



SUPERIOR COURT OF JUSTICE

**COUNSEL/ENDORSEMENT SLIP**

COURT FILE NO.: CV-23-00709258-00CL

DATE: November 16, 2023

NO. ON LIST: 4

TITLE OF PROCEEDING: WEWORK INC.

BEFORE: JUSTICE CONWAY

**PARTICIPANT INFORMATION**

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**For Other, Self-Represented:**

Name of Person Appearing	Name of Party	Contact Info
Tracy Sandler	Proposed Information Officer – Alvarez and Marsal	tsandler@osler.com
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## **ENDORSEMENT OF JUSTICE CONWAY:**

**[1] All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Factum of the Applicant dated November 15, 2023.**

[2] This is an application of the WeWork Parent, as the foreign representative of the WeWork Canadian Entities, for recognition of the Chapter 11 Cases commenced in the U.S. Bankruptcy Court on November 6, 2023, and for recognition of certain orders granted by that court. On November 7, 2023, the WeWork Parent obtained the Interim Stay Order from Justice Steele of this court.

[3] All of the relief sought today is unopposed. In particular, counsel for certain of the landlords in Canada attended and confirmed that they were not opposing or taking a position today. Further, the relief sought is supported and recommended by the Proposed Information Officer in its report of November 15, 2023. The facts with respect to this application are more fully set out in the Initial Affidavit, the First Day Declaration and the Supplemental Affidavit. All factual references herein come from those materials.

[4] By way of brief background, the Company operates approximately 770 locations in over 30 countries and is among the top commercial real estate lessors in business hubs including New York City, London, Dublin, Boston, and Miami. In the United States, WeWork operates approximately 220 locations across the country. In Canada, WeWork has 24 leased locations in Toronto, Vancouver, Burnaby, Calgary, and Montreal.

[5] The WeWork Canadian Entities and the Real Property Obligor are integrated members of the broader WeWork Group, with the Canadian business representing approximately 3 percent of the Company's overall business, and less than 5 percent of the WeWork Group's leased locations.

[6] The Chapter 11 Debtors have encountered difficulties due primarily to rising interest rates, changing commercial real estate landscape, a slower-than-expected return to the office, and customer attrition. In early 2023, WeWork retained legal and financial advisors to evaluate potential refinancing and restructuring options and began to take steps to extend its liquidity runway while it negotiated a comprehensive restructuring with interested parties. At the beginning of October 2023, the Company made certain withholdings on its Notes and its rental payments. It also began negotiations with key stakeholders across its capital structure, including SoftBank, the Ad Hoc Group and Cupar and reached an agreement (the "RSA") on the terms of a comprehensive restructuring transaction. WeWork also commenced negotiations with its landlords with respect to the potential restructuring of existing lease terms with the hope of reaching further lease concessions and modifications to allow the Company to reduce fixed costs and secure the foundation of long-term profitability.

[7] Part IV of the CCAA establishes a process for addressing the administration of cross-border and multi-national insolvencies in a coordinated and cooperative manner with foreign courts.

[8] Pursuant to Section 46(1) of the CCAA, a foreign representative may apply to the court for recognition of a foreign proceeding in respect of which that person is a foreign representative.

Section 47 of the CCAA provides that the Court shall make an order recognizing a foreign insolvency proceeding if (i) the application for recognition of a foreign proceeding relates to a “foreign proceeding” within the meaning of the CCAA; and (ii) the applicant is a “foreign representative” within the meaning of the CCAA in respect of that foreign proceeding. Both requirements have been met in this case. Further, the documentation required under s. 46(2) has been filed with this court.

[9] I am recognizing the Chapter 11 Cases as foreign main proceedings under s. 47(2) of the CCAA. I am satisfied that the COMI is in the United States. Among other factors, the senior leadership is in the U.S., the Real Property Obligor guarantees all of the Canadian leases, the financial position is managed on a consolidated basis from New York City, payroll is directed out of the NYC office, and all banking is administered in the U.S.

[10] On making the order recognizing the Chapter 11 Cases as foreign main proceedings, I am required to grant the relief set out in section 48(1) of the CCAA including the stay of proceedings. The Initial Recognition Order does so.

[11] With respect to the Supplemental Order, it provides for a stay of proceedings against the WeWork Canadian Entities, their directors and officers, and the Real Property Obligor. The stay extends to the Canadian Limited Partnerships as already provided for by Justice Steele and is acceptable to me.

[12] The Supplemental Order recognizes the First Day Orders, which will enable the Canadian business to continue in the ordinary course. Recognition of these orders furthers the interests of comity.

[13] I appoint A&M as the Information Officer. I also approve the Administration Charge of C\$750,000 and the D & O Charge of C\$2.5 million, both of which have been determined in consultation with the Information Officer.

[14] I have signed the two orders today. The orders are effective from today’s date and are enforceable without the need for entry and filing.

A handwritten signature in blue ink, appearing to read "Conway J.", is located at the bottom left of the page.