

Court File No. CV-23-00709258-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT
ACT*, R.S.C. 1985, c. C 36, AS AMENDED**

**AND IN THE MATTER OF 9670416 CANADA INC., WEWORK CANADA GP ULC
AND WEWORK CANADA LP ULC**

**APPLICATION OF WEWORK INC. UNDER SECTION 46 OF THE *COMPANIES'
CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**FOURTH REPORT OF THE INFORMATION OFFICER
ALVAREZ & MARSAL CANADA INC.**

JUNE 24, 2024

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1.0 INTRODUCTION

- 1.1 Commencing on November 6, 2023, WeWork Inc. (“**WeWork Parent**” or the “**Company**”) and certain of its subsidiaries and affiliates (collectively, the “**Chapter 11 Debtors**”), including: 9670416 Canada Inc., WeWork Canada GP ULC, and WeWork Canada LP ULC (collectively, the “**Canadian Debtors**” and each a “**Canadian Debtor**”); 700 2 Street Southwest Tenant LP, 4635 Lougheed Highway Tenant LP and 1090 West Pender Street Tenant LP (collectively, the “**Canadian Limited Partnerships**” and each a “**Canadian Limited Partnership**”, and together with the Canadian Debtors, the “**WeWork Canadian Entities**” and each a “**WeWork Canadian Entity**”, and collectively, the business of the WeWork Canadian Entities, the “**Canadian Business**”); and WeWork Companies U.S. LLC (the “**Real Property Obligor**”), commenced cases in the United States Bankruptcy Court for the District of New Jersey (the “**U.S. Bankruptcy Court**”) by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**U.S. Bankruptcy Code**”, and the cases commenced thereby, the “**Chapter 11 Cases**”).
- 1.2 The purpose of the Chapter 11 Cases has been to preserve value and advance towards a reorganization with limited disruptions to the business and operations of the Chapter 11 Debtors, including the Canadian Business.
- 1.3 On November 7, 2023, upon the application of WeWork Parent, in its capacity as the proposed foreign representative of the Chapter 11 Cases, the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) granted an order pursuant to Part IV of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the

“CCAA”) and Section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, among other things, providing for an interim stay of proceedings in respect of the WeWork Canadian Entities and their respective directors and officers, as applicable, and the Real Property Obligor, in Canada.

- 1.4 The proceedings commenced by WeWork Parent under the CCAA are referred to herein as the “**CCAA Recognition Proceedings**”, and together with the Chapter 11 Cases, the “**Restructuring Proceedings**”.
- 1.5 On November 8, 2023, following a hearing in respect of the first day motions filed by the Chapter 11 Debtors (the “**First Day Hearing**”), the U.S. Bankruptcy Court granted certain orders (the “**First Day Orders**”), including an order authorizing WeWork Parent to act as “foreign representative” on behalf of the Chapter 11 Debtors’ estates in the CCAA Recognition Proceedings (in such capacity, the “**Foreign Representative**”). Following the First Day Hearing, the U.S. Bankruptcy Court also granted certain additional orders (collectively, with the First Day Orders, the “**U.S. Orders**”).¹
- 1.6 On November 16, 2023, the Canadian Court granted: (a) an order, among other things, recognizing the Chapter 11 Cases as “foreign main proceedings” in respect of the WeWork Canadian Entities under Part IV of the CCAA (the “**Initial Recognition Order**”); and (b) an order (the “**First Supplemental Order**”), among other things, (i) recognizing and giving full force and effect in Canada to certain of the U.S. Orders entered in the Chapter

¹ Copies of the each of the orders and other documents related to the Chapter 11 Cases are available at the website maintained by Epiq Corporate Restructuring, LLC (“**Epiq**”): <https://dm.epiq11.com/case/WeWork>.

11 Cases; (ii) granting a stay of proceedings in respect of the WeWork Canadian Entities and their respective directors and officers, as applicable, and the Real Property Obligor, in Canada; (iii) extending the protections and authorizations of such order to the Canadian Limited Partnerships; (iv) appointing Alvarez & Marsal Canada Inc. (“**A&M Canada**”) as information officer in respect of the CCAA Recognition Proceedings (in such capacity, the “**Information Officer**”); and (v) granting the Administration Charge and the D&O Charge (each as defined in the First Supplemental Order).

1.7 Since issuing the First Supplemental Order, the Canadian Court has granted recognition to certain additional orders granted by the U.S. Bankruptcy Court in the Chapter 11 Cases, including final versions of certain of the recognized First Day Orders initially granted on an interim basis by the U.S. Bankruptcy Court, pursuant to the Second Supplemental Order dated December 14, 2023; certain orders granted by the U.S. Bankruptcy Court in December 2023 and January 2024, pursuant to the Third Supplemental Order dated January 18, 2024; and certain orders granted by the U.S. Bankruptcy Court in January 2024 and February 2024, pursuant to the Fourth Supplemental Order dated February 22, 2024.

1.8 The above orders and the prior reports of the Information Officer are available on the Information Officer’s case website at: www.alvarezandmarsal.com/WeWorkCanada (the “**Case Website**”).

2.0 TERMS OF REFERENCE AND DISCLAIMER

2.1 In preparing this report (this “**Fourth Report**”), A&M Canada has relied solely on information and documents provided by the Foreign Representative and the other Chapter

11 Debtors, as well as their Canadian legal counsel and publicly available documents filed with the U.S. Bankruptcy Court (collectively the “**Information**”). Except as otherwise described in this Fourth Report:

- (a) the Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Information Officer 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 (“**CAS**”) pursuant to the *Chartered Professional Accountants of Canada Handbook* (the “**Handbook**”) and accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
- (b) some of the information referred to in this Fourth Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Handbook, has not been performed.

2.2 Future-oriented financial information referred to in this Fourth Report was prepared based on estimates and assumptions made by the Chapter 11 Debtors’ management. Readers are cautioned that, since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, and the variations could be significant.

2.3 This Fourth Report should be read in conjunction with the affidavit of Pam Swidler sworn on June 21, 2024 (the “**Swidler Affidavit**”). Capitalized terms used but not defined herein have the meanings ascribed to them in the Swidler Affidavit.

2.4 Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.

3.0 PURPOSE OF THIS REPORT

3.1 The purpose of this Fourth Report is to provide the Canadian Court with information regarding the following:

- (a) the Foreign Representative’s motion for an order (the “**Confirmation Recognition and Fifth Supplemental Order**”):
 - i. recognizing and enforcing in Canada the Confirmation Order, which among other things, confirms the Plan;
 - ii. ordering that the Plan is recognized and given full force and effect in all provinces and territories in Canada;
 - iii. ordering valid and effective as of June 11, 2024 (the “**Effective Date**”), the sanction, approval, recognition and full force and effect in all provinces and territories in Canada of the compromises, arrangements, releases, discharges and injunctions contained and referenced in the Plan, as approved by the Confirmation Order;

- iv. authorizing the WeWork Canadian Entities, *nunc pro tunc*, to take all steps and actions, and to do all things necessary or appropriate to enter into or implement the Plan in accordance with its terms;
 - v. recognizing and enforcing in Canada certain other orders that have been granted by the U.S. Bankruptcy Court, as discussed below;
 - vi. granting ancillary relief in light of the implementation of the Plan, including terminating the stay of proceedings in effect pursuant to the Initial Recognition Order and the First Supplemental Order (other than in respect of the Information Officer), terminating the indemnification obligations of the WeWork Canadian Entities and terminating the restriction the WeWork Canadian Entities regarding the sale or disposition of property in Canada; and
 - vii. effective as of the Effective Date, discharging and dismissing, without costs, the Ontario Litigation (as defined below);
- (b) an update on aspects of the Restructuring Proceedings since the date of the Third Report of the Information Officer dated February 20, 2024 (the “**Third Report**”); and
- (c) the activities of the Information Officer since the date of the Third Report.

4.0 DIP NEW MONEY ORDER

- 4.1 As further described in the Swidler Affidavit, the Chapter 11 Debtors originally expected that their cash on hand, cash flow from operations, and cash provided through access to cash collateral pursuant to the DIP LC Facility would be sufficient to meet their liquidity needs. However, due to the size, scope, and cash-intensive nature of their operations and the cost of administering the Restructuring Proceedings, the Chapter 11 Debtors were facing liquidity challenges in early 2024.
- 4.2 In February and April 2024, a total of approximately \$18 million of cash was repatriated from WeWork Canada LP ULC to certain of the U.S.-based entities in order to manage overall liquidity. The WeWork Canadian Entities retained funds sufficient to ensure the Canadian Court-Ordered Charges and forecast post-petition liabilities of the WeWork Canadian Entities could be satisfied.
- 4.3 To further address liquidity needs, the Chapter 11 Debtors explored potential post-petition financing, and in April 2024, following several months of negotiations, the Chapter 11 Debtors agreed to terms regarding the DIP New Money Facilities. The U.S. Bankruptcy Court entered the Interim DIP New Money Order and Final DIP New Money Order on May 8, 2024 and May 30, 2024, respectively.
- 4.4 The DIP New Money Facilities provide for up to \$450 million of new money financing comprising: (a) up to \$50 million committed during the Chapter 11 Cases pursuant to the DIP New Money Interim Facility; and (b) up to \$400 million committed upon or immediately prior to the Effective Date pursuant to the DIP New Money Exit Facility.

- 4.5 The Information Officer understands that all Chapter 11 Debtors, including the WeWork Canadian Entities, are guarantors of the DIP New Money Facilities, which are secured by a superiority lien on substantially all property of the Chapter 11 Debtors' estates. However, the DIP New Money Facilities provide for a carve-out from such guarantee obligations in favour of amounts secured by the Canadian Court-Ordered Charges, all post-petition liabilities of the WeWork Canadian Entities and such other amounts scheduled for payment by or on behalf of the WeWork Canadian Entities.
- 4.6 The Information Officer understands that the superpriority lien on substantially all of the Chapter 11 Debtors' estates and the related guarantee from all Chapter 11 Debtors, including the WeWork Canadian Entities, were necessary conditions to obtain the DIP New Money Facilities, which in turn allowed the Chapter 11 Debtors to exit the Chapter 11 Cases with no funded debt obligations and liquidity via exit financing, for the benefit of all stakeholders, including Canadian stakeholders.

5.0 THE PLAN AND THE CONFIRMATION ORDER²

- 5.1 The Information Officer understands that the Plan is the outcome of extensive negotiations among the Chapter 11 Debtors and certain key stakeholders.
- 5.2 As further described in the Swidler Affidavit, the Plan: (a) fully deleverages the Chapter 11 Debtors' balance sheet by equitizing approximately \$3.5 billion of prepetition debt and \$400 million of post-petition debt; (b) facilitates go-forward operations as a result of the

² Capitalized terms used in this section not defined herein or in the Swidler Affidavit are as defined in the Plan.

restructured business having liquidity at emergence through the DIP New Money Exit Facility and access to the Exit LC Facility thereafter; and (c) facilitates a recovery to general unsecured creditors and unsecured noteholders through the UCC Settlement and the Unsecured Note Settlement. The table below generally summarizes the recoveries pursuant to the Plan:

Class	Claim / Equity Interest	Treatment of Claim / Equity Interest	Projected Amount of Claims	Projected Recovery Under the Plan
1	Other Secured Claims	(i) Payment in full in Cash of its Allowed Other Secured Claim; (ii) the collateral securing its Allowed Other Secured Claim; (iii) reinstatement of its Allowed Other Secured Claim; or (iv) such other treatment that renders its Allowed Other Secured Claim Unimpaired (in accordance with the U.S. Bankruptcy Code).	\$0	N/A
2	Other Priority Claims	(i) Payment in full in Cash of its Other Priority Claim or (ii) treatment in a manner consistent with the U.S. Bankruptcy Code.	\$0	100%
3A	Drawn DIP TLC Claims	Pro Rata share of the Drawn DIP TLC Equity Distribution.	\$250 million	7.17%
3B	Undrawn DIP TLC Claims	(i) In the case of an Excess DIP TLC Claim, be paid in full in cash in an amount equal to such Excess DIP TLC Claim from amounts remaining from the proceeds of the DIP TLC Facility; and (ii) in the case of a Rolled Undrawn DIP TLC Claim, be converted into obligations under the Exit LC Facility on a dollar-for-dollar basis.	\$421 million	100%
4A	Prepetition LC Facility Claims	Pro Rata share of the 1L Equity Distribution.	\$949 million	3.5%
4B	1L Notes Claims	Pro Rata share of the 1L Equity Distribution.	\$1,163 million	4.81%

Class	Claim / Equity Interest	Treatment of Claim / Equity Interest	Projected Amount of Claims	Projected Recovery Under the Plan
5	2L Notes Claims	Pro Rata share of the 2L Equity Distribution.	\$933 million	3.07%
6	3L Notes Claims	Share of the UCC Settlement Proceeds.	\$313 million	0%
7	Unsecured Notes Claims	Pro Rata share of the Unsecured Notes Pool.	\$180 million	0%
8	General Unsecured Claims	Share of the UCC Settlement Proceeds.	\$520 million - \$590 million	0%
9	Go-Forward Guaranty Claims	Claims to be reinstated.	N/A	100%
10	Intercompany Claims	(i) Reinstated, (ii) converted to equity (other than, for the avoidance of doubt, equity of Reorganized WeWork), (iii) canceled, released, or discharged, or (iv) otherwise set off, settled, or distributed, at the option of the Chapter 11 Debtors or the Reorganized Debtors.	N/A	0% or 100%
11	Intercompany Interests	(i) Reinstated, (ii) canceled, released, or discharged, or (iii) otherwise set off, settled, or distributed, at the option of the Chapter 11 Debtors or the Reorganized Debtors.	N/A	0% or 100%
12	Parent Interests	To be canceled, released, discharged, and extinguished and will be of no further force or effect	N/A	0%
13	Section 510(b) Claims	To be canceled, released, discharged, and extinguished and will be of no further force or effect	N/A	0%

5.3 On April 29, 2024 and April 30, 2024, respectively, the Chapter 11 Debtors, through Epiq, caused notice of the Plan to be served on all Holders of Claims, Interests, unclassified claims, parties in the creditor matrix, and all other parties required to receive notice

pursuant to the Solicitation Procedures. The Information Officer understands that this includes creditors of the WeWork Canadian Entities. Pursuant to the Disclosure Statement Order, the deadline for the submission of votes on the Plan was May 23, 2024 at 4:00 p.m. ET.

- 5.4 As described in the Voting Report, all five classes of voting creditors voted unanimously to accept the Plan. However, the Plan was deemed to be rejected by the Deemed Rejecting Classes. Notwithstanding such deemed rejection by the Deemed Rejecting Parties, the Chapter 11 Debtors relied on the provisions of the U.S. Bankruptcy Code by which a U.S. court may confirm a plan of reorganization over the objections of a dissenting class of claims or interests if the plan has been accepted by at least one impaired class and does not discriminate unfairly against each dissenting class of claims or interests. In the Confirmation Order, the U.S. Bankruptcy Court held that the Plan met these requirements because similarly situated creditors in such classes that have not accepted the Plan will receive substantially similar treatment on account of their claims.
- 5.5 The Confirmation Order was entered by the U.S. Bankruptcy Court in the Chapter 11 Cases on May 30, 2024. The Confirmation Order was entered on an unopposed basis as the Chapter 11 Debtors were able to consensually resolve all formal and informal objections to and comments on the Plan. The Plan was implemented by the Chapter 11 Debtors on the Effective Date.
- 5.6 In the Confirmation Order, the U.S. Bankruptcy Court found, among other things, that: (a) the Plan is the result of good faith, arm's-length negotiations by and among the Chapter 11 Debtors, the Consenting Stakeholders, and the UCC; (b) the Chapter 11 Debtors and their

respective directors, officers, management, counsel, advisors, and other agents have proposed the Plan in good faith, with the legitimate and honest purpose of maximizing the value of the Chapter 11 Debtors' estates for the benefit of their stakeholders, and that the Plan accomplishes this goal; and (c) the compromises and settlements in the Plan are fair, equitable, reasonable, and in the best interests of the Chapter 11 Debtors (including the WeWork Canadian Entities) and their estates.

5.7 It is not a condition precedent to the effectiveness of the Plan that the Canadian Court recognize the Confirmation Order. Accordingly, the Chapter 11 Debtors proceeded to implement the Plan and the Plan became effective on the Effective Date.

5.8 The Confirmation Order finds the following facts and conclusions regarding the Plan:

- (a) the Disclosure Statement contains "adequate information" (as such term is defined in the U.S. Bankruptcy Code) with respect to the Chapter 11 Debtors, the Plan, and the transactions contemplated therein;
- (b) the notice provided by the Chapter 11 Debtors of the Chapter 11 Cases, the Plan and the Combined Hearing, among other things, was adequate and sufficient;
- (c) the procedures used to solicit and tabulate the ballots were fair, reasonable, and conducted in accordance with the applicable provisions of the U.S. Bankruptcy Code and applicable related laws;
- (d) as evidenced by the Voting Report, each of the Voting Classes voted to accept the Plan;

- (e) the DIP New Money Interim Facility and the DIP New Money Exit Facility are each an essential element of the Plan, necessary for consummation of the Plan, and critical to the overall success and feasibility of the Plan, and entry into the DIP New Money Interim Facility and the DIP New Money Exit Facility is in the best interests of the Chapter 11 Debtors; and
- (f) the Plan is the product of good faith, arm's-length negotiations by and among the Chapter 11 Debtors, the Consenting Stakeholders, the UCC, the Ad Hoc Unsecured Noteholder Group, and their respective representatives and professionals, among others.

5.9 The Information Officer understands that the Plan has the effect of releasing and discharging all Claims, Interests and Causes of Action. One effect of such release and discharge is the dismissal of pending actions against the Chapter 11 Debtors, including the WeWork Canadian Entities.

5.10 The Information Officer further understands the Debtor Release releases, among others, the UCC, the Ad Hoc Unsecured Noteholder Group, each Unsecured Notes Settlement Participant, and each of the Consenting Stakeholders, while the third-party release provides that each Releasing Party and related parties release any and all causes of action such parties could assert against the Chapter 11 Debtors, the Reorganized Debtors, and the Released Parties.

5.11 The Released Parties and the Releasing Parties include, among others: (a) each of the Chapter 11 Debtors; (b) each of the Reorganized Debtors; (c) each Consenting Stakeholder;

(d) the DIP Lenders (i.e., the lenders under the DIP LC Facility and the DIP New Money Lenders); (e) the UCC; (f) each member of the UCC; (g) each member of the Ad Hoc Unsecured Noteholder Group; and (h) each Unsecured Notes Settlement Participant.

5.12 As further described in the Swidler Affidavit, the justification provided for the releases was that: (a) key stakeholders were extensively involved in the negotiation process that led to the RSA and the Plan, and the extensive support for the Plan among the Chapter 11 Debtors' major stakeholders; (b) the Released Parties have made substantial and valuable contributions to the Chapter 11 Debtors' restructuring efforts; (c) absent the Debtor Release, it is highly unlikely the Chapter 11 Debtors would have been able to implement the restructuring transactions contemplated by the Plan; and (d) the Debtor Release is fair, equitable, and in the best interest of the Chapter 11 Debtors' estates.

5.13 The Information Officer supports the Canadian Court recognizing the Confirmation Order in Canada. The Plan has been confirmed by the U.S. Bankruptcy Court on the basis that it satisfies the requirements for confirmation under the U.S. Bankruptcy Code and the evidence supports that recognition of the Confirmation Order by the Canadian Court is appropriate and necessary. The Information Officer understands that the Plan provides for recoveries to Canadian creditors in the same manner as similarly situated, non-Canadian creditors. In addition, the Plan has resulted in the Chapter 11 Debtors, including the WeWork Canadian Entities, emerging from the Chapter 11 Cases on a restructured basis with a substantially rationalized lease portfolio, no funded debt obligations and liquidity via exit financing, for the benefit of all stakeholders, including Canadian stakeholders.

6.0 OTHER CANADIAN RELIEF RELATING TO THE PLAN

6.1 The proposed Confirmation Recognition and Fifth Supplemental Order provides for, among other things: (a) the termination of the stay of proceedings in effect pursuant to the Initial Recognition Order and the First Supplemental Order (other than in respect of the Information Officer); (b) the termination of the indemnification obligations of the WeWork Canadian Entities under the First Supplemental Order; and (c) the termination of the restriction on the WeWork Canadian Entities regarding the sale or disposition of property in Canada pursuant to paragraph 5 of the Initial Recognition Order.

6.2 The Information Officer also notes that the proposed Confirmation Recognition and Fifth Supplemental Order specifically provides for the dismissal of an action against certain of the Chapter 11 Debtors, including one of the WeWork Canadian Entities, pending before the Ontario Superior Court of Justice (the “**Ontario Litigation**”). The Information Officer understands that the plaintiff in the Ontario Litigation was provided extensive notice of the Plan and the releases and discharges contemplated thereby.

7.0 ADDITIONAL ORDERS FOR WHICH RECOGNITION IS BEING SOUGHT

7.1 Pursuant to the proposed Confirmation Recognition and Fifth Supplemental Order, the Foreign Representative is also seeking recognition in Canada of certain additional orders granted by the U.S. Bankruptcy Court in the Chapter 11 Cases (the “**Additional U.S. Orders**”). The Information Officer understands that the Foreign Representative will only be seeking recognition of the Nineteenth Assumption Order and the Second Lease Assumption/Rejection Extension Order to the extent they are granted and entered by the

U.S. Bankruptcy Court in advance of the hearing of the Foreign Representative's motion for the proposed Confirmation Recognition and Fifth Supplemental Order.

- 7.2 Each of the Additional U.S. Orders are defined and further described in the Swidler Affidavit and copies are attached as exhibits thereto.
- 7.3 The Information Officer and its legal counsel have reviewed the terms of each of the Additional U.S. Orders and the materials filed in connection therewith, and the Information Officer supports the recognition of such orders by the Canadian Court.
- 7.4 This Fourth Report outlines pertinent information regarding certain Additional U.S. Orders.

Fifth Rejection Order

- 7.5 The U.S. Bankruptcy Court entered the Fifth Rejection Order on March 26, 2024. The Fifth Rejection Order rejected three service agreements with Canadian counterparties in British Columbia and Quebec, respectively. The Information Officer understands that the affected Canadian counterparties were issued notice of the rejection of their executory contracts through the Chapter 11 Cases process. Pursuant to the Fifth Rejection Order, the service agreements were rejected effective as of the "Scheduled Rejection Date" set forth in the exhibit to the Fifth Rejection Order. Any claims arising out of the rejection of the service agreements were to be filed in accordance with the claims process established in the Chapter 11 Cases and recognized by the Canadian Court in the Fourth Supplemental Order.

Assumption Orders

7.6 The proposed Confirmation Recognition and Fifth Supplemental Order includes the recognition of the Seventh, Eighth, Ninth, Tenth, Eleventh, Fourteenth, Sixteenth, and Nineteenth Assumption Orders.³ The Assumption Orders, among other things, authorize the Chapter 11 Debtors to assume or assume and assign certain unexpired leases or executory contracts as listed on the Assumption Schedules attached to each of the Assumption Orders.

7.7 The Information Officer understands that as of the date of this Report, 14 WeWork Canadian Locations have been assumed and eight WeWork Canadian Locations have been rejected in the Chapter 11 Cases. There are two WeWork Canadian Locations that remain to be assumed or rejected in accordance with the Lease Assumption/Rejection Extension Orders.

Lease Assumption/Rejection Extension Orders

7.8 The U.S. Bankruptcy Court entered the First Lease Assumption/Rejection Extension Order on April 29, 2024 to extend the time under section 365(d)(4) of the U.S. Bankruptcy Code within which the Chapter 11 Debtors may assume or reject the Unexpired Leases. In addition, the Chapter 11 Debtors filed the Second Lease Assumption/Rejection Extension

³ As noted above, the Foreign Representative will only seek recognition of the Nineteenth Assumption Order to the extent it is granted and entered by the U.S. Bankruptcy Court in advance of the hearing of the Foreign Representative's motion for the Confirmation Recognition and Fifth Supplemental Order.

Motion on May 29, 2024 seeking similar relief pursuant to the proposed Second Lease Assumption/Rejection Extension Order.

- 7.9 The Information Officer has been informed that there are two WeWork Canadian Locations which have entered into Extension Consent Agreements, providing for the extension of the deadline to June 30, 2024 and July 31, 2024, respectively. Accordingly, the Information Officer understands these landlords are subject to the First Lease Assumption/Rejection Extension Order and, if granted and entered by the U.S. Bankruptcy Court, will be subject to the Second Lease Assumption/Rejection Order.⁴ Accordingly, the Foreign Representative is seeking recognition of these orders in the Canadian Court.

Omnibus Claims Objection Procedures Order

- 7.10 The U.S. Bankruptcy Court entered the Omnibus Claims Objection Procedures Order on May 8, 2024, which, among other things: (a) approves the objection procedures and form of notice described therein; (b) authorizes the Chapter 11 Debtors, including the WeWork Canadian Entities, to assert substantive objections to “claims” (as defined in the U.S. Bankruptcy Code), in an omnibus format pursuant to the U.S. Bankruptcy Rules; and (c) approves the satisfaction procedures and form of notice described therein.

⁴ As noted above, the Foreign Representative will only seek recognition of the Second Lease Assumption/Rejection Order to the extent it is granted and entered by the U.S. Bankruptcy Court in advance of the hearing of the Foreign Representative’s motion for the Confirmation Recognition and Fifth Supplemental Order.

- 7.11 Creditors of the WeWork Canadian Entities may hold claims that are the subject of the Omnibus Claims Objection Procedures Order, and accordingly, the Foreign Representative is seeking recognition of the Omnibus Claims Objection Procedures Order by the Canadian Court pursuant to the proposed Confirmation Recognition and Fifth Supplemental Order.

8.0 **UPDATE REGARDING THE RESTRUCTURING PROCEEDINGS**

Lease and Landlord Matters

- 8.1 As of the date of this Fourth Report, and as a result of the substantial lease rationalization efforts of the Chapter 11 Debtors and their advisors, the Chapter 11 Debtors have approximately 189 locations in North America and 174 international locations. As noted above, 14 WeWork Canadian Locations have been assumed and eight WeWork Canadian Locations have been rejected in the Chapter 11 Cases. There are two WeWork Canadian Locations that remain to be assumed or rejected in accordance with the Lease Assumption/Rejection Extension Orders.

Next Canadian Hearing

- 8.2 The Information Officer understands that upon completion of any ancillary matters relating to the WeWork Canadian Entities and these CCAA Recognition Proceedings, the Foreign Representative anticipates returning to the Canadian Court to seek an order, among other things, terminating these CCAA recognition proceedings and discharging the Information Officer.

9.0 ACTIVITIES OF THE INFORMATION OFFICER

9.1 The activities of the Information Officer since the date of the Third Report have included:


- (a) maintaining the Case Website to make available copies of the orders granted in the CCAA Recognition Proceedings, as well as other relevant motion materials, reports and information of interest to the creditors of the WeWork Canadian Entities. In addition, there is a link on the Case Website to the Chapter 11 Debtors' restructuring website maintained by Epiq that includes copies of all U.S. Bankruptcy Court materials and orders, petitions, notices, and other materials;
- (b) monitoring the Epiq website for activity in the Chapter 11 Cases;
- (c) engaging with landlord creditors in response to questions;
- (d) discussing matters relevant to the Chapter 11 Cases with the Chapter 11 Debtors' Canadian legal counsel and other advisors, including the Company's U.S.-based financial and restructuring advisor;
- (e) providing assistance to the Foreign Representative in the performance of its duties, as the Foreign Representative has reasonably requested;
- (f) with the assistance of its legal counsel, reviewing the motions filed and orders entered in the Chapter 11 Cases; and
- (g) with the assistance of its legal counsel, preparing this Fourth Report and reviewing draft materials of the Foreign Representative in connection with the CCAA Recognition Proceedings.

10.0 RECOMMENDATIONS

- 10.1 The Information Officer understands that the Canadian Court's issuance of the proposed Confirmation Recognition and Fifth Supplemental Order is necessary to give effect in Canada to the Plan and the Confirmation Order.
- 10.2 The Information Officer believes that the recognition in Canada of the Confirmation Order and the Additional U.S. Orders is reasonable and appropriate in the circumstances.
- 10.3 Based on the foregoing, the Information Officer respectfully recommends that the Canadian Court grant the relief being sought by the Foreign Representative pursuant to the proposed Confirmation Recognition and Fifth Supplemental Order.

All of which is respectfully submitted to the Canadian Court this 24th day of June 2024.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Information Officer
and not in its personal or corporate capacity**

Per: 

Alan J. Hutchens
Senior Vice-President

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

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Proceeding commenced at Toronto

**FOURTH REPORT OF
THE INFORMATION OFFICER**

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