

**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**

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

FEBRUARY 20, 2024

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1.0 INTRODUCTION

- 1.1 Commencing on November 6, 2023 (the “**Petition Date**”), 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 is 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, 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, all such orders of the U.S. Bankruptcy Court, the “**First Day 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; 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 First Day Orders entered in the Chapter 11 Cases; (ii) granting a stay of

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>.

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, this Court has granted recognition to final versions of certain of the First Day Orders initially granted on an interim basis by the U.S. Bankruptcy Court and certain other orders granted by the U.S. Bankruptcy Court in November 2023, December 2023 and January 2024, pursuant to the Second Supplemental Order dated December 14, 2023 and the Third Supplemental Order dated January 18, 2024 (the “**Third Supplemental Order**”).

1.8 A&M Canada, in its capacity as Information Officer, has filed the Second Report of the Information Officer (the “**Second Report**”) and the First Report of the Information Officer (the “**First Report**”) dated January 17, 2024 and December 12, 2023, respectively, with the Canadian Court. A&M Canada also, in its capacity as Proposed Information Officer, filed a report dated November 15, 2023 (the “**Pre-Filing Report**”, together with the First Report and the Second Report, the “**Prior Reports**”), to provide the Canadian Court with, among other things, certain background information with respect to the WeWork Canadian Entities and the Chapter 11 Cases.

- 1.9 The Prior Reports and other materials filed with the Canadian Court are available on the Information Officer's case website at: www.alvarezandmarsal.com/WeWorkCanada.

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this report (the "**Third 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 Third 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 Third 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 Third 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 Third Report should be read in conjunction with the affidavit of David Tolley sworn on February 14, 2024 (the “**Fifth Tolley Affidavit**”). Capitalized terms used but not defined herein have the meanings ascribed to them in the Fifth Tolley 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 Third Report is to provide the Canadian Court with information regarding the following:

- (a) the Foreign Representative’s motion for an order (the “**Fourth Supplemental Order**”) recognizing and giving effect in Canada to certain orders that have been granted by the U.S. Bankruptcy Court as discussed below;
- (b) an update on aspects of the Restructuring Proceedings since the date of the Second Report; and
- (c) the activities of the Information Officer since the date of the Second Report.

4.0 ORDERS FOR WHICH RECOGNITION IS BEING SOUGHT

- 4.1 Pursuant to the Fourth Supplemental Order, the Foreign Representative is seeking recognition in Canada of certain orders granted by the U.S. Bankruptcy Court in January and February 2024 (the “**January and February 2024 U.S. Orders**”), and a hearing before the Canadian Court has been scheduled for February 22, 2024 for this purpose.
- 4.2 Each of the January and February 2024 U.S. Orders are defined and further described in the Fifth Tolley Affidavit and copies are attached as exhibits thereto.
- 4.3 The Information Officer and its legal counsel have reviewed the terms of each of the January and February 2024 U.S. Orders and the Information Officer supports the recognition of such orders by the Canadian Court.
- 4.4 The Information Officer notes that: (a) the Second Interim Cash Management Order, the Final Cash Management Order and the Bar Date Order are, for the most part, generally common in chapter 11 proceedings; and (b) the Second Interim Cash Management Order and the Final Cash Management Order are reasonably consistent with orders that have been previously recognized by the Canadian Court pursuant to the First Supplemental Order.
- 4.5 This Third Report outlines pertinent information regarding the January and February 2024 U.S. Orders.

Second Interim Cash Management Order

- 4.6 The U.S. Bankruptcy Court entered the Second Interim Cash Management Order on January 30, 2024. A copy of the Second Interim Cash Management Order is attached as Exhibit “F” to the Fifth Tolley Affidavit.
- 4.7 The Second Interim Cash Management Order was granted on an interim basis by the U.S. Bankruptcy Court on November 9, 2023. The First Interim Cash Management Order was previously recognized by this Court pursuant to the First Supplemental Order. The Second Interim Cash Management Order supersedes the First Interim Cash Management Order on an interim basis.
- 4.8 The Second Interim Cash Management Order, among other things: (a) authorizes but does not direct the Chapter 11 Debtors, including the WeWork Canadian Entities, to (i) continue using the Cash Management System, (ii) honour certain prepetition obligations related thereto, and (iii) maintain existing Chapter 11 Debtor Bank Accounts, Business Forms, and Books and Records; (b) authorizes, but does not direct, the Chapter 11 Debtors, including the WeWork Canadian Entities, to continue Intercompany Transactions and funding consistent with the Chapter 11 Debtors’ historical practices; (c) grants administrative expense status to postpetition Intercompany Claims; (d) grants interim and final waivers of the Chapter 11 Debtors’ compliance with the deposit and investment guidelines set forth in section 345(b) of the U.S. Bankruptcy Code; and (e) grants related relief.

The Second Interim Cash Management Order includes substantially the same material terms as the First Interim Cash Management Order. The primary differences are described in the Fifth Tolley Affidavit.

Final Cash Management Order

- 4.9 The U.S. Bankruptcy Court entered the Final Cash Management Order on February 6, 2024. A copy of the Final Cash Management Order is attached as Exhibit “G” to the Fifth Tolley Affidavit.
- 4.10 The Final Cash Management Order was granted on an interim basis by the U.S. Bankruptcy Court on January 30, 2024, which is discussed above, and the Final Cash Management Order supersedes the Second Interim Cash Management Order.
- 4.11 The Final Cash Management Order includes substantially the same material terms as the Second Interim Cash Management Order, except that in the Final Cash Management Order section 345 of the U.S. Bankruptcy Code and any provision of the U.S. Trustee Guidelines requiring that the Bank Accounts be U.S. Trustee authorized depositories is waived on a final basis with respect to the Subject Accounts. The U.S. Trustee has reserved its rights regarding the final waiver in respect of the Investment Accounts held at Goldman Sachs & Co. LLC, pending finalization of the closure thereof.
- 4.12 The Information Officer understands that the WeWork Canadian Entities are dependent on the continued operation of the Cash Management System to collect, transfer, and disburse funds generated from WeWork’s operations, and the WeWork Canadian Entities’

continued access to the Cash Management System is necessary to facilitate the ordinary course operation of and minimize disruption to the Canadian Business.

Bar Date Order

- 4.13 In the Second Report, for the enhanced awareness of creditors of the WeWork Canadian Entities with respect to the anticipated timing for claims bar dates, the Information Officer described that: (a) the Chapter 11 Debtors had filed a motion for entry of an order (the “**Bar Date Order**”) setting various bar dates in respect of claims against the Chapter 11 Debtors, which was scheduled to be heard by the U.S. Bankruptcy Court on January 30, 2024; and (b) all documents filed in the Chapter 11 Cases may be obtained by visiting the Epiq’s website at <https://dm.epiq11.com/WeWork>.
- 4.14 The U.S. Bankruptcy Court entered the Bar Date Order on February 2, 2024. A copy of the Bar Date Order is attached as Exhibit “H” to the Fifth Tolley Affidavit.
- 4.15 The Bar Date Order, among other things: (a) sets the Bar Dates (as defined below) for creditors to submit Proofs of Claim (as defined below); (b) approves the procedures for submitting Proofs of Claim, the form of Proofs of Claim, and the form of stub rent proof of claim (the “**Stub Rent Proof of Claim**”); (c) approves the form and manner of service of the notice of the Bar Dates (the “**Bar Date Notice**”), including the publication version of the Bar Date Notice, and the Member Notice (as defined below); and (d) grants related relief. The Bar Date Order enables the Chapter 11 Debtors, including the WeWork Canadian Entities, to ascertain the universe of potential claims against them.

- 4.16 The Information Officer understands that the Federal Rules of Bankruptcy Procedure (the “**U.S. Bankruptcy Rules**”) provides that the U.S. Bankruptcy Court shall fix the time within which Proofs of Claim must be filed in a chapter 11 case. Further, U.S. Bankruptcy Rules provide that any creditor who has a claim against the Chapter 11 Debtors, including the WeWork Canadian Entities, that arose or is deemed to have arisen prior to the Petition Date, and whose claim is not scheduled in the Chapter 11 Debtors’ schedules of assets and liabilities and statements of financial affairs (collectively, the “**Schedules**”) or whose claim is listed on the Schedules as “disputed”, “contingent” or “unliquidated”, must file a Proof of Claim. The Chapter 11 Debtors, including the WeWork Canadian Entities, filed their Schedules with the U.S. Bankruptcy Court on January 7, 2024.

Bar Dates

- 4.17 The Bar Date Order establishes various bar dates, including the General Claims Bar Date, the Member Claims Bar Date, the Governmental Bar Date, the Amended Schedules Bar Date, the Rejection Damages Bar Date, and the Stub Rent Bar Date (each as defined below, and collectively, the “**Bar Dates**”) by which particular types of creditors must file their claims. The Bar Date Order authorizes the Chapter 11 Debtors, in their sole discretion, to extend the applicable Bar Date for holders of claims by stipulation or otherwise, where the Chapter 11 Debtors, including the WeWork Canadian Entities, determine that such extension is in the best interests of their estates.
- 4.18 The following table sets out the various Bar Dates for the filing of claims pursuant to the Bar Date Order, as described in further detail below.

BAR DATES	
General Claims Bar Date	March 12, 2024
Member Claims Bar Date	March 12, 2024
Governmental Bar Date	May 6, 2024
Amended Schedules Bar Date	In the event the Chapter 11 Debtors amend or supplement their Schedules, the Chapter 11 Debtors shall give notice of any such amendment to the holders of any claim affected thereby, and such holders shall submit their claims by the later of (i) the applicable Bar Date and (ii) on the date that is thirty (30) calendar days after such person or entity is served with notice that the Chapter 11 Debtors have amended their Schedules in a manner that affects such person or entity.
Rejection Damages Bar Date	On or before the later of (a) (i) the General Claims Bar Date or (ii) the Governmental Bar Date, as applicable, and (b) on the date that is thirty (30) calendar days after the later of (i) entry of the order approving the Chapter 11 Debtors' rejection of the applicable executory contract or unexpired lease and (ii) the effective date of such rejection, unless otherwise ordered by the U.S. Bankruptcy Court.
Stub Rent Bar Date	March 24, 2024, which is the date that is forty-five (45) calendar days after the Chapter 11 Debtors served to each Stub Rent Claimant (as defined below) as well as any other party entitled to receive notice of the same pursuant to the Case Management Order, the Stub Rent Claim Schedule (as defined below) setting forth the Chapter 11 Debtors' calculation of the Stub Rent Claim (as defined below) owed to such Stub Rent Claimant.
Supplemental Stub Rent Bar Date²	March 25, 2024, which is the date that is forty-five (45) calendar days after the Chapter 11 Debtors served to each Supplemental Stub Rent Claimant (as defined below) as well as any other party entitled to receive notice of the same pursuant to the Case Management Order, the Supplemental Stub Rent Claim Schedule (as defined below) setting forth the Chapter 11 Debtors' calculation of the Stub Rent Claim owed to all Supplemental Stub Rent Claimants (as

² On February 9, 2024, the Chapter 11 Debtors filed a supplemental schedule (the “**Supplemental Stub Rent Claim Schedule**”) detailing the amount of a Stub Rent Claim for five additional Stub Rent Claimants (collectively, the “**Supplemental Stub Rent Claimants**”), and subsequently established March 25, 2024 as the supplemental Stub Rent Bar Date (the “**Supplemental Stub Rent Bar Date**”). The Information Officer understands that none of the five additional Stub Rent Claimants subject to the Supplemental Stub Rent Bar Date are Canadian creditors and, accordingly, the Supplemental Stub Rent Bar Date is not discussed further herein.

BAR DATES	
	defined below). The Information Officer understands that none of the Supplemental Stub Rent Claimants subject to the Supplemental Stub Rent Bar Date are Canadian creditors and, accordingly, the Supplemental Stub Rent Bar Date is not discussed further herein.

General Claims Bar Date

- 4.19 The Bar Date Order established on or before March 12, 2024 as the last date by which all claimants must file proofs of claim (collectively, “**Proofs of Claim**”, and each a “**Proof of Claim**”) based on prepetition claims, including requests for payment in respect of claims arising from the value of any goods received by the Chapter 11 Debtors, including the WeWork Canadian Entities, within 20 days before the Petition Date in the ordinary course of business, and unsecured priority claims as specified in the Bar Date Motion against any Chapter 11 Debtor, including any WeWork Canadian Entity (the “**General Claims Bar Date**”). Such Proofs of Claim must be received by Epiq Corporate Restructuring, LLC (the “**Notice and Claims Agent**”) by the General Claims Bar Date, unless such entity’s claim falls within one of the exceptions set forth in the Bar Date Motion (described below). Subject to these exceptions, the General Claims Bar Date applies to all claims against the Chapter 11 Debtors, including the WeWork Canadian Entities, which arose or are deemed to have arisen prior to the Petition Date.
- 4.20 The Bar Date Notice, among other things: (a) identifies the Bar Dates; (b) explains detailed procedures for submitting a timely and accurate Proof of Claim; (c) describes the consequences of failing to submit a Proof of Claim in accordance with the Bar Date Order;

and (d) provides creditors with the name and telephone number of the Notice and Claims Agent, where questions may be addressed and from whom additional information may be obtained.

Member Claims Bar Date

- 4.21 Member Claims are claims held by the Chapter 11 Debtors', including the WeWork Canadian Entities', customers and members arising out of service retainers paid to Chapter 11 Debtors (such claims, "**Member Claims**", and such customers and members, solely in their capacity as holders of such claims, "**Member Claimants**"), subject to all deductions and setoffs provided for in the respective membership agreement. Member Claimants of the Chapter 11 Debtors, including the WeWork Canadian Entities, as well as counsel representing Member Claimants, where known, have been sent an individualized notice by email setting forth, among other things, the amount that each such Member Claimant is owed on account of such Member Claimant's service retainer (calculated based on the amounts set forth in the Chapter 11 Debtors' books and records) (the "**Member Notice**"). The Bar Date Order provides that if a Member Claimant disagrees with the amount listed on such Member Claimant's Member Notice, such Member Claimant may file a Proof of Claim at any point on or before March 12, 2024 (the "**Member Claims Bar Date**").
- 4.22 The Member Notice, among other things: (a) includes details of the amount of the Member Claim; (b) explains detailed procedures for submitting an accurate Proof of Claim in the event that a Member Claimant disagrees with the amount listed in the previous clause; and (c) provides creditors with the name and telephone number of the Notice and Claims Agent,

where questions may be addressed and from whom additional information may be obtained.

Governmental Bar Date

4.23 Solely in respect of governmental units (as defined in the U.S. Bankruptcy Code), the Bar Date Order established May 6, 2024 as the last date for each such governmental unit to file Proofs of Claim asserting claims against any Chapter 11 Debtor, including any WeWork Canadian Entity, that arose or are deemed to have arisen on or before the Petition Date (the **“Governmental Bar Date”**).

4.24 The Governmental Bar Date applies to all governmental units holding claims against the Chapter 11 Debtors that arose or are deemed to have arisen prior to the Petition Date, including governmental units with claims against the Chapter 11 Debtors, including the WeWork Canadian Entities, for unpaid taxes, whether such claims arise from prepetition tax years or periods or prepetition transactions to which the Chapter 11 Debtors were a party.

Amended Schedules Bar Date

4.25 In the event that the Chapter 11 Debtors, including the WeWork Canadian Entities, amend their Schedules, the Bar Date Order established the later of: (a) the applicable Bar Date; and (b) the date that is thirty (30) calendar days from the date on which the Chapter 11 Debtors provide notice of the amendment to the Schedules, as the last date by which claimants holding claims affected by the amendment must file Proofs of Claim with respect to such claims against any Chapter 11 Debtor, including any WeWork Canadian Entity

(such later date, the “**Amended Schedules Bar Date**”) so that such Proofs of Claim are actually received by the Notice and Claims Agent by the Amended Schedules Bar Date.

Rejection Damages Bar Date

- 4.26 Solely in respect of claims arising from the rejection of executory contracts and unexpired leases by the Chapter 11 Debtors, including the WeWork Canadian Entities, the Bar Date Order established the later of: (a) (i) the General Claims Bar Date or (ii) the Governmental Bar Date, as applicable; and (b) the date that is thirty (30) calendar days after the later of (i) entry of the order approving the Chapter 11 Debtors’ rejection of the applicable executory contract or unexpired lease and (ii) the effective date of such rejection, as the last date by which claimants holding claims based upon such rejection must file Proofs of Claim with respect thereto against any Chapter 11 Debtor, including any WeWork Canadian Entity, unless otherwise ordered by the U.S. Bankruptcy Court (such later date, the “**Rejection Damages Bar Date**”).
- 4.27 The Information Officer understands that the Chapter 11 Debtors, including the WeWork Canadian Entities, will provide notice of the Rejection Damages Bar Date to the contract or lease counterparty whose contract or lease is being rejected at the time the Chapter 11 Debtors reject any executory contract or unexpired lease. The Information Officer has been advised by counsel to the Foreign Representative that counterparties to unexpired leases of non-residential property are not required to file prepetition claims (including, without limitation, any claims in respect of a guarantee claim against a Chapter 11 Debtor) against any of the Chapter 11 Debtors, including the WeWork Canadian Entities, unless and until the applicable lease is rejected by the Chapter 11 Debtors; *provided, however*, that nothing

in the Bar Date Order will be construed to alter any requirement for such party to file a Proof of Claim (a) on account of a Stub Rent Claim; or (b) pursuant to another order of the U.S. Bankruptcy Court.

Stub Rent Bar Date

4.28 Solely in respect of claims that arise in connection with the occupation of a lease of nonresidential real property in the period from and including November 6, 2023, through and including November 30, 2023 (each a “**Stub Rent Claim**,” and each claimant, a “**Stub Rent Claimant**,” and collectively, the “**Stub Rent Claimants**”), on February 7, 2024, the Chapter 11 Debtors, including the WeWork Canadian Entities, filed with the U.S. Bankruptcy Court a schedule detailing the amount of each Stub Rent Claim as determined by the Chapter 11 Debtors (the “**Stub Rent Claim Schedule**”). The Information Officer understands that on February 8, 2024, the Chapter 11 Debtors, including the WeWork Canadian Entities, served the Stub Rent Claim Schedule via email and direct mail to the mailing address of the applicable landlord (to the extent known) and counsel (to the extent known), including any counsel that has filed a notice of appearance in the Chapter 11 Cases, as well as any other party in interest entitled to receive service of the same in the Chapter 11 Cases pursuant to the *Order (I) Establishing Certain Notice, Case Management and Administrative Procedures and (II) Granting Related Relief* (the “**Case Management Order**”).

4.29 Stub Rent Claimants should review the Stub Rent Schedule. Any Stub Rent Claimant that disagrees with the amount of its Stub Rent Claim, as identified on the Stub Rent Claim Schedule, will need to work in good faith with the Chapter 11 Debtors, including the

WeWork Canadian Entities, and/or their counsel to resolve such disagreement prior to filing a Stub Rent Proof of Claim on account of such Stub Rent Claim. In the event that such disagreement remains unresolved, the applicable Stub Rent Claimant must file a Stub Rent Proof of Claim with the U.S. Bankruptcy Court on or before March 24, 2024 (the “**Stub Rent Bar Date**”), which is forty-five (45) calendar days following service of the Stub Rent Claim Schedule; *provided* that, for the avoidance of doubt and notwithstanding anything to the contrary contained in the Assumption/Rejection Procedures Order, the Stub Rent Bar Date with respect to Stub Rent Claims associated with unexpired leases that were rejected prior to the entry of the Bar Date Order is March 24, 2024, which is forty-five (45) days following service of the Stub Rent Claims Schedule.

- 4.30 The Information Officer understands that any disagreement with respect to a Stub Rent Claim, including the allowance thereof, may only be resolved in connection with and upon the earlier of: (a) mutual agreement by the Chapter 11 Debtors and the applicable Stub Rent Claimant; (b) the assumption, assumption and assignment, or rejection of a lease under the U.S. Bankruptcy Code; or (c) the confirmation of a Chapter 11 Plan of reorganization in the Chapter 11 Cases. The Information Officer also understands that, notwithstanding the Stub Rent Bar Date, counterparties to unexpired leases of non-residential property will not be required to file Proofs of Claim with respect to prepetition obligations of the Chapter 11 Debtors, including the WeWork Canadian Entities (including, without limitation, any claims in respect of a guarantee claim against a Chapter 11 Debtor) against any of the Chapter 11 Debtors unless and until the applicable lease is rejected by the Chapter 11 Debtors.

- 4.31 Effective as of the Stub Rent Bar Date, the Stub Rent Claims will be allowed in the amounts identified on the Stub Rent Claim Schedule unless a Stub Rent Claimant files a Proof of Claim in an amount contrary to the amount of such holder's Stub Rent Claim set forth on the Stub Rent Claim Schedule on or before the Stub Rent Bar Date.
- 4.32 The Bar Date Order does not preclude the Chapter 11 Debtors and a Stub Rent Claimant from agreeing to the allowance of a Stub Rent Claim in an amount different from that set forth in the Stub Rent Claim Schedule; *provided* that any agreement concerning an allowed Stub Rent Claim that exceeds the corresponding amount set forth in the Stub Rent Claim Schedule by an amount greater than or equal to \$100,000 will be subject to the reasonable consent of the Required Consenting Stakeholders (as defined in the RSA).
- 4.33 The Bar Date Order provides that the filing of a Stub Rent Proof of Claim will constitute a request for allowance and payment as an administrative expense claim under the U.S. Bankruptcy Code solely to the extent of any disputed Stub Rent Claim amount, and that any disputed Stub Rent Claim amount (or, if none, the amount listed on the Stub Rent Claim Schedule) will constitute an allowed administrative expense claim under the U.S. Bankruptcy Code.
- 4.34 As noted above, the Information Officer understands that the Chapter 11 Debtors, including the WeWork Canadian Entities, served the Stub Rent Claim Schedule on all landlords, including Canadian Landlords, via email and direct mail to the mailing address of the applicable landlord, and including any landlords for which the Chapter 11 Debtors' assert that no Stub Rent Claim amount is due and owing (the amount of any such Stub Rent Claim was designated as \$0).

4.35 The Information Officer notes that all Canadian Landlords have listed Stub Rent Claims of \$0 on the Stub Rent Claim Schedule, however, certain Canadian Landlords may assert Stub Rent Claims. As described above, any Stub Rent Claimant that disagrees with their respective Stub Rent Claim, as listed on the Stub Rent Claim Schedule, will need to work in good faith with the Chapter 11 Debtors, including the WeWork Canadian Entities, and/or their counsel to resolve such disagreements prior to filing a Stub Rent Proof of Claim on or before the Stub Rent Bar Date. In the event that such disagreement remains unresolved, the applicable Stub Rent Claimant may file a Stub Rent Proof of Claim on or before the Stub Rent Bar Date.

Bar Date Notice, Member Notice and Stub Rent Proof of Claim

4.36 The Information Officer understands that, the Chapter 11 Debtors, including the WeWork Canadian Entities, with the assistance of the Notice and Claims Agent, have: (a) served each Stub Rent Claimant with the Stub Rent Claim Schedule; (b) served each Supplemental Stub Rent Claimant with the Supplemental Stub Rent Claim Schedule; (c) served each Member Claimant with their personalized Member Notice; and (d) served the Bar Date Notice and a Proof of Claim form, as applicable, by email from the Notice and Claims Agent as applicable and/or first class mail in accordance with the Case Management Order on:

- (a) the Master Service List (as defined in the Case Management Order);
- (b) all known creditors and other known holders of potential claims against the Chapter 11 Debtors, including the WeWork Canadian Entities, as of the date of entry of the

Bar Date Order, including all persons or entities listed in the Schedules for which the Chapter 11 Debtors have mailing addresses or email addresses;

- (c) all entities that have filed Proofs of Claim in the Chapter 11 Cases as of the date of entry of the Bar Date Order;
- (d) all entities who are party to executory contracts and unexpired leases with the Chapter 11 Debtors, including the WeWork Canadian Entities;
- (e) all entities holding a Stub Rent Claim;
- (f) all entities who are party to litigation with the Chapter 11 Debtors, including the WeWork Canadian Entities;
- (g) all current and certain former employees (to the extent that contact information for former employees is available in the records of the Chapter 11 Debtors);
- (h) all regulatory authorities that regulate the Chapter 11 Debtors', including the WeWork Canadian Entities', businesses, including consumer protection, environmental, and permitting authorities; and
- (i) all taxing authorities for the jurisdictions in which the Chapter 11 Debtors, including the WeWork Canadian Entities, maintain or conduct business.

4.37 The Information Officers understands that the Chapter 11 Debtors published the Bar Date Notice on February 15, 2024 in *The New York Times* (National Edition) in the United States

of America, and will publish on one occasion in the *Globe and Mail* (National Edition) in Canada on or before twenty-one (21) days before the General Claims Bar Date.

- 4.38 The Proof of Claim form and Bar Date Notice have also been posted on the Chapter 11 Debtors' case website established by the Notice and Claims Agent at <https://dm.epiq11.com/WeWork> and by the Information Officer in Canada at <https://www.alvarezandmarsal.com/WeWorkCanada>.

Exemptions from filings Proofs of Claim

- 4.39 The Bar Date Order provides that all holders of claims file Proofs of Claim, using the Proof of Claim form, by the General Claims Bar Date, excepting governmental units, holders of rejection claims, holders of claims affected by an amendment to the Schedules, Members Claimants and Stub Rent Claimants, who shall each file by their respective Bar Dates as outlined above.
- 4.40 In addition to the exceptions listed above, the Bar Date Order provides that certain persons or entities need not submit a Proof of Claim in the Chapter 11 Cases on or prior to the applicable Bar Date if the claim falls into one of the following categories:
- (a) any claim that has already been asserted in a Proof of Claim against the Chapter 11 Debtors, including the WeWork Canadian Entities, with the Notice and Claims Agent in a form substantially similar to Official Bankruptcy Form No. 410 (unless such person or entity wishes to assert a claim against a Chapter 11 Debtor, including any WeWork Canadian Entity, not identified in their prior Proof of Claim, in which case an additional Proof of Claim must be filed);

- (b) any claim that is listed on the Schedules filed by the Chapter 11 Debtors, including the WeWork Canadian Entities, provided that: (i) the claim is *not* scheduled as “disputed”, “contingent”, or “unliquidated”; (ii) the claimant does not disagree with the amount, nature, and priority of the claim as set forth in the Schedules; and (iii) the claimant does not dispute that the claim is an obligation only of the specific Chapter 11 Debtor against which the claim is listed in the Schedules;
- (c) any claim that has previously been allowed by order of the U.S. Bankruptcy Court;
- (d) any claim that has already been paid in full by any of the Chapter 11 Debtors, including the WeWork Canadian Entities;
- (e) any claim for which a different deadline has previously been fixed by the U.S. Bankruptcy Court;
- (f) any claim held by a Chapter 11 Debtor against another Chapter 11 Debtor or any of the non-Chapter 11 Debtors subsidiaries (whether direct or indirect) of WeWork Parent in which a direct or indirect wholly owned subsidiary of WeWork Parent owns a greater than 50 percent stake;
- (g) any claim based on an equity interest in the Chapter 11 Debtors, including, but not limited to, an interest based upon the ownership of common or preferred stock, membership interests, partnership interests, warrants, options, rights of purchase, or the sale of or subscription to such security or interest;

- (h) any claim held by a current or former employee of the Chapter 11 Debtors, including the WeWork Canadian Entities, if an order of the U.S. Bankruptcy Court authorizes the Chapter 11 Debtors to honour such claim in the ordinary course of business as a wage, commission, or benefit; *provided, however*, that any current or former employee must submit a Proof of Claim by the General Claims Bar Date for all other claims arising before the Petition Date, including claims for wrongful termination, discrimination, harassment, hostile work environment and retaliation;
- (i) any Professional Compensation Claim;
- (j) any Stub Rent Claim, which is separately provided for in the Bar Date Order;
- (k) any claim held by a current officer or director for indemnification, contribution, or reimbursement;
- (l) any of the Prepetition Funded Debt Parties (as defined in the Bar Date Order), solely in their capacity as such and solely with respect to funded debt claims; and
- (m) any claim held by any person or entity solely against a non-Chapter 11 Debtor entity.

4.41 The Information Officer notes that, subject to exceptions in the Bar Date Order, each Proof of Claim must specify by name and case number of the Chapter 11 Debtor, including any WeWork Canadian Entity, against which the claim is submitted by selecting the applicable Chapter 11 Debtor at the top of the proposed Proof of Claim form. A Proof of Claim submitted under WeWork's U.S. Bankruptcy Case No. 23-19865 (JKS) or that does not

identify a Chapter 11 Debtor will be deemed as submitted only against the WeWork Parent. A Proof of Claim that names a subsidiary Chapter 11 Debtor but is submitted under U.S. Bankruptcy Case No. 23-19865 (JKS) will be treated as having been submitted against the subsidiary Chapter 11 Debtor with a notation that a discrepancy in the submission exists.

4.42 The Information Officer understands that, as further described in the Fifth Tolley Affidavit, on November 6, 2023, WeWork Companies LLC changed its name to WeWork Companies U.S. LLC and then underwent a corporate division, pursuant to which WeWork Companies U.S. LLC (formerly known as WeWork Companies LLC) was divided into two companies (the “**Corporate Division**”). WeWork Companies U.S. LLC is the Real Property Obligor. Its liabilities were allocated as follows:

- (a) WeWork Companies LLC retained all guarantee obligations associated with any leases that related to real property located in Ireland, the United Kingdom, or Australia (the “**Excluded Countries**”), where such lease (or the associated guarantee obligations) remained in effect as of November 6, 2023 (such obligations, the “**Excluded Guarantee Obligations**”); and
- (b) The Real Property Obligor retained *all other* obligations (except the Excluded Guarantee Obligations), including all guarantee obligations associated with (i) all leases for real property located in the United States, Canada, and any other country except the Excluded Countries, and/or (ii) leases for real property in Excluded Countries if such leases were forfeited (and occupation of such real property permanently ceased) prior to November 6, 2023 (“**Inactive Leases**”), including

those leases for real property located at 12 Moorgate, 52 Bedford, and/or 91 Baker Street, in London, England.

- 4.43 Following the Corporate Division, the Real Property Obligor filed for relief under chapter 11 of title 11 of the U.S. Bankruptcy Code and is a Chapter 11 Debtor in the Chapter 11 Cases; WeWork Companies LLC did not file under chapter 11 and is not a Chapter 11 Debtor in the Chapter 11 Cases. Accordingly, any person or entity that had a claim against the pre-Corporate Division entity known as WeWork Companies LLC should file a Proof of Claim against the Chapter 11 Debtor WeWork Companies U.S. LLC (the Real Property Obligor), *except for* any creditors asserting claims arising from the Excluded Guarantee Obligations (for which non-Chapter 11 Debtor WeWork Companies LLC remains solely liable to third parties). For clarity, any creditor seeking to assert a guarantee claim for Inactive Leases in Excluded Countries should file a Proof of Claim against Chapter 11 Debtor WeWork Companies U.S. LLC. The failure to select the correct Chapter 11 Debtor on the Proof of Claim form shall not be a basis to object to the allowability of a claim; provided that the asserted claim otherwise complies with the terms of the Bar Date Order.

Consequences of Failing to Timely Submit a Proof of Claim

- 4.44 The Bar Date Order provides that any person or entity that holds a claim that is not excepted from the requirements of the Bar Date Order and fails to timely submit a Proof of Claim in the appropriate form shall be forever barred, estopped, and enjoined from (a) voting on any Chapter 11 Plan filed in the Chapter 11 Cases on account of such claim; (b) participating in any distribution in the Chapter 11 Cases on account of such claim; and (c) receiving further notices regarding such claim. Any claimant who is required, but fails, to submit a

Proof of Claim in accordance with the Bar Date Order on or before the applicable Bar Date shall be forever barred, estopped, and enjoined from asserting such claim against the Chapter 11 Debtors, including the WeWork Canadian Entities.

4.45 The Information Officer understands that creditors of the WeWork Canadian Entities may hold various claims that are the subject of the Bar Date Order, and accordingly, the Foreign Representative is seeking recognition of the Bar Date Order by this Court in the CCAA Recognition Proceedings pursuant to the Fourth Supplemental Order.

4.46 The Information Officer notes that each of the Bar Dates as outlined above are at least 21 days later than the day that notice of such dates was provided to potential claimants, and the noticing requirements and claim dispute procedures are similar to those that would otherwise be required under the CCAA.

5.0 **UPDATE REGARDING THE RESTRUCTURING PROCEEDINGS**

Lease and Landlord Matters

5.1 As was the case at the time of the Second Report (January 17, 2024), as of the date of this Third Report, the Chapter 11 Debtors have determined to exit, and have fully exited and turned over the premises at, seven of the 24 WeWork Canadian Locations that existed prior to the commencement of the Restructuring Proceedings. The Chapter 11 Debtors currently operate 17 WeWork Canadian Locations (the “**Current WeWork Canada Locations**”), which remain subject to landlord negotiations.

- 5.2 The Information Officer understands that for certain Current WeWork Canada Locations, rent for January and February 2024 was either withheld or partially paid. The Information Officer understands that the Chapter 11 Debtors, with the assistance of Hilco, continue to engage in negotiations with their landlords, including Canadian Landlords, and that the non-payment of January and February rent (in whole or in part) was undertaken by the Chapter 11 Debtors as part of these lease negotiations. The Information Officer also understands that there are a number of U.S.-based landlords that are being treated in the same manner as these Canadian Landlords with respect to January and February 2024 rent.
- 5.3 The Information Officer has continued to respond to Canadian Landlord inquiries regarding the payment of stub rent and the relevant Bar Dates.

6.0 ACTIVITIES OF THE INFORMATION OFFICER

- 6.1 The activities of the Information Officer since the date of the Second Report have included:
- (a) maintaining a website at <https://www.alvarezandmarsal.com/WeWorkCanada> 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 Information Officer's website to the Chapter 11 Debtors' restructuring website maintained by Epiq that includes copies of the U.S. Bankruptcy Court materials, including, among other things, motions, orders, petitions, and notices;
 - (b) monitoring the Epiq website for activity in the Chapter 11 Cases;

- (c) responding to stakeholder inquiries;
- (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 Third Report and reviewing draft materials of the Foreign Representative in connection with the CCAA Recognition Proceedings.

7.0 RECOMMENDATIONS

- 7.1 The Information Officer understands that recognition in Canada of the January and February 2024 U.S. Orders pursuant to the Fourth Supplemental Order is necessary to advance the Restructuring Proceedings, including the Chapter 11 Debtors' efforts to maximize the value of their estates via the global restructuring.
- 7.2 The Information Officer believes that the recognition of such orders is reasonable and appropriate in the circumstances. Based on the foregoing, the Information Officer respectfully recommends that the Canadian Court grant the relief requested by the Foreign Representative pursuant to the Fourth Supplemental Order.

All of which is respectfully submitted to the Canadian Court this 20th day of February 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

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

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

Proceeding commenced at Toronto

**THIRD REPORT OF
THE INFORMATION OFFICER**

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