. We are pleased to provide you with this engagement letter for our professional services.

Introduction & Background

This engagement letter ("Agreement") confirms the engagement of BDO Canada LLP ("BDO", "we", "us" or "the Firm") by BDO Canada Limited, in its capacity as Court-appointed Receiver ("the Receiver" or "you") of SVC-Mountainside ULC and Shell Owners Association - Pacific (collectively, "Mountainside") to provide the services described herein.

Purpose of Engagement

To design, configure, and support an end-to-end claims submission and administration process for use in the claims process to be implemented in the course of the receivership proceedings of Mountainside (the "**Receivership Proceedings**"), including a secure online claims portal, automated stakeholder communications, and efficient data intake workflows for Members located in Canada and internationally.

Our Services to You

Based on our initial discussions you have requested us to perform the following services ("Services"):

Step 1: Claims Preparation

We will design and configure a secure online claims portal leveraging Microsoft Power Apps to enable efficient claims submission and administration. Activities include:

- Designing the claims portal to be used by the Mountainside Lodge Members Association ("MLMA") and Shell Owners Association – Pacific ("SOAP") members (collectively, the "Members").
- Digitizing Court-approved claim forms for Members, including but not limited to acknowledgement forms, request for amendment forms, dispute forms, and supporting document uploads.
- Configuring workflows to support Members with multiple claims under a single login credential and linking through a master mapping sheet provided by the Receiver.
- Implementing a secondary submission flow to allow claimants without login credentials to submit claims while validating against duplicate reporting.
- Applying data validation controls (e.g. pre-population, required fields, dropdowns, and format rules) to reduce manual data entry.
- Developing automated claimant notifications such as form submission confirmations and instructions.
- Providing training and reference guidance for personnel administering the process.

Deliverables:

- Fully configured claims portal with digitized, validated submission workflows
- Secure user access design and mapping logic
- Internal user training materials and administrative support documentation

Step 2: Claims Administration

BDO will support ongoing claims administration, intake and communication throughout the active submission period. Activities include:

- Issuance of personalized login credentials and portal access communications following Court approval.
- Develop automated scripts to generate claimant statements and e-mail communication for each member claimant.
- Tracking and logging bounced emails or returned communications for follow-up.
- Providing Member claimant assistance through a dedicated support line operating 9:00 AM – 5:00 PM ET with toll-free access for both U.S. and Canadian stakeholders.
- Ingesting and reconciling manual and offline submissions into the master claims database.
- Monitoring submissions to identify duplicates, incomplete submissions, unfiled claims, and items requiring Receiver review.
- Preparing reporting and updates on the status of claims administration, support inquiries, and other operational metrics as agreed.

Deliverables:

- Master claims database combining online and manual inputs
- Support logs and communication tracking records
- Reconciliation reporting for Receiver review

Step 3: Claims Distribution

BDO will provide data reconciliation services and administrative support to enable the Receiver and its distribution partners to issue approved claim payments. Activities include:

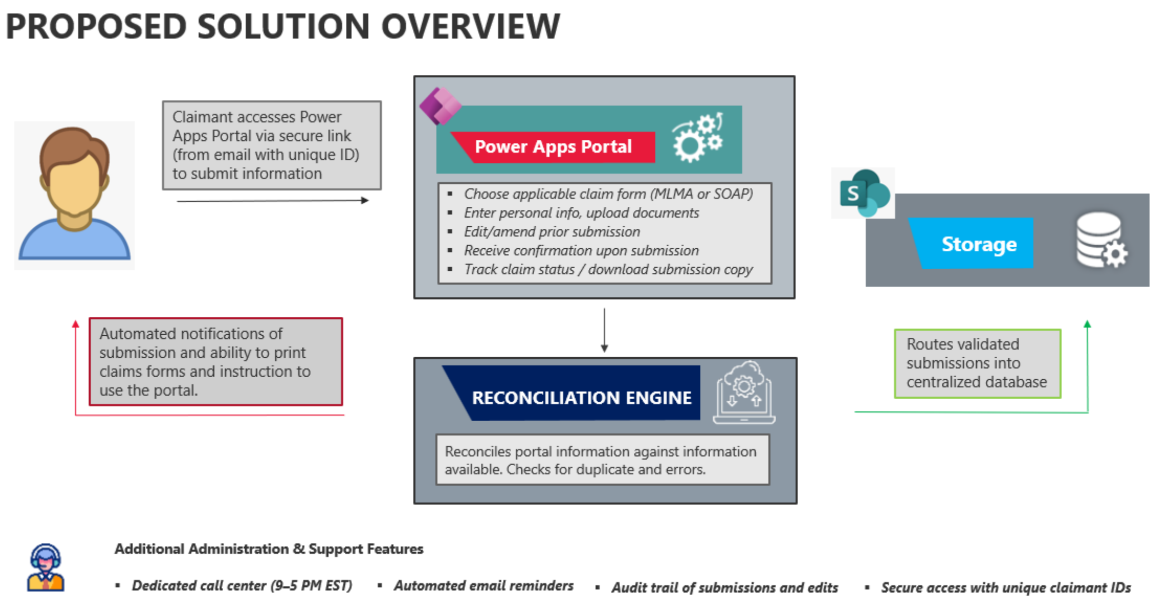
- Collecting claimant payment preference information using standardized portal workflows.
- Preparing and validating distribution data schedules based on final determinations provided by the Receiver.
- Supporting tracking of returned or failed payments through coordination with the Receiver and its payment distributor.
- Preparing templated member claimant communications regarding payment status and next steps.

Deliverables:

- Validated payment schedule inputs and exception tracking
- Communication templates for distribution status updates
- Operational summaries to support Receiver oversight

General Notes

- All public-facing communications will be reviewed and approved by the Receiver prior to release.
- We will not execute payments directly or independently distribute funds.
- Enhancements or reporting beyond the deliverables described above may be scoped separately subject to mutual agreement.



Our approach will be based primarily upon information provided by the Receiver, supplemented by our own research, as we consider necessary.

Should our approach or the scope of service change, we will document the change in writing to the Receiver and work with the Receiver to determine the implications to our fees. If we are requested to perform additional services to those described above, the terms and conditions relating to such services will be outlined in a amendment to this Agreement and the fees for such services will be negotiated separately.

Client Responsibilities

The Receiver recognizes and acknowledges that by performing the Services, we are not acting in any managerial capacity for Mountainside and that the Receiver has not asked us to make, nor have we agreed to make, any business decisions on behalf of Mountainside. In connection with the provision of the Services, the Receiver agrees that the Receiver will perform the tasks, furnish the personnel, provide the resources, and assume and undertake the responsibilities specified below and in the Standard Terms and Conditions.

All decisions about Mountainside's business or operations, including, but not limited to, decisions concerning the execution of transactions with other entities and the establishment of terms for such transactions, remain the sole responsibility of the Receiver.

Facts and Assumptions

The Services, charges and delivery schedule are based upon the following assumptions, representations and information supplied by the Receiver (the “Assumptions”).

Key Scoping Assumptions

1. The Receiver will provide claimant details and claim amounts to be used in claimant communication and on the claim portal.
2. The logic to develop unique claimant identifiers will be provided by the Receiver.
3. The Receiver will provide finalized claim forms and specifications for digitization.
4. Stakeholders will be available for timely input, approvals, and data access.
5. Existing technology platforms will be used; no new systems beyond the claims portal will be developed.
6. We will support administration and tracking but will not initiate payment distributions directly.
7. Estimated Member claimant volume of approximately 2,500 members.
8. Basic Member claimant communication support will be provided via a 9:00AM – 5:00 PM EST contact line, additional support can be provided if needed for an additional fee.

Out of Scope Items

1. Physical printing and mail distribution of communications will be coordinated by the Receiver or their delivery partner.
2. Payment execution and banking interactions will remain under the Receiver’s direction and responsibility.
3. Any manual validation, dispute reviews, or reporting needs beyond the agreed standard workflows can be supported under a separately authorized scope.

In addition, any items that are not part of the scope are to be considered out of scope for the project.

Time & Duration

Notwithstanding the Standard Terms and Conditions, this engagement shall become effective on the date signed by the Receiver (the “Effective Date”), unless otherwise agreed in writing. The estimated duration of the project from the time it is formally kicked-off will be roughly six to eight months, notwithstanding any changes or delays in the assumptions. The engagement shall commence on the Effective Date and terminate on the completion of BDO’s Services hereunder. The exact timing of the project completion will be determined closer to the end date.

Reporting

We will communicate the status of our work to you on a weekly basis throughout the engagement. Upon completion of the engagement, we will present our findings to you through a demo as well as standard operating procedures in a PowerPoint presentation.

The Receiver agrees that any written reports, schedules or other materials, or documents prepared or provided by us are to be used only for the purpose of this project and will not be disclosed, published, or used, in whole or in part, by the Receiver for any other purpose without BDO’s prior written permission.

Deliverables

We will supply the following items (the “Deliverables”) as part of the Services:

1. Configured claims portal with secure access, digitized forms, and user manual.
2. Master claims database including both portal and manual submissions.
3. Automated Member claimant communication workflows.
4. Call support for Member claimant outreach.
5. Reconciliation & tracking records.
6. Training and knowledge transfer for Receiver personnel.

Your BDO Team

This engagement will be under the direction of Roshan David, Partner, who will maintain overall responsibility for the engagement on behalf of BDO. Nitin Madaan, Senior Manager, will coordinate daily management of the engagement. The engagement team will include the following personnel: Kushagra Dutt

Other professionals who will be identified during the engagement may also be included to provide technical support.

Circumstances may occur that could result in changes to our anticipated staffing for this engagement. We will, however, use best efforts to ensure that the members of the engagement team are not changed without prior consultation.

Professional Fees

For the professional services provided in connection with the Agreement, the Receiver will compensate BDO as follows:

Hourly Fees

BDO's fees will be based on the amount of professional time required and our standard hourly billing rates, which vary depending upon the experience level of the professionals involved. Your invoices will also include reasonable out-of-pocket expenses and any relevant disbursements.

Based on the approach and scope of work, we estimate our fee for this work to be $325,000 - $375,000 provided we receive the agreed-upon level of cooperation, preparation and assistance from the Receiver. The fees are based on the level of staff and the effort required to complete the engagement exclusive of out-of-pocket expenses and applicable taxes. Out-of-pocket expenses (Mail Courrier, Toll-free phone number fees, travel, meals and accommodation) will be billed at cost, as incurred.

Hourly fees will be billed and payable when these services have been rendered.

The rates outlined in the below rate card are subject to change from time to time. BDO reserves the right to revise such rates upon providing prior written notice to the Client. Any revised rates shall apply prospectively and shall not affect fees incurred prior to the effective date of the change.

Standard Hourly Rate Card

Professional Role	Hourly Rate (CAD)
Partner	690
Senior Manager	580
Manager	490
Senior Consultant	365
Consultant	250

BDO

Standard Terms and Conditions

A copy of our Standard Terms and Conditions is attached as Appendix 1 and forms part of this Agreement. By signing this agreement, you further confirm that you read and understand them. **The Standard Terms and Conditions include clauses that limit our professional liability.**

Please sign and return the attached copy of this Agreement to indicate your acknowledgement and acceptance of all the terms and conditions of it. If you have any questions concerning this Agreement, please contact us before signing it.

It is a pleasure for us to be of service and we look forward to many future years of association with you.

Yours truly,

Roshan David
Partner
BDO Canada LLP

Acceptance of all the terms and conditions in this Agreement is hereby acknowledged by:

DocuSigned by:
Matthew Marchand
7ADF0003B6764DF...

12/17/2025 | 13:16:05 PST

Signature Date

Matthew Marchand Senior Vice President

Name (please print) Position

Please carefully review this Agreement, which includes the attached Standard Terms and Conditions, prior to signing it.
A complete copy of the signed engagement letter should be returned to us.

Appendix 1 - Standard Terms and Conditions

1 Overview and Interpretation

1.1 This Agreement sets forth the entire agreement between the parties in relation to the Services and it supersedes all prior agreements, negotiations or understandings, whether oral or written, with respect to Services, including without limitation any non-disclosure agreements entered into in advance of this Agreement. This Agreement applies to Services whenever performed (including before the date of this Agreement). To the extent that any of the provisions of the accompanying letter conflict with these Standard Terms and Conditions, these Standard Terms and Conditions shall prevail. This Agreement may not be changed, modified or waived in whole or part except by an instrument in writing signed by both parties.

1.2 In this Agreement, the following words and expressions have the meanings set out below:

This Agreement – these Standard Terms and Conditions, the letter to which they are attached, any supporting schedules or other appendices to the letter, and any Summary of Services letters issued in future years

Services – the services provided or to be provided under this Agreement, and any other services which we agree to provide to you subsequent to the date of this Agreement that are not covered by a separate engagement letter

We, us, our, BDO - refer to BDO Canada LLP, a Canadian limited liability partnership organized under the laws of the Province of Ontario

You, your – the party or parties contracting with BDO under this Agreement. You and your does not include BDO, its affiliates or BDO Member Firms

BDO Member Firm or Firms - any firm or firms that form part of the international network of independent firms that are members of BDO International Limited

Confidential Information - all non-public proprietary or confidential information and Personal Information, including Client Documents

Personal Information – personal information that is or could be attributed to identifiable individuals

Client Documents – information (including internal financial information and internal records and reports) provided to us by you or on your behalf in connection with the performance of the Services

2 BDO Network and Sole Recourse

2.1 BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international network of independent member firms (i.e. BDO Member Firms), each of which is a separate legal entity.

2.2 We may use other BDO Member Firms or subcontractors to provide Services; however, we remain solely responsible for Services. You agree not to bring any claim or action against another BDO Member Firm (or their partners, members, directors, employees or subcontractors) or our subcontractors in respect of any liability relating to the provision of Services.

2.3 You agree that any of our affiliates, subcontractors, and other BDO Member Firms and any subcontractors thereof whom we directly or indirectly involve in providing Services have the right to rely on and enforce Section 2.2 above, as well as all liability protections contained herein, as if they were a party to this Agreement. For greater certainty, you agree that other BDO Member Firms that are subcontractors may enforce any limitations or exclusions of liability available to us under this Agreement.

3 Respective Responsibilities

3.1 We will use reasonable efforts to complete, within any agreed-upon time frame, the performance of the Services.

3.2 You shall be responsible for your personnel's compliance with your obligations under this Agreement. We will not be responsible for any delays or other consequences arising from you not fulfilling your obligations.

4 Working Papers and Deliverables

4.1 **Ownership** – The working papers prepared pursuant to this Agreement (i.e. BDO's internal documentation to substantiate the Services) are the property of BDO. Such working papers constitute confidential and proprietary information, and will be retained by BDO in accordance with our policies and procedures and all applicable laws.

4.2 **Oral advice and draft deliverables** – You should not rely upon any draft deliverables or oral advice provided by us. Should you wish to rely upon something we have said to you, please let us know and, if possible, we will provide the information that you require in writing.

4.3 **Reliance by Third Parties** – Our Services will not be planned or conducted in contemplation of or for the purpose of reliance by any party other than you and are intended for the benefit of only you. Items of possible interest to a third party will not be addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction. The receipt by any third parties of any advice, opinions, reports or other work product is not intended to create any duty of care, professional relationship or any present or future liability between such third parties and us. For greater certainty, we expressly disclaim any liability of any nature or kind resulting from the disclosure to or unauthorized reliance by any third party on our advice, opinions, reports or other work product.

5 Confidentiality

5.1 We will use Confidential Information provided by you only in relation to the Services or for internal and administrative purposes. You agree, however, that we may use such Confidential Information for predictive analytics to provide you with key performance indicators and other analysis and insights. We will not disclose any Confidential Information, except where required by law, regulation or professional obligation. You agree, however, that we may disclose Confidential Information to other BDO Member Firms or other subcontractors assisting us in providing the Services, provided that such parties are bound by reasonable confidentiality obligations no less stringent than in this Agreement.

6 Analytics

6.1 You agree that we may use anonymized and aggregated usage metrics, metadata or other tag identifiers, and Confidential Information that will not include any personally identifiable information, related to your use of BDO products and/or services to develop, modify and improve tools, services and offerings and for data analytics and other insight generation. Information developed in connection with these purposes may be used or disclosed to current or prospective clients as part of service offerings, however we will not use or disclose your name or any Confidential Information in a way that would permit you to be identified.

7 Privacy and Consent for Use of Personal Information

7.1 In order to provide our Services, we may be required to access and collect Personal Information of individuals that is in your custody. You agree that we may collect, use, store, transfer, disclose and otherwise process Personal Information as required for the purpose of providing the Services. Personal Information may be processed in various jurisdictions in which we or applicable BDO Member Firms and subcontractors providing Services operate and as such Personal Information may be subject to the laws of such jurisdictions. Personal Information will at all times be collected, used, stored, transferred, disclosed or processed in accordance with applicable laws and professional regulations and we will require any service providers and BDO Members that process Personal Information on our behalf to adhere to such requirements. Any collection, use, storage, transfer or disclosure of Personal Information is subject to BDO's Privacy Statement available at https://www.bdo.ca/en-ca/legal-privacy/legal/privacy-policy/.

7.2 You represent and warrant that:

(a) you have the authority to provide the Personal Information to us in connection with the performance of our Services, and

(b) the Personal Information provided to us has been provided in accordance with applicable law, and you have obtained all required consents of the individuals to whom such Personal Information relates in order to permit BDO to collect, use and disclose the Personal Information in the course of providing the Services.

8 Professional and Regulatory Oversight and Legal Processes

8.1 As required by legal, regulatory, or professional authorities (both in Canada and abroad) and by BDO policy, our client files must periodically be reviewed by practice inspectors to ensure that we are adhering to professional and BDO standards. It is understood that by entering into this Agreement, you provide your consent to us providing our files relating to your engagement to the practice inspectors for the sole purpose of their inspection.

8.2 Certain law enforcement, regulatory and other governmental bodies may also have the right under law or regulation to conduct investigations of you, including the Services provided by us. To the extent practicable and permitted by law or regulation, we will advise you of any such document request or production order we receive in connection with any such investigation prior to providing any documents in response to such request or order.

8.3 We are sometimes required by law, regulation, subpoena or other legal process, or upon your request, to produce documents or personnel as witnesses in connection with legal or regulatory proceedings. Where BDO is not a party to such proceedings that arise in connection with the Services, you shall reimburse us at our current standard billing rates for professional time and expenses, including without limitation, reasonable legal fees, expenses and taxes incurred in responding to such compelled assistance or request by you.

9 Electronic Communications

9.1 Both parties recognize and accept the security risks associated with email communications, including but not limited to the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless you request in writing that we do not communicate by internet email, you assume all responsibility and liability in respect of risk associated with its use.

10 Limitation of Liability

10.1 In any dispute, action, claim, demand for losses or damages arising out of the Services performed by BDO pursuant to this Agreement, BDO's liability will be several, and not joint and several, and BDO shall only be liable for its proportionate share of the total liability based on degree of fault as determined by a court of competent jurisdiction or by an independent arbitrator, notwithstanding the provisions of any statute or rule of common law which create, or purport to create, joint and several liability.

10.2 In no event shall BDO be liable for indirect, consequential, special, incidental, aggravated, punitive damages, or exemplary damages, losses or expenses, or for any loss of revenues or profits, loss of opportunity, loss of data, or other commercial or economic loss or failure to realize expected savings, including without limitation expected tax savings, whether or not the likelihood of such loss or damage was contemplated.

10.3 BDO shall in no event be liable under this Agreement or otherwise in connection with the Services for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Liabilities") in any way arising out of or relating to the Services performed hereunder for an aggregate amount of more than the higher of:

(a) the fees paid to BDO, in a twelve consecutive month period, for the Services provided pursuant to this Agreement giving rise to the claim; and

(b) $10,000.

10.4 The limitations of liability in this section apply whether or not the Liabilities asserted by you against BDO are incurred by you directly or as a result of a claim or demand against you by a third party.

10.5 No exclusion or limitation on the liability of other responsible persons imposed or agreed at any time shall affect any assessment of our proportionate liability hereunder, nor shall settlement of or difficulty enforcing any claim, or the death, dissolution or insolvency of any such other responsible persons or their ceasing to be liable for the loss or damage or any portion thereof, affect any such assessment.

10.6 You agree claims or actions relating to the delivery of Services shall be brought against us alone, and not against any individual. Where our individuals are described as partners, they are acting as one of our members.

10.7 For purposes of this Section, the term "BDO" shall include BDO Canada LLP and its subsidiaries, associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section shall apply to the fullest extent of the law, regardless of the form of the claim, whether in contract, statute, tort (including without limitation, negligence) or otherwise.

11 Indemnity

11.1 Intentionally deleted

12 Dispute Resolution

12.1 Both parties agree that they will first attempt to settle any dispute arising out of or relating to this Agreement, including any question regarding its existence, interpretation, validity, breach or termination, or the Services provided hereunder, through good faith negotiations.

12.2 In the event that the parties are unable to settle or resolve their dispute through negotiation, such dispute shall be subject to determination by petition or motion, as applicable, in the Receivership Proceedings before the Supreme Court of British Columbia.

12.3 Intentionally deleted.

13 Limitation Period

13.1 You shall make any claim relating to Services or otherwise under this Agreement no later than one year after you became aware or ought reasonably to have become aware of the facts giving rise to any such claim.

13.2 You shall in no event make any claim relating to the Services or otherwise under this Agreement later than four years after the completion of the Services under this Agreement.

13.3 To the extent permitted by law, the parties to this Agreement agree that the limitation periods established in this Agreement replace any limitation periods under any limitations act and/or any other applicable legislation and any limitation periods under any limitations act and/or any other applicable legislation shall not alter the limitation periods specified in this Agreement.

14 Québec Personnel

14.1 We may sometimes have individual partners and employees performing Services within the Province of Québec who are members of the Ordre des comptables professionnels agréés du Québec. Any such members performing professional services hereunder assumes full personal civil liability arising from the practice of their profession, regardless of their status within our partnership. They may not invoke the liability of our partnership as grounds for excluding or limiting their own liability. Any limitation of liability clauses in this Agreement shall therefore not apply to limit the personal civil liability of partners and employees who are members of the Ordre des comptables professionnels agréés du Québec

15 Termination

15.1 This Agreement applies to the Services whenever performed (including before the date of this Agreement).

15.2 You or we may terminate this Agreement at any time upon written notice of such termination to the other party. We will not be liable for any loss, cost or expense arising from such termination. You agree to pay us for all Services performed up to the date of termination, including Services performed, work-in-progress and expenses incurred by us up to and including the effective date of the termination of this Agreement.

16 Governing Laws

16.1 The terms of our engagement shall remain operative until amended, terminated, or superseded in writing. They shall be interpreted according to the laws of the province of British Columbia.

17 Survival

17.1 The provisions of this Agreement that give either of us rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement. Any clause that is meant to continue to apply after termination of this Agreement will do so.

18 Force Majeure

18.1 We will not be liable for any delays or failures in performance or breach of contract due to events or circumstances beyond our reasonable control, including acts of God, war, acts by governments and regulators, acts of terrorism, accident, fire, flood or storm or civil disturbance.

19 Assignment

19.1 No party may assign, transfer or delegate any of the rights or obligations hereunder without the written consent of the other party or parties. BDO may engage independent contractors and BDO Member Firms to assist us in performing the Services in this Agreement without your consent.

20 Severability

20.1 The provisions of this Agreement shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of this Agreement shall not be affected, impaired or invalidated, and each such remaining provision shall be valid and enforceable to the fullest extent permitted by law.

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T&C version: 20250507

APPENDIX “C”

ULC INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS DATED AUGUST 31, 2026

In the Matter of the Receivership of SVC-Mountainside ULC Receiver's Interim Statement of Receipts and Disbursements For the period May 8, 2025 through August 31, 2026			
Receipts			
Sale of property	$	7,455,888	
Interest		165,738	
HST refund		39,423	
Funds from retainer account		20,000	
Miscellaneous refunds		17,017	
Sales taxes collected		15,657	
Cash in bank		8,872	
Total Receipts		7,722,595	
Disbursements			
Professional fees		1,169,403	Note 1
Sales taxes paid		69,645	
Commission on sale of property		63,375	
Property taxes		39,728	
Storage and records access		24,249	
Pre-receivership payroll		18,390	
Extension fee		6,213	
Consulting and appraisal fees		1,972	
Travel and accommodation costs		1,937	
Security		1,538	
Accounting fees		1,500	
Office and supplies expense		147	
Bank charges		131	
Filing fees		84	
Utilities		77	
Total Disbursements		1,398,390	
Net Receipts over Disbursements	$	6,324,205	

Note 1: Professional fees includes the professional fees of the Receiver, the Receiver's legal counsel, the Petitioner's legal counsel, the Claims Support Agent, and the Administrator. Further details of the accounts of the Receiver, the Receiver's legal counsel and the Administrator are included in the Reports to the Court of the Receiver and the Administrator, respectively.

APPENDIX "D"

SOAP INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS DATED AUGUST 31, 2026

In the Matter of the Receivership of Shell Owners Association - Pacific Receiver's Interim Statement of Receipts and Disbursements For the period May 8, 2025 through August 31, 2026			
Receipts			
Sale of property	$	4,544,112	
Cash in bank		176,240	
Interest		74,488	
Collection of accounts receivable		55,508	
Funds from retainer account		35,000	
Miscellaneous refunds		10,745	
Sales taxes collected		9,543	
HST refund		3,874	
Total Receipts		4,909,509	
Disbursements			
Non-resident withholding tax deduction		1,494,823	
Professional fees		712,712	Note 1
Sales taxes paid		41,570	
Commission on sale of property		38,625	
Property taxes		24,213	
Pre-receivership payroll		11,208	
Accounting fees		5,000	
Extension fee		3,787	
Consulting and appraisal fees		1,202	
Travel and accommodation costs		1,181	
Bank charges		1,143	
Security		938	
Office and supplies expense		90	
Filing fees		84	
Utilities		47	
Total Disbursements		2,336,621	
Net Receipts over Disbursements	$	2,572,888	

Note 1: Professional fees includes the professional fees of the Receiver, the Receiver's legal counsel, the Petitioner's legal counsel, the Claims Support Agent, and the Administrator. Further details of the accounts of the Receiver, the Receiver's legal counsel and the Administrator are included in the Reports to the Court of the Receiver and the Administrator, respectively.

APPENDIX "E"

MLMA INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS DATED AUGUST 31, 2026

In the Matter of the Receivership of SVC-Mountainside ULC RE: Mountainside Lodge Members Association Receiver's Interim Statement of Receipts and Disbursements For the period May 8, 2025 through August 31, 2026		
Receipts		
Cash in bank	$	3,367,303
Interest		71,497
Collection of accounts receivable		44,935
Funds from retainer account		38,250
Total Receipts		3,521,985
Disbursements		
Member refunds		454,672
Accounting fees		3,700
Pension		1,444
Bank charges		325
Total Disbursements		460,141
Net Receipts over Disbursements	$	3,061,843