



**First Report to Court of
KSV Restructuring Inc. as Proposal
Trustee of RGN Ontario II Limited
Partnership**

September 18, 2020

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COURT FILE NO.: 31-2668274

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
RGN ONTARIO II LIMITED PARTNERSHIP
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

SEPTEMBER 18, 2020

1.0 Introduction

1. This report (“Report”) is filed by KSV Restructuring Inc.¹ (“KSV”) in its capacity as proposal trustee (“Proposal Trustee”) in connection with a Notice of Intention to Make a Proposal (“NOI”) filed on August 28, 2020 (“Filing Date”) by RGN Ontario II Limited Partnership (the “Partnership”) pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (“BIA”). A copy of the certificate of filing issued by the Office of the Superintendent of Bankruptcy is provided in Appendix “A”.
2. The principal purpose of these restructuring proceedings is to create a stabilized environment to allow the Partnership to operate without disruption, including preventing the Partnership Lease (as defined below) from being terminated, while the Partnership coordinates with the CCAA Debtors (as defined below) and the Chapter 11 Debtors (as defined below) to develop a plan to restructure the global business of Regus Corporation and its affiliates.
3. On August 17, 2020 (the “Filing Date”), the following entities filed voluntary petitions for relief pursuant to Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) with the United States Bankruptcy Court for the District of Delaware (the “U.S. Court”):
 - RGN-National Business Centers, LLC (“RGN-National” or the “Foreign Representative”);
 - H Work, LLC (f/k/a HQ Global Workplaces LLC) (“H Work”); and
 - RGN-Group Holdings, LLC (“Holdings”).

Collectively, RGN-National, H Work and Holdings are defined as the “Guarantor Debtors”.

¹ Effective August 31, 2020, KSV Kofman Inc. changed its name to KSV Restructuring Inc.

4. Prior to the Filing Date, the following entities filed voluntary petitions for relief under the Bankruptcy Code:
 - RGN-Columbus IV, LLC (“Columbus”) on July 30, 2020;
 - RGN-Chapel Hill II, LLC (“Chapel”) on August 2, 2020;
 - RGN-Chicago XVI, LLC (“Chicago”) on August 3, 2020; and
 - RGN-Fort Lauderdale III, LLC (“Fort Lauderdale”) on August 8, 2020.

Collectively, Fort Lauderdale, Columbus, Chicago and Chapel and the Guarantor Debtors are defined as the “Chapter 11 Debtors”. The proceedings involving the Chapter 11 Debtors are defined as the “Chapter 11 Proceedings”.

5. On August 18, 2020, the U.S. Court heard the Chapter 11 Debtors’ first day motions and granted certain orders (the “First Day Orders”).
6. On August 24, 2020, the Court issued the following orders pursuant to Part IV of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”):
 - a) the Initial Recognition Order (Foreign Main Proceeding) (“Recognition Order”), a copy of which is attached as Appendix “B”, which, *inter alia*, recognizes the Chapter 11 Proceedings as a “foreign main proceeding” and the Foreign Representative as the “foreign representative” as defined in section 45 of the CCAA. The Recognition Order also stays all proceedings against the Guarantor Debtors; and
 - b) the Supplemental Order (Foreign Main Proceeding) (the “Supplemental Order”), a copy of which is attached as Appendix “C” (without schedules), which, *inter alia*, appoints KSV as Information Officer with respect to the Chapter 11 Debtors, grants a stay of proceedings as set out therein, and recognizes certain of the First Day Orders (the “Recognition Proceedings”).
7. On August 28, 2020, the Foreign Representative sought an interim order under Section 49 of the CCAA extending the stay of proceedings to certain of the CCAA Debtors until they could bring an application for protection under the CCAA (the “August 28th Relief”). The Court refused the Foreign Representative’s request. Accordingly, on August 28, 2020, the Partnership filed an NOI. There was urgency for this entity to seek creditor protection as the lease for this entity’s business was at risk of immediate termination by its landlord, who opposed the August 28th Relief.
8. On August 31, 2020, the Court issued an Order granting Guardian Financial Corp. and the entities listed on Schedule “A” (collectively, the “Company”) protection under the CCAA, extending the stay of proceedings over the limited partnerships (“LPs”) listed in Schedule “B” attached hereto (together, the LPs and the Company are referred to as the “CCAA Debtors”) and appointing KSV as the CCAA monitor (the “CCAA Proceedings”).

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Partnership and related entities;
 - b) report on the Partnership's weekly cash flow projections for the period September 14, 2020 to November 15, 2020 (the "Forecast"); and
 - c) recommend that the Court make an order granting the Partnership's request for an extension of the time required to file its proposal, from September 27, 2020, the date the current stay expires, to November 11, 2020.

1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Proposal Trustee has relied upon unaudited financial information prepared by representatives and financial advisors of the Partnership and related companies, the books and records of the Partnership and related companies and discussions with the Canadian counsel to the Partnership and related companies.
2. The Proposal Trustee has not performed an audit or other verification of such information. An examination of the Partnership's financial forecasts as outlined in the *Chartered Professional Accountants of Canada Handbook* has not been performed. Future oriented financial information relied upon in this Report is based on the Partnership's assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Proposal Trustee expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report or relied upon by the Proposal Trustee in its preparation of this Report. The business and operations of the Partnership may be affected by the Covid-19 pandemic and the effect of the pandemic on the Partnership may be material.

2.0 Background

1. The Partnership was formed on February 8, 2010 under the *Limited Partnerships Act* (Ontario).
2. The Partnership holds a lease for premises located at 161 Bay St. in downtown Toronto, which expires on December 31, 2025 (the "Partnership Lease").
3. The Partnership and the CCAA Debtors are affiliates of Regus Corporation, a Delaware corporation, that, together with its affiliates (collectively, "IWG") offers a network of on-demand office and co-working spaces, and ancillary services and support, to a variety of clients across several industries in over 1,000 locations in the United States and Canada.

4. IWG is a multinational corporation, which operates over 3,300 locations across more than 110 countries. IWG's business model begins with entry into long-term commercial real property leases (each, a "Lease") with a property owner (each, a "Landlord") that provide IWG with unoccupied office space (the "Centres"). IWG develops and engineers each of the Centres to meet the needs of individuals, companies and organizations that contract for use of portions of the Centers. IWG markets its Centres under different brand names, each tailored to appeal to different types of clients and those clients' specialized needs. These clients (the "Occupants") enter into short-term licenses (each an "Occupancy Agreement") to use portions of the Centres, which are customizable as to duration, configuration, services and amenities. When operating successfully, the license payments from Occupants will exceed the combined cost of the underlying long-term lease, management cost and operating expenses of the Centre.
5. Generally, the lessee under each Lease is a special-purpose entity (an "SPE") formed for this specific purpose (each, a "Lease Holder"). In certain cases, the Lease Holder's obligations under the Lease are partially or fully guaranteed by another IWG entity, such as the Guarantor Debtors (This is the case with the Partnership – it is an SPE and its lease is guaranteed by one of the Guarantor Debtors.). The Occupancy Agreements are between the Occupant and an entity in the group, which is not an SPE². In Canada, most of the Occupants have contracted with RGN Management LP.
6. The Guarantor Debtors are guarantors, or are co-liable as original tenant-assignor, of 653 Leases in total as of the Filing Date, including 85 Leases in respect of Centres located in Canada ("Guaranteed Canadian Leases"). The Guarantor Debtors do not carry on business in Canada. Of the 85 Guaranteed Canadian Leases, approximately 39 of them provide, or may provide, that an insolvency filing by the Guarantor Debtors is an event of default, which may allow the respective Landlord to terminate the lease with little or no notice. The Partnership Lease is one such Lease.
7. IWG, through Canadian SPE affiliates of the Chapter 11 Debtors, operates 137 Centres in Canada (the "Canadian Affiliates"). The Canadian Affiliates are not subject to the Chapter 11 Proceedings. The CCAA Debtors represent a subset of the Canadian Affiliates.
8. A simplified organizational chart of IWG is provided in Appendix "D".
9. Further information concerning the Canadian and US proceedings is available on KSV's website at <https://www.ksvadvisory.com/insolvency-cases/case/rgn-national-business-centers>.

² From an accounting perspective, the economic interest is recorded in the SPE's financial statements.

2.1 Financial Position

1. The Partnership's internal and unaudited balance sheet as at July 31, 2020 is provided in Appendix "E". The balance sheet reflects retained earnings of \$975,000.

2.1.1 Assets

1. The Partnership's most significant assets as at July 31, 2020 included:
 - a) furniture, fixtures, leasehold improvements and equipment (net book value of approximately \$1 million);
 - b) an intercompany balance owing from RGN Management LP (approximately \$2 million), which contracts with the Occupants and deals with all other aspects of the Partnership Lease; and
 - c) miscellaneous other amounts, which are generally non-cash items, timing differences regarding when rent is paid versus when it is due and balances owing from Occupants (as at July 31, 2020, the net of these amounts was negative \$85,000.).

2.1.2 Liabilities

1. The Partnership's creditors as at the Filing Date are presented in the table below.

Unaudited	\$000s
Franchise International GmBH	339
RGN-National	63
Total	402

2. In addition to the above, the Partnership's landlord, CT Tower Investments Inc. (the "CT Landlord"), is a contingent creditor in respect of the Partnership's obligations for the remaining term of the Partnership Lease.
3. Other liabilities on the Partnership's balance sheet generally relate to amortization of the CT Landlord's contributions for tenant improvements and timing differences regarding rental payments.
4. As noted above, in the absence of the NOI filing, the CT Landlord would have been entitled to terminate the lease without notice as a result of the Chapter 11 filing by RGN-National, a Guarantor Debtor.

3.0 Cash Flow Forecast

1. The Partnership has prepared the Forecast for the period ending November 15, 2020. The Forecast and the related assumptions, together with Management's Report on the Cash-Flow Statement as required by section 50.4(2)(c) of the BIA and the Proposal Trustee's Report on the Cash Flow Statement as required by section 50.4(2)(b) of the BIA, are provided in Appendix "F".
2. The Forecast reflects funding from RGN Management LP, an affiliate, with the equivalent amount being paid to the CT Landlord for rent and other service charges related to the Partnership Lease³.
3. The Partnership's cash management system is part of a complex global arrangement within IWG whereby the cash and accounting for the SPEs is administered by related companies. Counsel for the Landlord has inquired as to the process and its impact, if any, on the creditors of the Partnership. The Proposal Trustee has commenced a review of this issue and will summarize it in a subsequent report that will be filed in these proceedings, the CCAA Proceedings or the Recognition Proceedings.

4.0 Partnership's Request for an Extension

1. The Partnership is seeking an extension of the time required to file its proposal to November 11, 2020. The Proposal Trustee supports the Partnership's request for the following reasons:
 - the Partnership is acting in good faith and with due diligence;
 - the Partnership's management has indicated that it may be able to make a viable proposal to its creditors if the extension is granted;
 - the extension should not adversely affect or prejudice any group of creditors as the Partnership is projected to have funding to pay post-filing services and supplies in the amounts contemplated by the Forecast;
 - the Partnership's restructuring is part of the global restructuring of the IWG business; and
 - it would provide the Partnership the additional time it requires to restructure its affairs as part of a coordinated effort with the CCAA Debtors and the Chapter 11 Debtors.
2. As discussed in the Partnership's materials seeking an extension, the Partnership is considering issues concerning filing a proposal while it contemporaneously explores avenues to consolidate this proceeding with the CCAA Proceedings and join as a "CCAA Debtor" in the CCAA Proceedings to allow the current multiplicity of proceedings to be more efficiently managed.

³ The amounts reflected represent the rent and property service charges payable during the Forecast period, excluding any deferred rent related to the period prior to commencement of the proceedings

5.0 Conclusion and Recommendation

1. Based on the foregoing, the Proposal Trustee respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(1)(c) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS TRUSTEE UNDER THE
NOTICE OF INTENTION TO MAKE A PROPOSAL OF
RGN ONTARIO II LIMITED PARTNERSHIP,
AND NOT IN ITS PERSONAL CAPACITY**

Schedule "A" – Additional Applicants

RGN Alberta IV GP Inc.
RGN Alberta GP Inc.
RGN Alberta X GP Inc.
RGN Alberta XIII GP Inc.
RGN Alberta XIV GP Inc.
RGN Alberta XVII GP Inc.
RGN British Columbia XX GP Inc.
RGN British Columbia XVI GP Inc.
RGN British Columbia XXV GP Inc.
RGN British Columbia XXIV GP Inc.
RGN Manitoba II GP Inc.
RGN Ontario II GP Inc.
RGN Ontario L GP Inc.
RGN Ontario LV GP Inc.
RGN Ontario LVI GP Inc.
RGN Ontario LVIII GP Inc.
RGN Ontario LXII GP Inc.
RGN Ontario XI GP Inc.
RGN Ontario XLI GP Inc.
RGN Ontario XLII GP Inc.
RGN Ontario XLV GP Inc.
RGN Ontario XLVI GP Inc.
RGN Ontario XLVII GP Inc.
RGN Ontario XLVIII GP Inc.
RGN Ontario XXI GP Inc.
RGN Ontario XXIV GP Inc.
RGN Ontario XXIX GP Inc.
RGN Ontario XXV GP Inc.
RGN Ontario XXVIII GP Inc.
RGN Ontario XXXI GP Inc.
RGN Ontario XXXII GP Inc.
RGN Ontario XXXIII GP Inc.
RGN Quebec V GP Inc.
RGN Quebec VI GP Inc.
RGN Quebec XIV GP Inc.
RGN Quebec XVI GP Inc.
RGN Services Limited

Schedule “B” – Limited Partnerships

RGN Alberta IV Limited Partnership
RGN Alberta Limited Partnership
RGN Alberta X Limited Partnership
RGN Alberta XIII Limited Partnership
RGN Alberta XIV Limited Partnership
RGN Alberta XVII Limited Partnership
RGN British Columbia XX Limited Partnership
RGN British Columbia XVI Limited Partnership
RGN British Columbia XXV Limited Partnership
RGN British Columbia XXIV Limited Partnership
RGN Manitoba II Limited Partnership
RGN Ontario L Limited Partnership
RGN Ontario LV Limited Partnership
RGN Ontario LVI Limited Partnership
RGN Ontario LVIII Limited Partnership
RGN Ontario LXII Limited Partnership
RGN Ontario XI Limited Partnership
RGN Ontario XLI Limited Partnership
RGN Ontario XLII Limited Partnership
RGN Ontario XLV Limited Partnership
RGN Ontario XLVI Limited Partnership
RGN Ontario XLVII Limited Partnership
RGN Ontario XLVIII Limited Partnership
RGN Ontario XXI Limited Partnership
RGN Ontario XXIV Limited Partnership
RGN Ontario XXIX Limited Partnership
RGN Ontario XXV Limited Partnership
RGN Ontario XXVIII Limited Partnership
RGN Ontario XXXI Limited Partnership
RGN Ontario XXXII Limited Partnership
RGN Ontario XXXIII Limited Partnership
RGN Quebec V Limited Partnership
RGN Quebec VI Limited Partnership
RGN Quebec XIV Limited Partnership
RGN Quebec XVI Limited Partnership

Appendix “A”



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2668274
Estate No. 31-2668274

In the Matter of the Notice of Intention to make a
proposal of:

RGN Ontario II Limited Partnership
Insolvent Person

KSV KOFMAN INC.
Licensed Insolvency Trustee

Date of the Notice of Intention: August 28, 2020

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 28, 2020, 15:42

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

Appendix “B”

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

THE HONOURABLE) MONDAY, THE 24TH
)
JUSTICE HAINEY) DAY OF AUGUST, 2020
)

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

**AND IN THE MATTER OF H WORK, LLC, RGN-GROUP HOLDINGS, LLC, RGN-NATIONAL
BUSINESS CENTERS, LLC, RGN-FORT LAUDERDALE III, LLC, RGN-COLUMBUS IV, LLC,
RGN-CHICAGO XVI, LLC, AND RGN-CHAPEL HILL II, LLC**

**APPLICATION OF RGN-NATIONAL BUSINESS CENTERS, LLC
UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

(Applicant)

**INITIAL RECOGNITION ORDER
(FOREIGN MAIN PROCEEDING)**

THIS APPLICATION, made by RGN-National Business Centers, LLC in its capacity as the foreign representative (the "**Foreign Representative**") of H Work, LLC (f/k/a HQ Global Workplaces LLC), RGN-Group Holdings, LLC, RGN-National Business Centres, LLC, RGN-Fort Lauderdale LII, LLC, RGN-Columbus IV, LLC, RGN-Chicago XVI, LLC, and RGN-Chapel Hill II, LLC (collectively, the "**Chapter 11 Debtors**", and each, a "**Chapter 11 Debtor**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order substantially in the form enclosed in the Application Record, proceeded on this day by way of video-conference due to the COVID-19 crisis.

ON READING the Notice of Application, the affidavit of James S. Feltman sworn August 22, 2020 (the "**Feltman Affidavit**"), the consent of KSV Kofman Inc. to act as the information officer and upon being provided with copies of the documents required by section 46 of the CCAA;

AND UPON BEING ADVISED by counsel for the Foreign Representative that in addition to this Initial Recognition Order, a Supplemental Order (Foreign Main Proceeding) is being sought;

AND UPON HEARING the submissions of counsel for the Foreign Representative and counsel for the proposed information officer, no other parties receiving notice of this Application.

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

FOREIGN REPRESENTATIVE

2. **THIS COURT ORDERS AND DECLARES** that the Foreign Representative is the “foreign representative” as defined in section 45 of the CCAA of the Chapter 11 Debtors in respect of the cases commenced by the Chapter 11 Debtors in the United States Bankruptcy Court for the District of Delaware pursuant to chapter 11 of title 11 of the United States Code (the “**Foreign Proceeding**”).

CENTRE OF MAIN INTEREST AND RECOGNITION OF FOREIGN PROCEEDING

3. **THIS COURT DECLARES** that the centre of its main interests for each of the Chapter 11 Debtors is the United States of America, and that the Foreign Proceeding is hereby recognized as a “foreign main proceeding” as defined in section 45 of the CCAA.

STAY OF PROCEEDINGS

4. **THIS COURT ORDERS** that until otherwise ordered by this Court:
- (a) all proceedings taken or that might be taken against any Chapter 11 Debtor under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act* are stayed;
 - (b) further proceedings in any action, suit or proceeding against any Chapter 11 Debtor are restrained; and
 - (c) the commencement of any action, suit or proceeding against any Chapter 11 Debtor is prohibited.

NO SALE OF PROPERTY

5. **THIS COURT ORDERS** that, except with leave of this Court, each of the Chapter 11 Debtors is prohibited from selling or otherwise disposing of:

- (a) outside the ordinary course of its business, any of its property in Canada that relates to the business; and
- (b) any of its other property in Canada.

GENERAL

6. **THIS COURT ORDERS** that within five (5) business days from the date of this Order, or as soon as practicable thereafter, the Foreign Representative, with the assistance of the Information Officer, shall (a) cause to be published a notice substantially in the form attached to this Order as Schedule "A" (the "**Notice**"), once a week for two consecutive weeks, in *The Globe & Mail (National Edition)* and *Le Devoir*; and (b) send a copy of the Notice by registered mail to each landlord under a Guaranteed Canadian Lease (as defined in the Feltman Affidavit) at the address contained in the books and records of the Chapter 11 Debtors.

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist the Chapter 11 Debtors and the Foreign Representative and their respective counsel and agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS** that this Court is seized of these proceedings and any interested party may seek to vary or amend this Order or seek other relief by filing a motion with this Court on not less than seven (7) days notice to the Chapter 11 Debtors, the Foreign Representative, the Information Officer and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.

9. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. from the date it is made without any need for entry and filing.

A handwritten signature in cursive script, appearing to read "Hailey J.", is written over a horizontal line.

Schedule "A" – Notice of Recognition Order

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

**AND IN THE MATTER OF H WORK, LLC, RGN-GROUP HOLDINGS, LLC, RGN-NATIONAL
BUSINESS CENTERS, LLC, RGN-FORT LAUDERDALE III, LLC, RGN-COLUMBUS IV, LLC,
RGN-CHICAGO XVI, LLC, AND RGN-CHAPEL HILL II, LLC
(collectively, the "CHAPTER 11 DEBTORS")**

PLEASE BE ADVISED that this Notice is being published pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**"), granted on August 24, 2020 (the "**Recognition Order**").

PLEASE TAKE NOTICE that the Chapter 11 Debtors commenced voluntary reorganization cases (the "**Chapter 11 Cases**") pursuant to chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the District of Delaware (the "**US Court**"). In connection with the Chapter 11 Cases, the Chapter 11 Debtors have appointed RGN-National Business Centers, LLC as the foreign representative of the Chapter 11 Debtors (the "**Foreign Representative**"). The Foreign Representative's address is 3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006.

AND TAKE NOTICE that pursuant to the Recognition Order issued by the Canadian Court under Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**"), (i) RGN-National Business Centers, LLC was recognized as "foreign representative"; (ii) the Chapter 11 Cases were recognized as "foreign main proceedings"; (iii) a stay of proceedings against the Chapter 11 Debtors was granted; (iv) KSV Kofman Inc. was appointed as the Information Officer with respect to the proceedings in the Canadian Court; and (v) certain orders entered by the U.S. Court in the Chapter 11 Cases were recognized by the Canadian Court.

AND TAKE NOTICE that materials filed with and issued by the Canadian Court may be viewed online at: <https://www.ksvadvisory.com/insolvency-cases/case/rgn-national-business-centers>. If you wish to receive copies of such materials or obtain further information in respect of the matters set forth in this Notice, you may contact the Information Officer at:

KSV KOFMAN INC.
150 King Street West, Suite 2308
Toronto, Ontario, M5H 1J9
Attention: Mitch Vininsky
Email: mvininsky@ksvadvisory.com

PLEASE FINALLY TAKE NOTICE that Canadian counsel for the Foreign Representative is:

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street, Toronto ON M5L 1B9
Attention: Lee Nicholson
Email: leenicholson@stikeman.com

DATED AT TORONTO, ONTARIO this ● day of August 2020.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C 36, AS AMENDED AND IN THE MATTER OF H WORK, LLC, RGN-GROUP HOLDINGS, LLC, RGN-NATIONAL BUSINESS CENTERS, LLC, RGN-FORT LAUDERDALE III, LLC, RGN-COLUMBUS IV, LLC, RGN-CHICAGO XVI, LLC, AND RGN-CHAPEL HILL II, LLC

APPLICATION OF RGN-NATIONAL BUSINESS CENTERS, LLC UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.: CV-20-00646084-00CL

<p>ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</p> <p>Proceeding commenced at Toronto</p>
<p>INITIAL RECOGNITION ORDER (FOREIGN MAIN PROCEEDING)</p>
<p>STIKEMAN ELLIOTT LLP Barristers & Solicitors 5300 Commerce Court West 199 Bay Street Toronto, Canada M5L 1B9</p> <p>Ashley Taylor LSO#: 39932E Tel: (416) 869-5236 Email: ataylor@stikeman.com</p> <p>Lee Nicholson LSO #66412I Tel: (416) 869-5604 Email: leenicholson@stikeman.com</p> <p>Nicholas Avis LSO#: 76781Q Tel: (416) 869-5504 Email: navis@stikeman.com Fax: (416) 947-0866</p> <p>Lawyers for the Foreign Representative</p>

Appendix “C”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) MONDAY, THE 24TH
)
JUSTICE HAINEY) DAY OF AUGUST, 2020

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

AND IN THE MATTER OF H WORK, LLC, RGN-GROUP HOLDINGS, LLC, RGN-NATIONAL
BUSINESS CENTERS, LLC, RGN-FORT LAUDERDALE III, LLC, RGN-COLUMBUS IV, LLC,
RGN-CHICAGO XVI, LLC, AND RGN-CHAPEL HILL II, LLC

APPLICATION OF RGN-NATIONAL BUSINESS CENTERS, LLC
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

(Applicant)

SUPPLEMENTAL ORDER
(FOREIGN MAIN PROCEEDING)

THIS APPLICATION, made by RGN-National Business Centers, LLC in its capacity as the foreign representative (the "**Foreign Representative**") of H Work, LLC (f/k/a HQ Global Workplaces LLC), RGN-Group Holdings, LLC, RGN-National Business Centers, LLC, RGN-Fort Lauderdale LII, LLC, RGN-Columbus IV, LLC, RGN-Chicago XVI, LLC, and RGN-Chapel Hill II, LLC (collectively, the "**Chapter 11 Debtors**", and each, a "**Chapter 11 Debtor**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order substantially in the form enclosed in the Application Record, proceeded on this day by way of video-conference due to the COVID-19 crisis.

ON READING the Notice of Application, the affidavit of James S. Feltman sworn August 22, 2020 (the "**Kofman Affidavit**") and the consent of KSV Kofman Inc. to act as the Information Officer (as defined below);

AND UPON HEARING the submissions of counsel for the Foreign Representative and counsel for the proposed Information Officer, no other parties receiving notice of this Application.

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

INITIAL RECOGNITION ORDER

2. **THIS COURT ORDERS** that any capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Initial Recognition Order (Foreign Main Proceeding) dated August 24, 2020 (the "**Recognition Order**").

3. **THIS COURT ORDERS** that the provisions of this Supplemental Order shall be interpreted in a manner complementary and supplementary to the provisions of the Recognition Order, provided that in the event of a conflict between the provisions of this Supplemental Order and the provisions of the Recognition Order, the provisions of the Recognition Order shall govern.

RECOGNITION OF FOREIGN ORDERS

4. **THIS COURT ORDERS** that the following orders (collectively, the "**Foreign Orders**") of the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**") made in the Foreign Proceeding are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to section 49 of the CCAA:

- (a) *Order Approving Application Appointing Epiq Corporate Restructuring, LLC as Claims and Noticing Agent for the Debtors Pursuant to 28 U.S.C. 156(c);*
- (b) *Order Authorizing RGN-National Business Centers, LLC to Serve as Foreign Representative on Behalf of the Debtors' Estates; and*
- (c) *Order (I) Directing Joint Administration and (II) Authorizing the Filing of a Consolidated Creditor Matrix;*

(copies of each such Foreign Orders are attached hereto and marked as Schedules "A" through Schedule "C", respectively)

provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to Property (as defined below) in Canada.

APPOINTMENT OF INFORMATION OFFICER

5. **THIS COURT ORDERS** that KSV Kofman Inc. (the “**Information Officer**”) is hereby appointed as an officer of this Court, with the powers and duties set out herein and any other Order made in these proceedings.

NO PROCEEDINGS AGAINST THE CHAPTER 11 DEBTORS OR THE PROPERTY

6. **THIS COURT ORDERS** that until such date as this Court may order (the “**Stay Period**”) no proceeding or enforcement process in any court or tribunal in Canada (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Chapter 11 Debtors or affecting their business (the “**Business**”) or their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof (the “**Property**”), except with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Chapter 11 Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

7. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Chapter 11 Debtors, or affecting the Business or the Property, are hereby stayed and suspended except with leave of this Court, provided that nothing in this Order shall (a) prevent the assertion of or the exercise of rights and remedies outside of Canada, (b) empower any of the Chapter 11 Debtors to carry on any business in Canada which that Chapter 11 Debtor is not lawfully entitled to carry on, (c) affect such investigations or Proceedings by a regulatory body as are permitted by section 11.1 of the CCAA, (d) prevent the filing of any registration to preserve or perfect a security interest, or (e) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

8. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by any of the Chapter 11 Debtors and affecting the Business in Canada, except with leave of this Court.

ADDITIONAL PROTECTIONS

9. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Chapter 11 Debtors or statutory or regulatory mandates for the supply of goods and/or services in Canada, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services provided in respect of the Property or Business of the Chapter 11 Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Chapter 11 Debtors, and that the Chapter 11 Debtors shall be entitled to the continued use in Canada of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names.

10. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Chapter 11 Debtors with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Chapter 11 Debtors whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

11. **THIS COURT ORDERS** that no Proceeding shall be commenced or continued against or in respect of the Information Officer, except with leave of this Court. In addition to the rights and protections afforded to the Information Officer herein, or as an officer of this Court, the Information Officer shall have the benefit of all of the rights and protections afforded to a Monitor under the CCAA, and shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.

OTHER PROVISIONS RELATING TO INFORMATION OFFICER

12. **THIS COURT ORDERS** that the Information Officer:
- (a) is hereby authorized to provide such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request;
 - (b) shall report to this Court periodically as it deems appropriate with respect to the status of these proceedings and the status of the Foreign Proceedings, which reports may include information relating to the Property, the Business, or such other matters as may be relevant to the proceedings herein;
 - (c) shall have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Chapter 11 Debtors, to the extent that is necessary to perform its duties arising under this Order; and
 - (d) shall be at liberty to engage independent legal counsel or such other persons as the Information Officer deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order.
13. **THIS COURT ORDERS** that the Chapter 11 Debtors and the Foreign Representative shall (a) advise the Information Officer of all material steps taken by the Chapter 11 Debtors or the Foreign Representative in these proceedings or in the Foreign Proceedings, (b) co-operate fully with the Information Officer in the exercise of its powers and discharge of its obligations, and (c) provide the Information Officer with the assistance that is necessary to enable the Information Officer to adequately carry out its functions.
14. **THIS COURT ORDERS** that the Information Officer shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.
15. **THIS COURT ORDERS** that the Information Officer (a) shall post on its website all Orders of this Court made in these proceedings, all reports of the Information Officer filed herein, and such other materials as this Court may order from time to time, and (b) may post on its website any other materials that the Information Officer deems appropriate.

16. **THIS COURT ORDERS** that the Information Officer may provide any creditor of a Chapter 11 Debtor with information provided by the Chapter 11 Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Information Officer. The Information Officer shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Information Officer has been advised by the Chapter 11 Debtors is privileged or confidential, the Information Officer shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Information Officer, the Foreign Representative and the relevant Chapter 11 Debtors may agree.

17. **THIS COURT ORDERS** that Canadian counsel to the Chapter 11 Debtors, the Information Officer and counsel to the Information Officer shall be paid by the Chapter 11 Debtors and/or the Canadian Affiliates (as defined in the Feltman Affidavit) their reasonable fees and disbursements and applicable taxes incurred in respect of these proceedings, both before and after the making of this Order, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts. The Chapter 11 Debtors and/or the Canadian Affiliates are hereby authorized and directed to pay the accounts of Canadian counsel to the Chapter 11 Debtors, the Information Officer and counsel for the Information Officer forthwith upon receipt.

18. **THIS COURT ORDERS** that the Information Officer and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Information Officer and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice, and the accounts of the Information Officer and its counsel shall not be subject to approval in the Foreign Proceeding.

SERVICE AND NOTICE

19. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (Ontario), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure* (Ontario). Subject to Rule 3.01(d) of the *Rules of Civil*

Procedure (Ontario) and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.ksvadvisory.com/insolvency-cases/case/rgn-national-business-centers>.

20. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Chapter 11 Debtors, the Foreign Representative and the Information Officer are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Chapter 11 Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the applicable Chapter 11 Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

21. **THIS COURT ORDERS** that the Foreign Representative, the Chapter 11 Debtors and the Information Officer and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Chapter 11 Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

22. **THIS COURT ORDERS** that the Information Officer may from time to time apply for advice and directions in the discharge of its powers and duties hereunder.

23. **THIS COURT ORDERS** that nothing in this Order shall prevent the Information Officer from acting as an interim receiver, a receiver, a receiver and manager, a monitor, a proposal trustee, or a trustee in bankruptcy of any Chapter 11 Debtor, the Business or the Property.

24. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of

America, to give effect to this Order and to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Chapter 11 Debtors, the Foreign Representative, and the Information Officer, the latter as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Chapter 11 Debtors, the Foreign Representative, and the Information Officer and their respective agents in carrying out the terms of this Order.

25. **THIS COURT ORDERS** that each of the Chapter 11 Debtors, the Foreign Representative and the Information Officer shall be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

26. **THIS COURT ORDERS** that the Guidelines for Court-to-Court Communications in Cross-Border Cases developed by the American Law Institute adopted by this Court and the U.S. Court and attached as Schedule "D" hereto is adopted by this Court for the purposes of these recognition proceedings.

27. **THIS COURT ORDERS** that this Court is seized of these proceedings and that any interested party may seek to vary or amend this Order or seek other relief by filing a motion with this Court on not less than seven (7) days notice to the Chapter 11 Debtors, the Foreign Representative, the Information Officer and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.

28. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. from the date it is made without any need for entry and filing.

A handwritten signature in black ink, appearing to read "Harvey J.", is written over a horizontal line. The signature is stylized and cursive.

Schedule "A" – Claims and Noticing Agent Order

[Attached]

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

RGN-GROUP HOLDINGS, LLC, a Delaware
limited liability company, *et al.*¹

Debtors.

Chapter 11

Case No. 20-11961 (BLS)
(Jointly Administered)

Ref. Dkt. No. 5

**ORDER APPOINTING EPIQ CORPORATE
RESTRUCTURING, LLC AS CLAIMS AND NOTICING AGENT
EFFECTIVE AS OF THE GUARANTOR DEBTORS' PETITION DATE**

Upon the application (the "Section 156(c) Application")² of the Debtors for entry of an order, pursuant to 28 U.S.C. § 156(c), section 105(a) of the Bankruptcy Code, Bankruptcy Rule 2002 and Local Rule 2002-1(f), appointing Epiq as the Claims and Noticing Agent in the Chapter 11 Cases effective as of the Guarantor Debtors' Petition Date, to, among other things, (i) distribute required notices to parties in interest, (ii) receive, maintain, docket, and otherwise administer the proofs of claim filed in the Debtors' Chapter 11 Cases, and (iii) provide such other administrative services as required by the Debtors that would fall within the purview of services to be provided by the Clerk's office, all as more fully set forth in the Section 156(c) Application; and this Court having jurisdiction to consider the Section 156(c) Application and

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's Federal Employer Identification Numbers ("FEIN"), where applicable are as follows: RGN-Group Holdings, LLC, RGN-National Business Centers, LLC (7723), H Work, LLC (4516), RGN-Columbus IV, LLC, RGN-Chapel Hill II, LLC, RGN-Chicago XVI, LLC, and RGN-Fort Lauderdale III, LLC. The aforementioned Debtors that do not include a FEIN are disregarded entities for tax purposes and do not have FEINs. The mailing address for the Debtors is 3000 Kellway Drive, Suite 140, Carrollton, Texas 75006 (Attn: James S. Feltman, Responsible Officer).

the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Order of Reference; and consideration of the Section 156(c) Application and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and that no other notice need be provided; and this Court having held a hearing to consider the relief requested in the Section 156(c) Application (the "Hearing"); and upon the First Day Declaration and the Young Declaration, the record of the Hearing, and all proceedings had before this Court; and this Court having determined that the legal and factual bases set forth in the Section 156(c) Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT

1. The Section 156(c) Application is granted as set forth herein.
2. Notwithstanding the terms of the Retention Agreement attached to the Section 156(c) Application, the Section 156(c) Application is granted solely as set forth in this Order and solely with respect to the Claims and Noticing services set forth in the Services Schedule attached to the Retention Agreement.
3. Pursuant to 28 U.S.C. § 156(c), section 105(a) of the Bankruptcy Code, Bankruptcy Rule 2002, and Local Rule 2002-1(f), the Debtors are authorized to retain Epiq as Claims and Noticing Agent in these Chapter 11 Cases, effective as of the Guarantor Debtors' Petition Date, under the terms of the Retention Agreement, and Epiq is authorized and directed to perform the Claims and Noticing Services and to receive, maintain, record, and otherwise

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed

administer the proofs of claim filed in these Chapter 11 Cases, and perform all related tasks as set forth in the Section 156(c) Application.

4. Epiq shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in these Chapter 11 Cases, and is authorized and directed to maintain the official Claims Register for the Debtors, to provide public access to every proof of claim unless otherwise ordered by the Court, and to provide the Clerk with a certified duplicate thereof upon request of the Clerk.

5. Epiq is authorized and directed to obtain a post office box or address for the receipt of proofs of claim.

6. Epiq is authorized to take such other actions as required to comply with all duties set forth in the Section 156(c) Application and this Order.

7. Epiq shall comply with all requests of the Clerk and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c).

8. Without further order of this Court, the Debtors are authorized to compensate Epiq in accordance with the terms and conditions of the Retention Agreement upon receipt of reasonably detailed monthly invoices setting forth the services provided by Epiq and the rates charged for each, and to reimburse Epiq for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for Epiq to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

to such terms in the Section 156(c) Application.

9. Epiq shall maintain records of all services showing dates, categories of services, fees charged, and expenses incurred, and shall serve monthly invoices on the Debtors, the U.S. Trustee, the Subchapter V Trustee, counsel for the Debtors, counsel for any statutory committee, and any party in interest that specifically requests service of the monthly invoices.

10. The parties shall meet and confer in an attempt to resolve any dispute that may arise relating to the Retention Agreement or monthly invoices, and the parties may seek resolution of the matter from this Court if resolution is not achieved.

11. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, Epiq's fees and expenses incurred in connection with the Claims and Noticing Services shall be an administrative expense of the Debtors' chapter 11 estates.

12. Epiq may apply its retainer to all prepetition invoices, which retainer shall be replenished to the original retainer amount of \$25,000 and thereafter Epiq may hold the retainer during these Chapter 11 Cases as security for payment of Epiq's final invoice for services rendered and expenses incurred under the Retention Agreement.

13. The Debtors are authorized to indemnify Epiq under the terms of the Retention Agreement, subject to the following modifications:

- a. Epiq shall not be entitled to indemnification, contribution, or reimbursement pursuant to the Retention Agreement for services other than the Claims and Noticing Services provided under the Retention Agreement, unless such services and the indemnification, contribution, or reimbursement therefor are approved by the Court;
- b. Notwithstanding anything to the contrary in the Retention Agreement, the Debtors shall have no obligation to indemnify Epiq, or provide contribution or reimbursement to Epiq, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from Epiq's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of Epiq's contractual obligations if the Court determines that indemnification, contribution, or reimbursement would not be permissible pursuant to *In re United Artists Theatre Co.*, 315 F.3d 217 (3d Cir. 2003),

or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which Claims and Noticing Agent should not receive indemnity, contribution, or reimbursement under the terms of the Retention Agreement as modified by this Order;

- c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these Chapter 11 Cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing the Chapter 11 Cases, Epiq believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the Retention Agreement (as modified by this Order), including without limitation the advancement of defense costs, Epiq must file an application therefor in this Court, and the Debtors may not pay any such amounts to Epiq before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by Epiq for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify Epiq. All parties in interest shall retain the right to object to any demand by Epiq for indemnification, contribution, or reimbursement.

14. In the event Epiq is unable to provide the Claims and Noticing Services, Epiq shall immediately notify the Clerk and the Debtors' counsel and cause all original proofs of claim and computer information to be turned over to another claims and noticing agent with the advice and consent of the Clerk and the Debtors' counsel.

15. The Debtors may submit a separate retention application, pursuant to section 327 of the Bankruptcy Code and/or any applicable law, for services that are to be performed by Epiq but are not specifically authorized by this Order.

16. Epiq shall not cease providing Claims and Noticing Services during these Chapter 11 Cases for any reason, including nonpayment, without an order of the Court.

17. In the event of any inconsistency between the Retention Agreement, the Section 156(c) Application, and this Order, this Order shall govern.

18. The Debtors and Epiq are authorized to take all actions necessary to effectuate the relief granted in this Order.

19. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: August 19th, 2020 Wilmington,
Delaware



**BRENDAN L. SHANNON UNITED STATES BANKRUPTCY
JUDGE**

Schedule "B" – Foreign Representative Order

[Attached]

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

RGN-GROUP HOLDINGS, LLC, LLC, a
Delaware limited liability company, *et al.*¹

Debtors.

Chapter 11

Case No. 20-11961 (BLS)
(Jointly Administered)

Ref. Dkt. Nos. 6 & 23

**ORDER AUTHORIZING RGN-NATIONAL BUSINESS
CENTERS, LLC TO SERVE AS FOREIGN REPRESENTATIVE
ON BEHALF OF THE DEBTORS' ESTATES**

Upon the motion (the "Motion")² of the Debtors for entry of an order: (i) authorizing RGN-National to act as a Foreign Representative on behalf of the Debtors' estates in the Canadian Proceedings; (ii) authorizing RGN-National to seek recognition by the Canadian Court of these chapter 11 cases and the orders made by the Court in these chapter 11 cases; (iii) requesting that the Canadian Court lend assistance to this Court in relation to the protection of the Debtors' estates in Canada, including by giving effect to the automatic stay under section 362(a) of the Bankruptcy Code in Canada; (iv) authorizing RGN-National to seek any other appropriate relief from the Canadian Court that RGN-National deems just and proper in the furtherance of the protection of the Debtors' estates; and (v) granting related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's Federal Employer Identification Numbers ("FEIN"), where applicable are as follows: RGN-Group Holdings, LLC, RGN-National Business Centers, LLC (7723), H Work, LLC (4516), RGN-Columbus IV, LLC, RGN-Chapel Hill II, LLC, RGN-Chicago XVI, LLC, and RGN-Fort Lauderdale III, LLC. The aforementioned Debtors that do not include a FEIN are disregarded entities for tax purposes and do not have FEINs. The mailing address for the Debtors is 3000 Kellway Drive, Suite 140, Carrollton, Texas 75006 (Attn: James S. Feltman, Responsible Officer).

² Capitalized terms used herein, but not otherwise defined, have the meanings given to them in the Motion.

28 U.S.C. §§ 157 and 1334 and the Order of Reference; and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and that no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. All objections to the Motion or the relief requested therein, if any, that have not been made, withdrawn, waived, or settled, and all reservations of rights included therein, hereby are overruled on the merits.
3. RGN-National is hereby authorized to (i) act as the Foreign Representative of the Debtors; (ii) seek recognition of these chapter 11 cases in the Canadian Proceeding; (iii) request that the Canadian Court lend assistance to this Court in protecting the property of the estates; and (iv) seek any other appropriate relief from the Canadian Court that RGN-National deems just and proper in the furtherance of the protection of the Debtors' estates.

4. In order to clarify the responsibilities of the Subchapter V Trustee in relation to the Canadian Proceeding, until such time as RGN-National ceases to be a debtor in possession and the Court appoints the Subchapter V Trustee as the Foreign Representative, the Subchapter V Trustee shall not operate as the Foreign Representative and the Debtors shall indemnify and hold the Subchapter V Trustee and any professional retained by the Subchapter V Trustee in these cases harmless from and against any and all losses, claims, damages, liabilities, deficiencies, actions, suits, proceedings, costs, or expenses whatsoever arising out of, based upon, or in any way related or attributed to the actions taken by the Foreign Representative, or any failures to act by the Foreign Representative, as part of the Canadian Proceeding.

5. This Court requests the aid and assistance of the Canadian Court to recognize these chapter 11 cases as a “foreign main proceeding” and RGN-National as a “foreign representative” pursuant to the CCAA, and to recognize and give full force and effect in all provinces and territories of Canada to this Order.

6. This Court requests the assistance of the Canadian Court to act in aid of and be auxiliary to this Court in relation to the protection of the Debtors’ estates in Canada, including by giving effect to the automatic stay under section 362(a) of the Bankruptcy Code in Canada.

7. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

8. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order.

[Remainder of page intentionally left blank.]

9. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: August 20th, 2020 Wilmington,
Delaware


BRENDAN L. SHANNON UNITED STATES BANKRUPTCY
JUDGE

Schedule "C" – Joint Administration Order

[Attached]

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT DELAWARE**

In re:

RGN-GROUP HOLDINGS, LLC, a Delaware
limited liability company, *et al.*¹

Debtors.

Chapter 11

Case No. 20-11961 (BLS)
(Jointly Administered)

Docket Ref. Nos. 14 & 4

**ORDER (I) DIRECTING JOINT ADMINISTRATION AND (II) AUTHORIZING THE
FILING OF A CONSOLIDATED CREDITOR MATRIX**

Upon the motion [Case No. 20-11894; D.I. 14] (the "Motion")² and the joinder [Case No. 20-11961; D.I. 4] (the "Joinder") filed by the above-captioned Debtors for entry of an order under section 105(a) of the Bankruptcy Code, Bankruptcy Rules 1001, 1007, and 1015, and Local Rules 1001-1(c) and 1015-1 authorizing (i) the joint administration of the Debtors' chapter 11 cases for procedural purposes only and (ii) the filing of a consolidated creditor matrix in lieu of separate mailing matrices for each Debtor; and it appearing that (i) the Court has jurisdiction over these chapter 11 cases and the Motion under 28 U.S.C. §§ 1334(b) and 157, and the Order of Reference, (ii) venue of these chapter 11 cases and the Motion in this Court is proper under 28 U.S.C. §§ 1408 and 1409, (iii) the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Court may enter a final order consistent with Article III of the United States

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's Federal Employer Identification Numbers ("FEIN"), where applicable are as follows: RGN-Group Holdings, LLC, RGN-National Business Centers, LLC (7723), H Work, LLC (4516), RGN-Columbus IV, LLC, RGN-Chapel Hill II, LLC, RGN-Chicago XVI, LLC, and RGN-Fort Lauderdale III, LLC. The aforementioned Debtors that do not include a FEIN are disregarded entities for tax purposes and do not have FEINs. The mailing address for the Debtors is 3000 Kellway Drive, Suite 140, Carrollton, Texas 75006 (Attn: James S. Feltman, Responsible Officer).

² Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Motion.

Constitution, and (iv) notice of the Motion and Joinder was adequate and proper under the circumstances, and no other or further notice need be given; and the Court having held a hearing to consider the relief requested in the Motion and the Joinder; and upon the record of the hearing and all of the proceedings had before this Court; and it appearing that the relief requested in the Motion and the Joinder is in the best interests of the Debtors, their estates, their creditors, and all other parties in interest, and that the legal and factual bases set forth in the Motion and the Joinder establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. The Motion and the Joinder are GRANTED, as set forth herein.
2. All objections to the entry of this Order, to the extent not withdrawn or settled, are overruled.
3. The above-captioned cases are consolidated for procedural purposes only and shall be administered jointly under Case No. 20-11961 (BLS) in accordance with the provisions of Bankruptcy Rule 1015 and Local Rule 1015-1.
4. The caption of pleadings and other documents filed in the jointly administered cases shall read as follows:

In re:

RGN-GROUP HOLDINGS, LLC, a Delaware limited liability company, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-11961 (BLS)
(Jointly Administered)

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtor's Federal Employer Identification Numbers ("FEIN"), where applicable are as follows: RGN-Group Holdings, LLC, RGN-National Business Centers, LLC (7723), H Work, LLC (4516), RGN-Columbus IV, LLC, RGN-Chapel Hill II, LLC, RGN-Chicago XVI, LLC, and RGN-Fort

Lauderdale III, LLC. The aforementioned Debtors that do not include a FEIN are disregarded entities for tax purposes and do not have FEINs. The mailing address for the Debtors is 3000 Kellway Drive, Suite 140, Carrollton, Texas 75006 (Attn: James S. Feltman, Officer).

5. The caption set forth above shall be deemed to satisfy any applicable requirements of section 342(c) of the Bankruptcy Code and Bankruptcy Rule 2002(n).

6. All pleadings and other documents to be filed in the jointly administered cases shall be filed and docketed in the case of RGN-GROUP HOLDINGS, LLC, Case No. 20-11961 (BLS).

7. A docket entry shall be made in the chapter 11 cases of the Debtors other than RGN-GROUP HOLDINGS, LLC substantially as follows:

An order has been entered in this case consolidating this case with the case of RGN-GROUP HOLDINGS, LLC, Case No. 20-11961 (BLS), for procedural purposes only and providing for its joint administration in accordance with the terms thereof. The docket in Case No. 20-11961 (BLS) should be consulted for all matters affecting this case.

8. Any creditor filing a proof of claim against any of the Debtors shall clearly assert such claim against the particular Debtor obligated on such claim and not against the jointly administered Debtors, except as otherwise provided in any other order of this Court.

9. The Debtors are authorized to file a consolidated Creditor Matrix; however, for the avoidance of doubt, this Order does not otherwise modify the Debtors' reporting obligations.

10. The procedural relief requested in the Motion and the Joinder and granted by this Order is for administrative purposes only, and nothing contained in the Motion, the Joinder, or this Order shall be deemed or construed as directing or otherwise effecting the substantive consolidation of the Debtors or their estates.

11. This Order shall take effect immediately upon entry.

12. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implantation, interpretation, and enforcement of this Order.

Dated: August 20th, 2020 Wilmington,
Delaware



**BRENDAN L. SHANNON UNITED STATES BANKRUPTCY
JUDGE**

Schedule "D" – Court to Court Communications Protocol

[Attached]

THE AMERICAN LAW INSTITUTE

TRANSNATIONAL INSOLVENCY:
COOPERATION AMONG
THE NAFTA COUNTRIES

PRINCIPLES OF
COOPERATION AMONG
THE
NAFTA COUNTRIES

**Guidelines Applicable to Court-to-Court Communications in
Cross-Border Cases**

As Adopted and Promulgated
BY
THE AMERICAN LAW INSTITUTE
AT WASHINGTON, D.C.

May 16, 2000



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Guidelines
Applicable to Court-to-Court Communications
in Cross-Border Cases

Introduction:

One of the most essential elements of cooperation in cross-border cases is communication among the administrating authorities of the countries involved. Because of the importance of the courts in insolvency and reorganization proceedings, it is even more essential that the supervising courts be able to coordinate their activities to assure the maximum available benefit for the stakeholders of financially troubled enterprises.

These Guidelines are intended to enhance coordination and harmonization of insolvency proceedings that involve more than one country through communications among the jurisdictions involved. Communications by judges directly with judges or administrators in a foreign country, however, raise issues of credibility and proper procedures. The context alone is likely to create concern in litigants unless the process is transparent and clearly fair. Thus, communication among courts in cross-border cases is both more important and more sensitive than in domestic cases. These Guidelines encourage such communications while channeling them through transparent procedures. The Guidelines are meant to permit rapid cooperation in a developing insolvency case while ensuring due process to all concerned.

The Guidelines at this time contemplate application only between Canada and the United States because of the very different rules governing communications with and among courts in Mexico. Nonetheless, a Mexican Court might choose to adopt some or all of these Guidelines for communications by a *sindico* with foreign administrators or courts.

A Court intending to employ the Guidelines — in whole or part, with or without modifications — should adopt them formally before applying them. A Court may wish to make its adoption of the Guidelines contingent upon, or temporary until, their adoption by other courts concerned in the matter. The adopting Court may want to make adoption or continuance conditional upon adoption of the Guidelines by the other Court in a substantially similar form, to ensure that judges, counsel, and parties are not subject to different standards of conduct.

The Guidelines should be adopted following such notice to the parties and counsel as would be given under local procedures with regard to any important procedural decision under similar circumstances. If communication with other courts is urgently needed, the local procedures, including notice requirements, that are used in urgent or emergency situations should be employed, including, if appropriate, an initial period of effectiveness, followed by further consideration of the Guidelines at a later time. Questions about the parties entitled to such notice (for example, all parties or representative parties or representative counsel) and the nature of the court's

consideration of any objections (for example, with or without a hearing) are governed by the Rules of Procedure in each jurisdiction and are not addressed in the Guidelines.

The Guidelines are not meant to be static, but are meant to be adapted and modified to fit the circumstances of individual cases and to change and evolve as the international insolvency community gains experience from working with them. They are to apply only in a manner that is consistent with local procedures and local ethical requirements. They do not address the details of notice and procedure that depend upon the law and practice in each jurisdiction. However, the Guidelines represent approaches that are likely to be highly useful in achieving efficient and just resolutions of cross-border insolvency issues. Their use, with such modifications and under such circumstances as may be appropriate in a particular case, is therefore recommended.

Guideline 1

Except in circumstances of urgency, prior to a communication with another Court, the Court should be satisfied that such a communication is consistent with all applicable Rules of Procedure in its country. Where a Court intends to apply these Guidelines (in whole or in part and with or without modifications), the Guidelines to be employed should, wherever possible, be formally adopted before they are applied. Coordination of Guidelines between courts is desirable and officials of both courts may communicate in accordance with Guideline 8(d) with regard to the application and implementation of the Guidelines.

Guideline 2

A Court may communicate with another Court in connection with matters relating to proceedings before it for the purposes of coordinating and harmonizing proceedings before it with those in the other jurisdiction.

Guideline 3

A Court may communicate with an Insolvency Administrator in another jurisdiction or an authorized Representative of the Court in that jurisdiction in connection with the coordination and harmonization of the proceedings before it with the proceedings in the other jurisdiction.

Guideline 4

A Court may permit a duly authorized Insolvency Administrator to communicate with a foreign Court directly, subject to the approval of the foreign Court, or through an Insolvency Administrator in the other jurisdiction or through an authorized Representative of the foreign Court on such terms as the Court considers appropriate.

Guideline 5

A Court may receive communications from a foreign Court or from an authorized Representative of the foreign Court or from a foreign Insolvency Administrator and

should respond directly if the communication is from a foreign Court (subject to Guideline 7 in the case of two-way communications) and may respond directly or through an authorized Representative of the Court or through a duly authorized Insolvency Administrator if the communication is from a foreign Insolvency Administrator, subject to local rules concerning ex parte communications.

Guideline 6

Communications from a Court to another Court may take place by or through the Court:

- (a) Sending or transmitting copies of formal orders, judgments, opinions, reasons for decision, endorsements, transcripts of proceedings, or other documents directly to the other Court and providing advance notice to counsel for affected parties in such manner as the Court considers appropriate;
- (b) Directing counsel or a foreign or domestic Insolvency Administrator to transmit or deliver copies of documents, pleadings, affidavits, factums, briefs, or other documents that are filed or to be filed with the Court to the other Court in such fashion as may be appropriate and providing advance notice to counsel for affected parties in such manner as the Court considers appropriate;
- (c) Participating in two-way communications with the other Court by telephone or video conference call or other electronic means, in which case Guideline 7 should apply.

Guideline 7

In the event of communications between the Courts in accordance with Guidelines 2 and 5 by means of telephone or video conference call or other electronic means, unless otherwise directed by either of the two Courts:

- (a) Counsel for all affected parties should be entitled to participate in person during the communication and advance notice of the communication should be given to all parties in accordance with the Rules of Procedure applicable in each Court;
- (b) The communication between the Courts should be recorded and may be transcribed. A written transcript may be prepared from a recording of the communication which, with the approval of both Courts, should be treated as an official transcript of the communication;
- (c) Copies of any recording of the communication, of any transcript of the communication prepared pursuant to any Direction of either Court, and of any official transcript prepared from a recording should be filed as part of the record in the proceedings and made available to counsel for all parties

in both Courts subject to such Directions as to confidentiality as the Courts may consider appropriate; and

- (d) The time and place for communications between the Courts should be to the satisfaction of both Courts. Personnel other than Judges in each Court may communicate fully with each other to establish appropriate arrangements for the communication without the necessity for participation by counsel unless otherwise ordered by either of the Courts.

Guideline 8

In the event of communications between the Court and an authorized Representative of the foreign Court or a foreign Insolvency Administrator in accordance with Guidelines 3 and 5 by means of telephone or video conference call or other electronic means, unless otherwise directed by the Court:

- (a) Counsel for all affected parties should be entitled to participate in person during the communication and advance notice of the communication should be given to all parties in accordance with the Rules of Procedure applicable in each Court;
- (b) The communication should be recorded and may be transcribed. A written transcript may be prepared from a recording of the communication which, with the approval of the Court, can be treated as an official transcript of the communication;
- (c) Copies of any recording of the communication, of any transcript of the communication prepared pursuant to any Direction of the Court, and of any official transcript prepared from a recording should be filed as part of the record in the proceedings and made available to the other Court and to counsel for all parties in both Courts subject to such Directions as to confidentiality as the Court may consider appropriate; and
- (d) The time and place for the communication should be to the satisfaction of the Court. Personnel of the Court other than Judges may communicate fully with the authorized Representative of the foreign Court or the foreign Insolvency Administrator to establish appropriate arrangements for the communication without the necessity for participation by counsel unless otherwise ordered by the Court.

Guideline 9

A Court may conduct a joint hearing with another Court. In connection with any such joint hearing, the following should apply, unless otherwise ordered or unless otherwise provided in any previously approved Protocol applicable to such joint hearing:

- (a) Each Court should be able to simultaneously hear the proceedings in the other Court.

- (b) Evidentiary or written materials filed or to be filed in one Court should, in accordance with the Directions of that Court, be transmitted to the other Court or made available electronically in a publicly accessible system in advance of the hearing. Transmittal of such material to the other Court or its public availability in an electronic system should not subject the party filing the material in one Court to the jurisdiction of the other Court.
- (c) Submissions or applications by the representative of any party should be made only to the Court in which the representative making the submissions is appearing unless the representative is specifically given permission by the other Court to make submissions to it.
- (d) Subject to Guideline 7(b), the Court should be entitled to communicate with the other Court in advance of a joint hearing, with or without counsel being present, to establish Guidelines for the orderly making of submissions and rendering of decisions by the Courts, and to coordinate and resolve any procedural, administrative, or preliminary matters relating to the joint hearing.
- (e) Subject to Guideline 7(b), the Court, subsequent to the joint hearing, should be entitled to communicate with the other Court, with or without counsel present, for the purpose of determining whether coordinated orders could be made by both Courts and to coordinate and resolve any procedural or nonsubstantive matters relating to the joint hearing.

Guideline 10

The Court should, except upon proper objection on valid grounds and then only to the extent of such objection, recognize and accept as authentic the provisions of statutes, statutory or administrative regulations, and rules of court of general application applicable to the proceedings in the other jurisdiction without the need for further proof or exemplification thereof.

Guideline 11

The Court should, except upon proper objection on valid grounds and then only to the extent of such objection, accept that Orders made in the proceedings in the other jurisdiction were duly and properly made or entered on or about their respective dates and accept that such Orders require no further proof or exemplification for purposes of the proceedings before it, subject to all such proper reservations as in the opinion of the Court are appropriate regarding proceedings by way of appeal or review that are actually pending in respect of any such Orders.

Guideline 12

The Court may coordinate proceedings before it with proceedings in another jurisdiction by establishing a Service List that may include parties that are entitled to receive notice of proceedings before the Court in the other jurisdiction (“Non-Resident

Parties”). All notices, applications, motions, and other materials served for purposes of the proceedings before the Court may be ordered to also be provided to or served on the Non-Resident Parties by making such materials available electronically in a publicly accessible system or by facsimile transmission, certified or registered mail or delivery by courier, or in such other manner as may be directed by the Court in accordance with the procedures applicable in the Court.

Guideline 13

The Court may issue an Order or issue Directions permitting the foreign Insolvency Administrator or a representative of creditors in the proceedings in the other jurisdiction or an authorized Representative of the Court in the other jurisdiction to appear and be heard by the Court without thereby becoming subject to the jurisdiction of the Court.

Guideline 14

The Court may direct that any stay of proceedings affecting the parties before it shall, subject to further order of the Court, not apply to applications or motions brought by such parties before the other Court or that relief be granted to permit such parties to bring such applications or motions before the other Court on such terms and conditions as it considers appropriate. Court-to-Court communications in accordance with Guidelines 6 and 7 hereof may take place if an application or motion brought before the Court affects or might affect issues or proceedings in the Court in the other jurisdiction.

Guideline 15

A Court may communicate with a Court in another jurisdiction or with an authorized Representative of such Court in the manner prescribed by these Guidelines for purposes of coordinating and harmonizing proceedings before it with proceedings in the other jurisdiction regardless of the form of the proceedings before it or before the other Court wherever there is commonality among the issues and/or the parties in the proceedings. The Court should, absent compelling reasons to the contrary, so communicate with the Court in the other jurisdiction where the interests of justice so require.

Guideline 16

Directions issued by the Court under these Guidelines are subject to such amendments, modifications, and extensions as may be considered appropriate by the Court for the purposes described above and to reflect the changes and developments from time to time in the proceedings before it and before the other Court. Any Directions may be supplemented, modified, and restated from time to time and such modifications, amendments, and restatements should become effective upon being accepted by both Courts. If either Court intends to supplement, change, or abrogate Directions issued under these Guidelines in the absence of joint approval by both Courts, the Court should give the other Courts involved reasonable notice of its intention to do so.

Guideline 17

Arrangements contemplated under these Guidelines do not constitute a compromise or waiver by the Court of any powers, responsibilities, or authority and do not constitute a substantive determination of any matter in controversy before the Court or before the other Court nor a waiver by any of the parties of any of their substantive rights and claims or a diminution of the effect of any of the Orders made by the Court or the other Court.

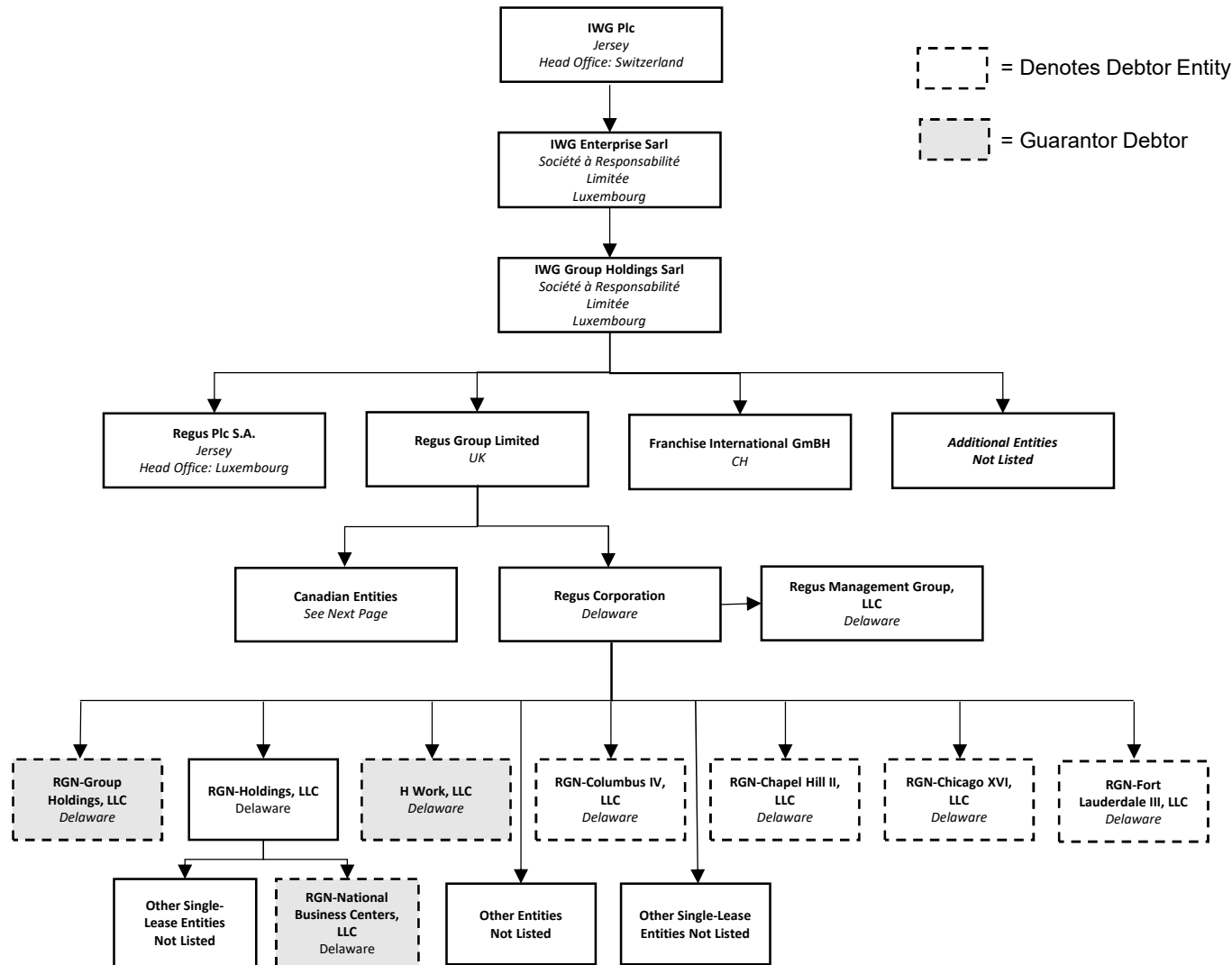
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C-36, AS AMENDED AND IN THE MATTER OF H WORK, LLC, RGN-GROUP
HOLDINGS, LLC, RGN-NATIONAL BUSINESS CENTERS, LLC, RGN-FORT LAUDERDALE
III, LLC, RGN-COLUMBUS IV, LLC, RGN-CHICAGO XVI, LLC, AND RGN-CHAPEL HILL II,
LLC

APPLICATION OF RGN-NATIONAL BUSINESS CENTERS, LLC UNDER SECTION 46 OF
THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS
AMENDED

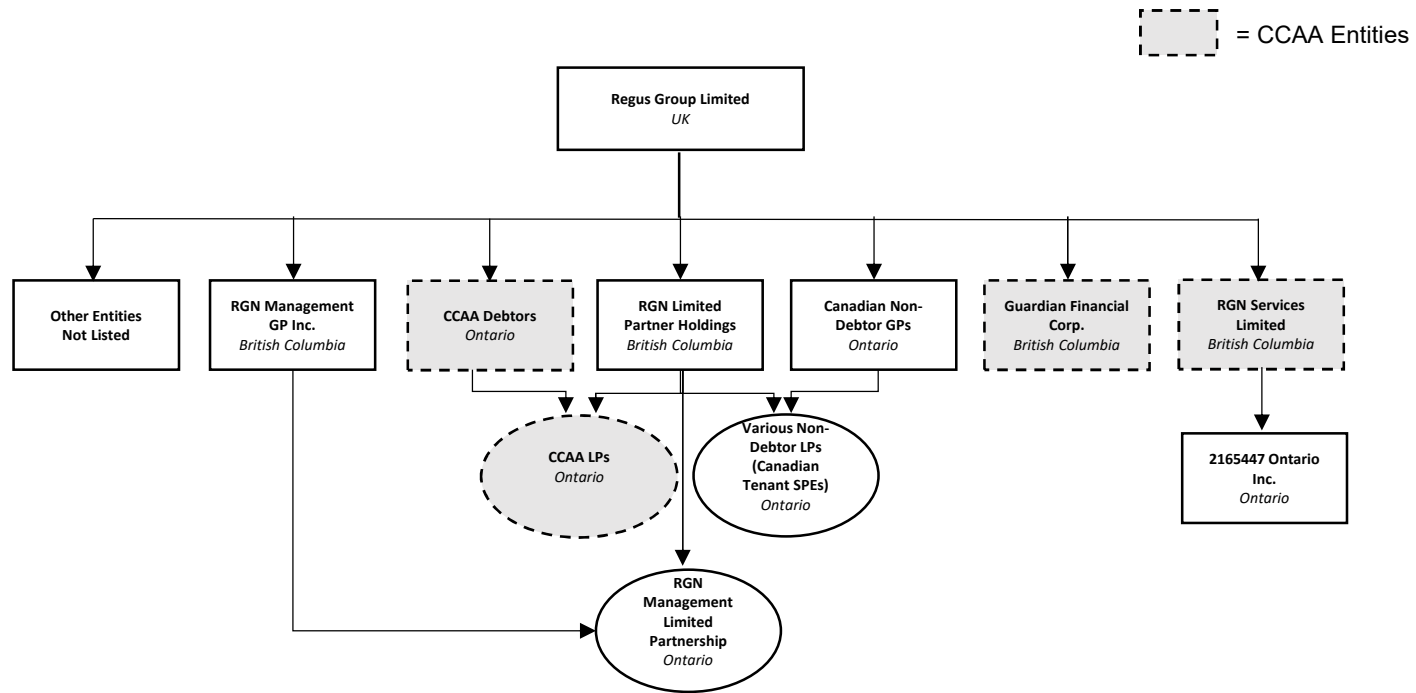
Court File No.: CV-20-00646084-00CL

<p>ONTARIO</p> <p>SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</p> <p>Proceeding commenced at Toronto.</p>
<p>SUPPLEMENTAL ORDER (FOREIGN MAIN PROCEEDING)</p>
<p>STIKEMAN ELLIOTT LLP Barristers & Solicitors 5300 Commerce Court West 199 Bay Street Toronto, Canada M5L 1B9</p> <p>Ashley Taylor LSO#: 39932E Tel: (416) 869-5236 Email: ataylor@stikeman.com</p> <p>Lee Nicholson LSO #66412I Tel: (416) 869-5604 Email: leenicholson@stikeman.com</p> <p>Nicholas Avis LSO#: 76781Q Tel: (416) 869-5504 Email: navis@stikeman.com Fax: (416) 947-0866</p> <p>Lawyers for the Foreign Representative</p>

Appendix “D”



*all ownership is 100% unless otherwise noted



*all ownership is 100% unless otherwise noted

Appendix “E”

RGN Ontario II Limited Partnership

Balance Sheet

As at July 31, 2020

C\$, (unaudited)

Current Assets	
Cash and cash equivalents	(309,965)
Investments	-
Accounts receivable net of allowance for doubtful accounts	163,360
Prepaid expenses and other current assets	62,895
	<u>(83,710)</u>
Property and equipment, net	1,008,173
Security deposits	-
Due from affiliates	1,990,058
Intangible assets, net	-
Total Assets	<u><u>2,914,521</u></u>
Current liabilities	
Accounts Payable	(358,567)
Income Tax Payable	-
Accrued Expenses	875,711
Client service retainers	-
	<u>517,144</u>
Other liabilities	1,020,227
Due to affiliates	401,470
Total Liabilities	<u>1,938,841</u>
Stockholders Equity	
Retained earnings	975,680
Total Stockholder's Equity	<u>975,680</u>
Total Liabilities and Stockholder's Equity	<u><u>2,914,521</u></u>

Appendix “F”

RGN Ontario II Limited Partnership

Projected Statement of Cash Flow

For the Period Ending November 15, 2020

(Unaudited; C\$)

	Notes	Weeks Ending									Total
		20-Sep-20	27-Sep-20	04-Oct-20	11-Oct-20	18-Oct-20	25-Oct-20	01-Nov-20	08-Nov-20	15-Nov-20	
<i>Receipts</i>	1										
Receipt from RGN Management LP	2	-	-	317,553	-	-	-	317,553	-	-	635,106
<i>Disbursements</i>											
Rent	3	-	-	186,347	-	-	-	186,347	-	-	372,694
Property service charges	3	-	-	131,206	-	-	-	131,206	-	-	262,412
<i>Total Operating Disbursements</i>		-	-	317,553	-	-	-	317,553	-	-	635,106
<i>Net Cash Flow</i>		-	-	-	-	-	-	-	-	-	-

The Proposal Trustee, counsel to the Proposal Trustee and counsel to RGN Ontario II Limited Partnership are contemplated to be paid their reasonable fees and disbursements by RGN Management Limited Partnership, a Canadian affiliate that is not part of these proceedings.

These financial projections are based on management's assumptions detailed in Appendix "1-1".


The note references correspond to the assumption numbers shown in Appendix "1-1".

RGN ONTARIO II LIMITED PARTNERSHIP


Per: _____

September 18, 2020
Date

KSV RESTRUCTURING INC.
IN ITS CAPACITY AS TRUSTEE UNDER THE
NOTICE OF INTENTION TO MAKE A PROPOSAL AND NOT
IN ITS PERSONAL CAPACITY


Per: _____

September 18, 2020
Date

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of RGN Ontario II Limited Partnership (the "Company") for the period from September 14 to November 15, 2020 (the "Period") in respect of its proposal proceedings under the *Bankruptcy and Insolvency Act*.

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical Assumptions

2. Represents funding from RGN Management Limited Partnership ("RGN Management LP"), a Canadian affiliate not subject to these proceedings. All customer receipts are remitted to RGN Management LP and in turn, RGN Management LP provides funding to the Company.

Probable Assumptions

3. Represents the rent and property service charges payable during the Period, excluding any deferred rent related to the period prior to commencement of the proceedings.

**Report on Cash Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the BIA)**

The management of RGN Ontario II Limited Partnership (the "Partnership") has developed the assumptions and prepared the attached statement of projected cash flow of the Partnership for the period ending November 15, 2020.


The hypothetical and probable assumptions are suitably supported and consistent with the purpose of the projection and the plans of the Partnership and provide a reasonable basis for the projection. All such assumptions are disclosed in Notes 2 and 3.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in Note 1, using a set of hypothetical and probable assumptions set out in Notes 2 and 3. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, this 18th day of September, 2020.

RGN Ontario II Limited Partnership

Per:  _____

**Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)**

The attached statement of projected cash-flow of RGN Ontario II Limited Partnership as of the 17th day of September, 2020, consisting of a weekly cash flow statement for the period September 14, 2020 to November 15, 2020, has been prepared by the management of the insolvent person for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Notes 2-3.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated this 17th day of September, 2020.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS TRUSTEE UNDER THE NOTICE
OF INTENTION TO MAKE A PROPOSAL OF RGN
ONTARIO II LIMITED PARTNERSHIP
AND NOT IN ITS PERSONAL CAPACITY**