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At an IAS Part 32 of the Supreme Court of the State of New York, County of New York at the Courthouse located at 80 Centre Street, New York, New York 10003 on the 19th day of June, 2017.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

HONGYING ZHAO, JUAN LIU, SHENSI HE,
HONGLEI TIAN, HAIYAN WANG, JINMEI WANG,
YIHE SUN, SHAOMIN LU, GE GAO,
KUNYUN ZHANG, FENGWEI WANG,
DANDONG WU, XIAOLI WANG, PENG WANG,
YIMIN YANG, JINGRUI FENG, LING SHEN,
CUIRONG LI, HUI ZHENG, CHANGLI XIAO,
QIUYUE ZU, XIUHUA WANG, XIAOYUN ZHANG,
JINLI QIN, SHUYAN FENG, KANWEN ZHANG
and QIAN LU,

Plaintiffs,

-against-

BAR WORKS USA LLC,
BAR WORKS INC.,
BAR WORKS MANAGEMENT INC,
BAR WORKS CHAMBERS ST, INC.,
BAR WORKS TRIBECA INC,
BAR WORKS SAN FRANCISCO 1, LLC,
BAR WORKS CAPITAL, LLC,
BAR WORKS METROPOLITAL AVE, INC.,
BAR WORKS EIGHTH AVENUE INC.,
JONATHAN BLACK,
FRANKLIN KINARD, and
RENWICK HADDOW,

Defendants.

X

Index No. 155530 / 2017

Date Purchased:

ORDER TO SHOW CAUSE

X

UPON reading and filing the Emergency Affirmation of Michael J. Kapin, Esq., dated June 14, 2017, the Affidavit of Plaintiff Jinmei Wang dated June 14, 2017, and the exhibits

annexed hereto, together with the annexed Verified Complaint, dated June 14, 2017 and the exhibits annexed thereto;

LET Defendants, or their attorneys, show cause before this Court, before the IAS Justice assigned, at the Courthouse located at 80 Centre Street, New York, New York, on 25th day of July 2017, at ~~10:00~~ ^{10:00} a.m. or as soon thereafter as counsel can be heard, why an Order should not be made and entered:

- (a) pursuant to CPLR §6201, directing the Marshal to attach Defendants' assets in order to protect Plaintiffs enforcement of a judgment likely to be obtained in the within action;
- (b) prohibiting and restraining the Defendants from removing any funds, whether held jointly in whole or in part, from any bank, brokerage firm, or other institution, wherever situated and without limitation, and from encumbering, pledging, selling or otherwise transferring or hypothecating any and all assets, whether held jointly in whole or in part, wherever situated and without limitation;
- (c) granting a preliminary injunction, pursuant to C.P.L.R. § 6311 enjoining, forbidding and restraining the Defendants and/or their agents, servants, employees and all persons acting on their behalf from disposing, transferring, encumbering, altering or alienating any and all assets of the Defendants;
- (d) directing that the Defendants disclose the location of all assets they have secreted to date and if they have transferred, encumbered, pledged, sold or otherwise hypothecated any assets, whether jointly in whole or in part, that they be directed to account for the use and disposition of said funds and/or assets; and

(e) granting to Plaintiff such other and further relief as the Court deems just and proper.

~~No prior application for the relief sought herein has been made to this or any other Court.~~

~~Plaintiff does not have an adequate remedy at law.~~

ARLENE P. BLUTH
J.S.C.

SUFFICIENT CAUSE APPEARING THEREFOR, it is hereby

ORDERED, that Defendants are prohibited and restrained from removing any funds, whether held jointly in whole or in part, from any bank, brokerage firm, or other institution, wherever situated and without limitation, and from encumbering, pledging, selling or otherwise transferring or hypothecating any and all assets, whether held jointly in whole or in part, wherever situated and without limitation; and it is further


J.S.C.

ORDERED, that Defendants and/or their agents, servants, employees and all persons

acting on their behalf are enjoined, forbidden and restrained from disposing, transferring, encumbering, altering or alienating any and all assets of the Defendants; and it is further

J.S.C.


J.S.C.

ORDERED, that Defendants are directed to disclose the location of all assets they have

secreted to date and if they have transferred, encumbered, pledged, sold or otherwise hypothecated any assets, whether jointly in whole or in part, that they are directed to account for the use and disposition of said funds and/or assets; and it is further


J.S.C.

ORDERED, that any financial institution receiving a copy of this Order take reasonable

precautions to assure the Defendants' compliance with this Order; and it is further


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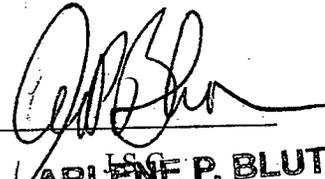
ORDERED, that service of a copy of this Order, with supporting documents and Plaintiffs' Summons and Complaint on Defendants via personal service ^{-in hand} on or before June 26, 2017 be deemed good and sufficient service.

ORDERED, that answering papers, if any, shall be served by ^{e-filing} ~~overnight mail~~ on Plaintiffs' attorneys on or before July 12, 2017.

ORDERED, that reply papers, if any, shall be served on or before ^{by e-filing} July 19, 2017.

Hard copies of opposition and reply papers must be delivered to the courtroom on or before July 20, 2017
Index No. 155530/2017

ENTER:

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6/19/17

ARLENE P. BLUTH
J.S.C.

And it is further ORDERED that plaintiffs serve a copy of this order and the papers upon which it is based upon JP Morgan Chase by June 26, 2017


ARLENE P. BLUTH
J.S.C.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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HONGYING ZHAO, JUAN LIU, SHENSI HE,	:
HONGLEI TIAN, HAIYAN WANG, JINMEI WANG,	:
YIHE SUN, SHAOMIN LU, GE GAO,	:
KUNYUN ZHANG, FENGWEI WANG,	: Index No.
DANDONG WU, XIAOLI WANG, PENG WANG,	:
YIMIN YANG, JINGRUI FENG, LING SHEN,	: Date Purchased:
CUIRONG LI, HUI ZHENG, CHANGLI XIAO,	:
QIUYUE ZU, XIUHUA WANG, XIAOYUN ZHANG,	:
JINLI QIN, SHUYAN FENG, KANWEN ZHANG	: <u>EMERGENCY</u>
and QIAN LU,	: <u>AFFIRMATION</u>
	:
Plaintiffs,	:
	:
-against-	:
	:
BAR WORKS USA LLC,	:
BAR WORKS INC.,	:
BAR WORKS MANAGEMENT INC,	:
BAR WORKS CHAMBERS ST, INC.,	:
BAR WORKS TRIBECA INC,	:
BAR WORKS SAN FRANCISCO 1, LLC,	:
BAR WORKS CAPITAL, LLC,	:
BAR WORKS METROPOLITAL AVE, INC.,	:
BAR WORKS EIGHTH AVENUE INC.,	:
JONATHAN BLACK,	:
FRANKLIN KINARD, and	:
RENWICK HADDOW,	:
	:
Defendants.	:
	X

MICHAEL J. KAPIN, an attorney duly admitted to practice in the Courts of the State of New York, hereby affirms the following under penalties of perjury:

1. I am a member of the law firm MICHAEL J. KAPIN PC, attorneys for the Plaintiffs in this proceeding. As such, I am fully familiar with the facts and circumstances herein.
2. I submit this Emergency Affirmation in support of Plaintiffs' Order to Show Cause which seeks an order:

- (a) pursuant to CPLR §6201, directing the Marshal to attach Defendants' assets in order to protect Plaintiffs enforcement of a judgment likely to be obtained in the within action;
 - (b) prohibiting and restraining the above-captioned Defendants, from removing any funds, whether held jointly in whole or in part, from any bank, brokerage firm, or other institution, wherever situated and without limitation, and from encumbering, pledging, selling or otherwise transferring or hypothecating any and all assets, whether held jointly in whole or in part, wherever situated and without limitation;
 - (c) granting a preliminary injunction, pursuant to C.P.L.R. § 6311 enjoining, forbidding and restraining the Defendants and/or their agents, servants, employees and all persons acting on their behalf from disposing, transferring, encumbering, altering or alienating any and all assets of the Defendants;
 - (d) directing that the Defendants disclose the location of all assets they have secreted to date and if they have transferred, encumbered, pledged, sold or otherwise hypothecated any assets, whether jointly in whole or in part, that they be directed to account for the use and disposition of said funds and/or assets; and,
 - (e) granting to Plaintiffs such other and further relief as the Court deems just and proper, during the pendency of Plaintiffs' underlying action against Defendants.
3. A copy of the Verified Complaint, dated June 14, 2017 (the "Verified Complaint"), is annexed hereto as **Exhibit A**.
 4. In the Verified Complaint, Plaintiffs seek damages from Defendants' conduct of an investment scheme doing business as "Bar Works," which fraudulently solicited the Plaintiffs to invest in the purchase of co-working desk spaces (pursuant to lease and management agreements) in return for guaranteed profits, to be paid out periodically

according to the terms of the various agreements the Plaintiffs signed (See Exhibit A, Verified Complaint, *passim*).

5. The lease agreements purport to be for the purchase of the right to co-working “desks” operated at retail shared office space locations which “Bar Works”, through its officers and agents, represented were either already open for business or were actively being built at locations throughout the United States.
6. In fact, at least one of the locations was merely maintained as an empty store-front for show, and has already been abandoned, having never been built out as promised. (See Exhibit S, below, for June 8, 2017 photographs of the Bar Works’ purported Tribeca location).
7. Plaintiffs further submit this Emergency Affirmation because the within Order to Show Cause should be deemed an emergency application requiring the Court's immediate attention.
8. Importantly, Plaintiffs respectfully requests that advance notice of the application for the within Order to Show Cause not be provided to Defendants given the sensitive and urgent nature of the proceeding and the high probability that Defendants may otherwise seek to transfer or otherwise encumber any and all of their assets in advance of the issuance of a temporary restraining order. Plaintiffs will be irreparably harmed absent the issuance of interim relief.
9. As set forth below, temporary and preliminary injunctive relief is necessary to preserve the status quo.
10. By this reference, Plaintiffs hereby incorporate all the facts set forth in their Verified Complaint as if set forth herein in detail. (See Exhibit A).

11. In addition, accompanying this emergency application is the sworn affidavit of Ms. Jianmei Wang, one of the individual Plaintiffs who was swindled by Defendants.

FACTUAL SHOWING

12. The “Bar Works Entities”¹ were selling “units” of co-working desk space within various “Bar Works” branded locations throughout the United States (See Exhibit A, ¶ 25 and JINMEI WANG Affidavit ¶ 2). Each of the Bar Works Entities was incorporated in 2016 under the guise of being involved in a legitimate business furnishing co-working space to retail customers (See Exhibit A, ¶ 24 and JINMEI WANG Affidavit ¶ 3). The Bar Works Entities were funded through investors who bought “units” in the Bar Works Entities (See Exhibit A, ¶ 25 and JINMEI WANG Affidavit ¶ 4).
13. The Defendants created private placement memorandum style brochures (the “Offering Brochures”). (See Exhibit A, ¶ 30 and JINMEI WANG Affidavit ¶ 5). Attached herein as **Exhibit B** are copies of the Offering Brochures (with banking account numbers redacted) for the following “Bar Works” locations: 95 Chambers Street, New York, New York (the “Chambers Location”); 70 White Street, New York, New York (the “Tribeca Location”); 116 Eighth Avenue, New York, New York (the “8th Avenue Location”); 242 Metropolitan Avenue, Brooklyn, New York (the “Metropolitan Location”); and, 615 Sacramento Street, San Francisco, California (the “SF Location”). (See Exhibit B).
14. The purpose of the Offering Brochures was to target wealthy investors and induce those wealthy investors to fund the Bar Works Entities based upon the representation that they were acquiring equity in the form of units of an individual “Bar Works” branded location

¹ Defined in the Complaint as, collectively, the following Defendants: BAR WORKS USA LLC, BAR WORKS INC., BAR WORKS MANAGEMENT INC, BAR WORKS CHAMBERS ST, INC., BAR WORKS TRIBECA INC, BAR WORKS SAN FRANCISCO 1, LLC, BAR WORKS CAPITAL, LLC, BAR WORKS METROPOLITAL AVE, INC. and BAR WORKS EIGHTH AVENUE INC.

- representing one desk space within a “Bar Work” co-working retail space (the “Representations”) (See Exhibit A, ¶ 31; Exhibit B; and, JINMEI WANG Affidavit ¶ 7).
15. The Representations were false because the units being offered did not exist and/or were never intended to be delivered. (See Exhibit A, ¶¶ 27, 28, 32; and JINMEI WANG Affidavit ¶ 48).
16. The Offering Brochure detail the “Bar Works™ Wealth Builder Program” in which “investors seeking income combined with capital appreciation are now offered the chance to purchase a 10-year lease on up to 100 workspace units at Bar Works [...] Furthermore, each lease will benefit from any rent increases derived from the work space. That means your minimum income will grow as customer charges rise and exceed the initial 14%-16% yield in the later years of the lease.” (See Exhibit A, ¶¶ 31-5; Exhibit B; and, JINMEI WANG Affidavit ¶ 9).
17. According to the Offering Brochures, “[t]he cost of each work space lease is \$25,000, plus you receive a free lifetime worldwide membership to Bar Works™ Inc.” (See Exhibit A, ¶ 36; Exhibit B; and, JINMEI WANG Affidavit ¶ 10).
18. The Offering Brochure promised monthly income payment to begin 14 days after taking up the offer. (See Exhibit A, ¶ 38; Exhibit B; and, JINMEI WANG Affidavit ¶ 11).
19. The Offering Brochures promised a “reversion bonus of 25% when your lease expires – i.e., Bar Works will repay your initial capital outlay at 125% - \$31,250 per \$25,000 outlay.” (See Exhibit A, ¶ 39; Exhibit B; and, JINMEI WANG Affidavit ¶ 12).
20. The Offering Brochures further provided, “Bar Works™ Inc. will retain the right to buy back your lease at a minimum 125% of initial cost - \$31,250 - at any point after the second

year anniversary of investment and in the event of a change in group ownership or status.”

(See Exhibit A, ¶ 40; Exhibit B; and, JINMEI WANG Affidavit ¶ 13).

21. Defendants instructed the Plaintiffs to wire \$25,000 per “co-working unit” to Defendant Bar Works Inc. to its JP Morgan Chase Bank bank account in New York, New York. (See Exhibit A, ¶ 41; Exhibit B; and, JINMEI WANG Affidavit ¶ 14).
22. A minimum of two (2) units purchased (i.e. \$50,000.00) was required to invest in the offering. (See Exhibit A, ¶ 42; Exhibit B; and, JINMEI WANG Affidavit ¶ 15).
23. Based upon the representations of Defendants, the Plaintiffs transferred an aggregate sum of \$3,045,000.00 by wire transmission to Bar Works Inc. (See Exhibit A, ¶ 43; Exhibit B; and, JINMEI WANG Affidavit ¶ 17).
24. Despite the Plaintiffs' transfer of an aggregate sum of \$3,045,000.00 to Bar Works Inc., the Plaintiffs were never provided with a written subscription agreement as required by New York law, and were never received the Bar Works securities (although they did receive an ownership certificate). (See Exhibit A, ¶ 45; Exhibit B; and, JINMEI WANG Affidavit ¶ 18).
25. Additionally, Defendants provided Plaintiffs with a “Bar Works FAQ,” a copy of which is attached hereto as **Exhibit C**, which made further representations regarding the Plaintiff’s investments. Notably, Defendants went so far as to give Plaintiffs tax advice on their investments. (See Exhibit C).
26. On or about September 1, 2016, JINMEI WANG invested in five (5) units of the Chambers Location of “Bar Works” by investing \$125,000.00 in Bar Works Tribeca Inc. JINMEI WANG entered into a “Wealth Builder Lease Agreement” with Bar Works Tribeca Inc., wherein, for JINMEI WANG’s payment of \$125,000, JINMEI WANG purportedly

purchased a ten year lease for five work spaces, workspace numbers 9437, 7797, 8412, 8939 and 7320. On the same day JINMEI WANG signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein JINMEI WANG subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of January, 2017, JINMEI WANG has not received required rent payments. (See Exhibit A, ¶ 53; and, JINMEI WANG Affidavit ¶ 20).

27. Attached herein as **Exhibit D** is a copy of the “Wealth Builder Lease Agreement” between JINMEI WANG and Bar Works Tribeca Inc. and the “Wealth Builder Sub-Lease Agreement” entered into between JINMEI WANG and Bar Works Management Inc. (See JINMEI WANG Affidavit ¶ 21).

28. Exhibit D is substantially similar to all of the other lease and management agreements entered into by each investor and the related “Bar Works” entities (the details of which are set forth in paragraph 46 to 82 of the Complaint). Plaintiffs’ counsel shall bring copies of all of these agreements upon the presentation of this Order to Show Cause to the Court. (See JINMEI WANG Affidavit ¶ 21).

29. Plaintiffs were issued ownership certificates by Defendants. Attached herein as **Exhibit E** is the ownership certificate issued to JINMEI WANG (See JINMEI WANG Affidavit ¶ 22).

30. Defendants provided various guarantees to Plaintiffs. Attached herein as **Exhibit F** is a copy of a guarantee between Bar Works Tribeca Inc. (as landlord) and Bar Works Management Inc. (as sub-lease holder), providing further assurances and guarantees to the investors. (See JINMEI WANG Affidavit ¶ 23).

31. Defendants directed Plaintiffs to wire their investment to parent company Bar Works Inc. Attached herein as **Exhibit G** is a copy of wire instructions directing potential investors where to send their money. While it says on the instructions that the payment is to “Bar Works Tribeca Inc.,” The account number (which has been redacted) is in fact the same account number as Defendant Bar Works Inc. Plaintiffs’ counsel can provide unredacted proof to the Court on the return date of the Order to Show Cause. (See JINMEI WANG Affidavit ¶ 24).
32. Plaintiff received initial contractual payments that Bar Works promised, however, as of January 2017, required contractual payments have ceased. (See Exhibit A, ¶¶ 46-81 and 89; and, JINMEI WANG Affidavit ¶ 20, 31 and 32).
33. Defendants corresponded with Plaintiffs and advised them of ‘bank problems’ that were leading to the failure to make required rental payments. Attached herein as **Exhibit H** is a copy of that email correspondence. (See JINMEI WANG Affidavit ¶ 26).
34. Now very concerned, Plaintiff eventually learned that on or about May 23, 2017, Bar Works had restructured its leadership and had “closed or abandoned” locations. Attached herein as **Exhibit I** is an email from CEO Franklin Kinard to “Bar Works” investors dated May 23, 2017. (See JINMEI WANG Affidavit ¶ 27)
35. Notably, this email confirms that certain “Bar Works” locations have been closed and/or abandoned. The email further seeks to inform investors that “stakeholders in those sites will be shifted to locations that have stronger revenue foundations.” (See Exhibit I; JINMEI WANG Affidavit ¶ 28).
36. This caused great concern among Plaintiffs, as they had contracted for the right to be reimbursed for their investment in the case of store closure and/or abandonment. See

- JINMEI WANG Affidavit ¶ 29. The investor agreements provide for termination payments of One Hundred Twenty Five percent (125%) of each investors investment proceeds. (See Exhibit I; JINMEI WANG Affidavit ¶ 27).
37. Additionally, as promised in their Offering Brochures, “in the event of a change in group ownership or status,” there was a trigger of the right to a return of 125% of investor’s investment amount. (See Exhibit B; and, JINMEI WANG Affidavit ¶¶ 13 and 30).
38. Defendants have refused to make rental payments due and have refused to return investor’s funds for locations which are not operating and will not operate although demand has been duly made. (See Exhibit I; JINMEI WANG Affidavit ¶ 31).
39. In fact, JINMEI WANG visited the United States in May 2017 to meet with Bar Works, on behalf of herself and on behalf of the other Plaintiffs, at which time she met with Franklin Kinard and other agents and employees of Bar Works and demanded rental payments continue and investment funds (at 125% of the investment amount) be returned to those investors who have invested in ‘closed or abandoned’ locations. Plaintiffs’ demands were refused. (See JINMEI WANG Affidavit ¶ 32).
40. Attached herein as **Exhibit J** is an organizational chart of the Bar Works Entities and an explanation provided by Defendants as to the nature of the complex corporate structure of the Bar Works Entities. (See JINMEI WANG Affidavit ¶ 33)
41. Over the last few weeks, Plaintiffs have learned more and more about the true nature of the business operation of Defendants and can come to no other conclusion than that the Defendants are running a complex scheme defrauding Defendants and absconding with their money. (See JINMEI WANG Affidavit ¶¶ 34-58).

The Scheme

42. Several articles have recently been published about “Bar Works” business being a complex Ponzi scheme and otherwise fraudulent investment-pooling scheme. Attached herein as **Exhibit K** are four articles recently published detailing the nature of the scheme and the investigation work that has been done to verify certain facts about the scheme. (See JINMEI WANG Affidavit ¶¶ 35 and 36).
43. Defendants Jonathan Black, Renwick Haddow, and Franklin Kinard were at various times either the Chief Executive Officers, the undisclosed managing member, or otherwise senior officers of the named Bar Works corporate Defendants. In such capacity, Defendants knew or should have known that Bar Works was a fraudulent Ponzi scheme and nothing more than a phony business edifice erected to take on the appearance of a legitimate corporate enterprise for the purposes of soliciting investor funds but with no plans or intentions to operate as a profitable business concern. To date, the named individual Defendants have yet to be arrested or charged with criminal fraud though there has been serious concern regarding their involvement with Bar Works. (See JINMEI WANG Affidavit ¶ 37).
44. As it turns out, the puppet master apparently pulling the strings at Bar Works is a person by the name of Renwick Haddow. It is believed that Renwick Haddow is currently involved in litigation over a complex Ponzi scheme perpetrated on investors ongoing in the London Courts. Attached herein as **Exhibit L** is an article by the World Policy Institute detailing this complex fraud. (See JINMEI WANG Affidavit ¶¶ 38 and 39).
45. Plaintiffs believe that one of the named individual Defendants, Jonathan Black, is a fictitious person created by the Defendants from whole cloth. Plaintiffs doubt that Jonathan Black actually exists. Jonathan Black was listed as the Bar Works Entities CEO, and a

signature purporting to be Jonathan Black's was affixed to promotional materials, official government registration certificates, and agreements offered to the Plaintiffs as proof of the Bar Works Entities' operations. (See Exhibits B, D and E; and, JINMEI WANG Affidavit ¶¶ 40 and 41).

46. All references to Jonathan Black were removed from the Bar Works Entities' various web sites suddenly in or about December 2016, and a new individual, Franklin Kinard, was substituted as the CEO. None of the Plaintiffs ever met or spoke to Jonathan Black in person, and the Bar Works Entities have not been forthcoming about this person's actual identity or whereabouts. A photograph purporting to be of Jonathan Black on the Bar Works web site was later revealed to belong to an unrelated Texas-based businessman named Frank Jones, who upon information and belief was not connected to the Bar Works scheme. See a comparison of the LinkedIn profiles for "Jonathan Black" and "Frank Jones," attached hereto as **Exhibit M**. (See JINMEI WANG Affidavit ¶¶ 42-4).
47. It is the Plaintiffs' belief that "Jonathan Black" was invented to hide the fact that the actual person controlling the Bar Works Entities was Defendant Renwick Haddow, a shadowy figure with a history of operating fraudulent investment schemes. See the official report of the Decision of the England and Wales High Court (Chancery Division) in Financial Conduct Authority v Capital Alternatives Ltd & Ors [2014] EWHC 144 (Ch) (14 February 2014), attached hereto as **Exhibit N**. (See JINMEI WANG Affidavit ¶ 45).
48. While Renwick Haddow has hidden his involvement in the "Bar Works" companies, a careful search of documents reveals he is deeply involved. Attached herein as **Exhibit O** is the following: (i) California Secretary of Limited Liability Company Filing statement, dated May 5, 2016, for Bar Works Capital, LLC, showing Renwick Haddow as the

Manager or Member; (ii) California Secretary of Limited Liability Company Filing statement, dated May 5, 2016, for Bar Works Oakland, LLC, showing Renwick Haddow as the Manager or Member; and, (iii) California Secretary of Limited Liability Company Filing statement, dated May 5, 2016, for Bar Works San Francisco 1, LLC, showing Renwick Haddow as the Manager or Member. (See JINMEI WANG Affidavit ¶ 46).

49. The Tribeca Location, like the existence of Jonathan Black, seems to be wholly fictitious. (See JINMEI WANG Affidavit ¶ 47).

50. Adam M. Birnbaum, Esq., an associate at Michael J. Kapin, P.C., conducted telephonic interviews with Erik Torkells, a local community news reporter for a web site called The Tribeca Citizen, on June 7, 2018. Mr. Torkells confirmed that “Bar Works” signage was placed outside of the Tribeca Location (see a photo of the exterior of the Tribeca Location, dated June 23, 2016 and provided by Erik Torkells, displaying Bar Works signage, attached hereto as “**Exhibit P**”), and that Bar Works released material claiming that it had or was about to secure leases to the entire building at 70 White Street, a mixed use low-rise landmark structure that includes at several loft apartments in addition to the vacant retail space on the ground floor (see attached as “**Exhibit Q**” a report from the Tribeca Citizen dated May 18, 2016, detailing the results of Mr. Torkells’ investigation into the matter).

51. Mr. Torkells averred that he later spoke to residential tenants at 70 White Street, all of whom held long-term leases and who denied any knowledge of Bar Works’ take-over of the entire building.

52. Mr. Torkells later discovered that in fact Bar Works claimed it intended to use only the ground floor of the Tribeca Location, a misstatement never satisfactorily explained.

53. On June 7, 2017, Adam M. Birnbaum conducted a telephonic interview with Rene Antanesian, the principle of HRBDX New York, Inc. a general contracting and construction firm. Mr. Antanesian averred that he was called upon in March of 2017 to prepare a Scope of Work proposal for the Tribeca Location, attached hereto as “**Exhibit R**,” but that he was never retained for the project and was advised that it was to be placed “on hold” until further notice. This same Scope of Work proposal was soon thereafter proffered to the Plaintiffs as evidence that the Tribeca Location was already under construction and would open imminently, even though no significant work was ever conducted there. See JINMEI WANG Affidavit ¶ 49.

54. Adam M. Birnbaum caused a photograph to be taken on or about June 8, 2017, attached hereto as “**Exhibit S**,” showing that the Tribeca Location is abandoned. There is no Bar Works signage on display and no building permits are displayed in the windows.

**PLAINTIFFS ARE ENTITLED TO AN IMMEDIATE TEMPORARY RESTRAINING
ORDER AND PRELIMINARY INJUNCTIVE RELIEF**

CPLR 6201 Relief

55. CPLR 6201 permits a plaintiff to attach a defendant's assets:

"An order of attachment may be granted in any action, except a matrimonial action, where the plaintiff has demanded and would be entitled, in whole or in part, or in the alternative, to a money judgment against one or more defendants, when:

[...]

3. the defendant, with intent to defraud his creditors or frustrate the enforcement of a judgment that might be rendered in plaintiff's favor, has assigned, disposed of, encumbered or secreted property, or removed it from the state or is about to do any of these acts; or

[...]"

N.Y. C.P.L.R. 6201 (McKinney).

56. Defendants are justly indebted to Plaintiff in the sum of at least \$3,045,000.00.
57. In the instant case, as set forth in the accompanying JINMEI WANG affidavit, Defendants, with the intent to defraud their creditors and frustrate the enforcement of a judgment that is likely to be rendered in Plaintiffs' favor, have absconded with Plaintiffs' money.
58. If this Court does not act to attach the proceeds of the Defendants' final days in business, Plaintiff will be in the position of being unable to collect on a future judgment.
59. Plaintiffs are likely to succeed in obtaining a judgment.
60. "The provisional remedy of attachment is available only upon motion in limited circumstances in actions for money damages. CPLR 6201, 6210-6212. Attachment is a form of seizure of defendant's property by the sheriff, who holds the property for potential satisfaction of a judgment in plaintiff's favor. CPLR 6214-6216, 6218(a), 6226. During the pendency of the action, "[a]ttachment ... keeps the debtor away from his property or, at least, the free use thereof." *Koehler v. Bank of Bermuda Ltd.*, 2009, 12 N.Y.3d 533, 538, 883 N.Y.S.2d 763, 767, 911 N.E.2d 825, 828. Thus, attachment helps secure the enforcement of a money judgment." N.Y. C.P.L.R. 6201 (McKinney).
61. "It appears that the most important, if not the sole, factor bearing on the court's exercise of discretion is whether the attachment is truly necessary, either because quasi in rem jurisdiction is the only available basis for New York jurisdiction or a genuine risk exists that the judgment will not otherwise be enforceable in New York. See CPLR 6223; *Capital Ventures International v. Republic of Argentina*, C.A.N.Y.2006, 443 F.3d 214, 221-22. For example, in each of the following cases, jurisdiction was not an issue, and the court determined from the evidence presented on the motion that the particular defendant was of sufficient financial strength to belie plaintiff's assertion of a security-based need for the

attachment: *J.V.W. Investment Ltd. v. Kelleher*, supra; *Maitrejean v. Levon Properties Corp.*, supra; *Sylmark Holdings Ltd. v. Silicone Zone International Ltd.*, supra; *Interpetrol Bermuda Ltd. v. Trinidad and Tobago Oil Co.*, 1987, 135 Misc.2d 160, 168, 513 N.Y.S.2d 598, 604 (Sup.Ct.N.Y.Co.). Conversely, the court in each of the following cases found that the record on the motion raised serious questions as to the defendants' ability or willingness to satisfy a judgment: *Elton Leather Corp. v. First General Resources Co.*, 1988, 138 A.D.2d 132, 529 N.Y.S.2d 769 (1st Dep't); *Dean v. James McHugh Construction Co.*, supra. See also *Davila Pena v. Morgan*, S.D.N.Y.2001, 149 F.Supp.2d 91, 95." N.Y. C.P.L.R. 6201 (McKinney).

62. "Subparagraph (3) of CPLR 6201 helps the plaintiff secure defendant's property before defendant has secreted it, dissipated it or withdrawn it from the state of New York with the intent of thwarting plaintiff's collection efforts. The defendant who has begun manipulating his New York property in such ways is an obvious security risk. The requirements of this provision are twofold. Plaintiff must show: (1) that the defendant has hidden or transferred his assets in one of the ways described in the statute or is about to do so, and (2) that defendant's intent in so acting is to defraud his creditors or frustrate the enforcement of a judgment in plaintiff's favor. The necessary showing must be made with factual details in the plaintiff's moving affidavits. *Eaton Factors Co. v. Double Eagle Corp.*, 1962, 17 A.D.2d 135, 136, 232 N.Y.S.2d 901, 903 (1st Dep't)." N.Y. C.P.L.R. 6201 (McKinney)
63. As set forth in the JINMEI WANG affidavit, Defendants, through Renwick Haddow, an British citizen, has failed to honor its contractual obligations, and very clearly is running a scheme to defraud Plaintiffs. The fact that the 70 White Street, New York, NY, i.e. the Tribeca Location, does not exist is telling.

64. Plaintiff has not notified Defendants in advance of this emergency application. This is out of Plaintiffs' legitimate fear that to do so would alert Defendants who would then take steps in advance of an order being entered to frustrate Plaintiffs ability to ever obtain a collectible judgment.
65. Therefore, this Court should enter an order, pursuant to CPLR 6201 directing the Marshal to attach the proceeds from Defendants in order to protect Plaintiffs' enforcement of a judgment for its just debt.

Preliminary Injunction

66. Temporary and preliminary injunctive relief is warranted in this action. Pursuant to C.P.L.R 6301, preliminary injunctive relief may be granted:

[W]here it appears that the defendant threatens or is about to do, or is doing or procuring or suffering to be done, an act in violation of the plaintiffs rights respecting the subject of the action, and tending to render the judgment ineffectual, or in any action where the plaintiff has demanded and would be entitled to a judgment restraining the defendant from the commission or continuance of an act, which, if committed or continued during the pendency of the action, would produce injury to the plaintiff.

N.Y. C.P.L.R. § 6301.

67. A temporary restraining order may be granted pursuant to C.P.L.R. 6301 "where it appears that immediate and irreparable injury, loss or damage will result unless the defendant is restrained before the hearing can be had." N.Y. C.P.L.R. § 6301.
68. Plaintiffs meet the standard for the granting of temporary and preliminary injunctive relief in this action.
69. Mr. Haddow, who on information and belief is a British national currently residing in New York and has already taken steps to conceal his identity from Bar Works' investors, is the suspected recipient of the Plaintiffs' investment funds, and Plaintiffs on information and

belief suspect that Mr. Hadow, should he receive notice of this action and Order, will abscond or otherwise attempt to dispose of the Plaintiffs' investment funds.

70. Accordingly, to preserve the status quo and to ensure that Defendants do not transfer, dispose or otherwise encumber any and all of their assets that would render any judgment Plaintiffs could have against Defendants ineffectual, injunctive relief should be granted in this action. See *Moy v. Umeki*, 10 A.D.3d 604, 781 N.Y.S.2d 684 (2d Dep't 2004) ("The purpose of a preliminary injunction is to maintain the status quo and prevent the dissipation of property that could render a judgment ineffectual."); see also *First Franklin Square Assocs., LLC v. Franklin Square Prop. Account*, 15 A.D.3d 529, 533, 790 N.Y.S.2d 527,531 (2d Dep't 2005).
71. Injunctive relief is necessary in this action to preserve the status quo. See *Schlosser v. United Presbyterian Home at Syosset, Inc.*, 56 A.D.2d 615,615,391 N.Y.S.2d 880, 881 (2d Dep't 1977) ("The purpose of a preliminary injunction is to maintain the status quo"). There is a strong possibility that Defendants, upon receiving notice of the within Order to Show Cause and the Verified Complaint, may attempt to remove, transfer, dispose, encumber, sell or hypothecate any and all of their assets.
72. It is well-settled that injunctive relief will be granted where a plaintiff can sufficiently establish (1) a likelihood of success on the merits of the underlying action; (2) irreparable injury absent the granting of the injunction; and (3) a balance of the equities in his favor. See *Doe v. Poe*, 189 A.D.2d 132, 136, 595 N.Y.S.2d 503, 503 (2d Dep't 1993). Plaintiffs can sufficiently establish each of these elements. Accordingly, injunctive relief must be granted.

PLAINTIFFS CAN ESTABLISH A LIKELIHOOD OF ULTIMATE SUCCESS ON THE MERITS OF THEIR UNDERLYING CLAIMS AGAINST DEFENDANTS

73. In order to demonstrate a likelihood of success on the merits, a plaintiff must establish "a clear right to relief which is plain from the undisputed facts." *In re Related Properties, Inc. v. Town Board of Town/Village of Harrison*, 22 A.D3d 587, 590, 802 N.Y.S.2d 221, 224 (2d Dep't 2005). Plaintiffs meet this standard on all five causes of action in the Verified Complaint seeking damages for breach of contract, unjust enrichment, money had and received, fraud, and breach of fiduciary duty, with respect to the Bar Works Entities.
74. As outlined in detail in the Verified Complaint, the named corporate Defendants (collectively, the "Bar Works Entities") existed for the purported purpose of building and operating a group of shared office spaces under the name "Bar Works." Under the Bar Works investment scheme, individual investors purchased an exclusive right to "leased" individual desks at various Bar Works locations for a minimum investment of \$50,000.00. The investors were promised that the Bar Works locations were either in operation or would soon be in operation pending completion of construction, and that their leases would begin generating operating income immediately. The Plaintiff investors were further promised that this income was guaranteed for the period of the lease term and would be payable in quarterly disbursements. The lease agreements contained provisions guaranteeing that Bar Works would keep "the Property [...] in existence as a workspace space suitable for office rental." No provision of the agreements grant Bar Works the right to substitute desk units at one location for desk units at another location.
75. As part of the proposed Bar Works investment scheme, the rights to income and management of the "leases" were signed over to Bar Works Management, Inc., which in turn was the entity charged with managing the Plaintiffs' property interests and ensuring

that the expected and promised operating income would be timely disbursed to the Plaintiffs. This series of agreements amounted to a trustee relationship for Bar Works Management, Inc. and for the Bar Works Entities generally, triggering fiduciary duties between Bar Works Entities, its officers, and the Plaintiffs.

76. "[A] fiduciary owes a duty of undivided and undiluted loyalty to those whose interests the fiduciary is to protect." See *In re Estate of Wallens*, 9 N.Y.3d 117, 123, 847 N.Y.S.2d 156, 156 (2007). It is well-settled that trustees are "held to something stricter than the morals of the market place. Not honesty alone, but the punctilio of an honor the most sensitive, is then the standard of behavior." *Id.* at 123, 847 N.Y.S.2d at 156 (citing *Meinhard v. Salmon*, 249 N.Y. 458,464 (1928)). Defendants were obligated to exercise the discretionary powers granted to them in good faith. Defendants were obligated to act in the wisest and best course to pursue the interests of Plaintiffs as the beneficiary. Defendants were obligated to exercise their powers at all times in a fiduciary capacity primarily in the interests of Plaintiffs. Defendants abdicated their duties as trustees and as fiduciaries with respect to the Plaintiffs "leases" at the various Bar Works locations, which the Defendants were charged with managing for the Plaintiffs' respective benefit.

77. A claim for breach of fiduciary duty requires (a) the existence of a fiduciary relationship between the plaintiff and defendant; (b) misconduct by the defendant; and (c) damages directly caused by the defendant's misconduct. See *Kurtzman v. Bergstol*, 40 A.D.3d 588,590,835 N.Y.S.2d 644, 646 (2d Dep't 2007). Defendants failed to honestly and in good faith discharge their duties as fiduciary of the Plaintiff-investors' stake in the Bar Works "leases." Defendants breached the fiduciary duties owed to Plaintiffs when they used the investors' investment capital to pay fictitious returns to other investors in Bar Works as

part of a Ponzi scheme to attract additional investment, instead of using the funds to complete the build-out of the retail locations in which the Plaintiffs were told they were investing. Additionally, Defendants breached their fiduciary duties when they failed to carry out other duties by failing to inform Plaintiffs of the actual state of Bar Works' operating accounts, the actual state of the purported Bar Works retail locations, the operating condition of those locations, and the options available to them as investors to recoup their principle investments under the terms of their various lease and management agreements. Accordingly, Plaintiffs have a likelihood of ultimate success on the merits on their underlying breach of fiduciary duty claim in this action.

78. A claim for fraud requires that the plaintiff plead and prove "a misrepresentation or a material omission of fact which was false and known to be false by defendant, made for the purpose of inducing the other party to rely upon it, justifiable reliance of the other party on the misrepresentation or material omission, and injury." *Orlando v. Kukielka*, 40 A.D.3d 829, 831, 836 N.Y.S.2d 252, 254 (2d Dep't 2007); see also *Lama Holding Co. v. Smith Barney Inc.*, 88 N.Y.2d 413, 421, 646 N.Y.S.2d 76, 80 (1996). During the time the named individual Defendants Jonathan Black (if such a person exists), Franklin Kinard, and Renwick Haddow (as undisclosed principle) were responsible for the management and operation of the Bar Works Entities, they falsely claimed either individually or through their agents and employees, and led Plaintiffs to believe, that they were soliciting investment funds in good faith for the operation of shared office work spaces under the "Bar Works" name. These statements were false. Defendants knew that these statements were false or they made them recklessly without knowing whether they were true or false and made such representations with the intent to deceive Plaintiffs. Defendants made such

statements with the intention that Plaintiffs rely, which they did, upon such statements. As a result, the assets of the Bar Works Entities, assets procured as a result of the Plaintiffs' investments in what they believed to be leases, were wasted, stolen, or otherwise frittered away. Accordingly, Plaintiffs have a likelihood of ultimate success on the merits on their fraud claim in this action.

79. A claim for breach of contract requires that the plaintiff prove (1) formation of a contract between plaintiff and defendant, (2) performance by plaintiff, (3) defendant's failure to perform, [and] (4) resulting damage." See *JP Morgan Chase v. J.H. Elec. of N.Y., Inc.*, 69 A.D.3d 802, 803, 893 N.Y.S.2d 237 (2d Dep't 2010); *Furia v. Furia*, 116 A.D.2d 694, 498 N.Y.S.2d 12, 13 (2d Dep't 1986). Plaintiffs have offered documentary evidence in the form of written agreements between themselves and the various Bar Works Entities for the "lease" of desk spaces at Bar Works retail locations, and additional written agreements providing for the management of said desk spaces in return for a guaranteed periodic (either monthly or quarterly at the investors option) disbursement of the profits from operating said desk spaces. The Plaintiffs performed fully by, inter alia, providing the payments in full demanded by the respective lease agreements, but the Defendants, after making a single quarterly disbursement, failed to perform thereafter in any matter whatsoever. Defendants failed to make required periodic payments, failed to make required buy-out offers when Defendants became aware that some or all of the promised retail locations would not ever open, and failed to keep Plaintiffs apprised of the status of their investment corpus during repeated alleged "reorganizations" of the Bar Works Entities' collective corporate structure and leadership. As a result, the Plaintiffs suffered damages in the form of lost expected income, and on information and belief, have lost the amount of their initial investment,

which they were contractually promised would either be returned to them at the lease period end *or* would be repaid to them at a premium should the lease period end prematurely. Accordingly, Plaintiffs have a likelihood of ultimate success on the merits on their breach of contract claims in this action.

80. A claim for money had and received requires that the Plaintiff prove that “(1) the defendant received money belonging to the plaintiff, (2) the defendant benefitted from receipt of the money, and (3) under principles of equity and good conscience, the defendant should not be permitted to keep the money.” *Georgia Malone & Co., Inc. v Rieder*, 19 NY3d 511, 516 (2012). The Defendants received \$3,045,000.00 from the Plaintiffs as purchases of purported workspace leases, and property rights thereby should have inured to the Plaintiffs in the form of valuable leaseholdings. Instead, the Defendants absconded with the money and converted it either for their own purposes, or used it for corporate purposes unconnected to the Plaintiffs’ intended use. The Defendants thereby benefited from the money and conferred no or almost no benefit upon the Plaintiffs whatsoever, and equity demands that the Defendants be required to disgorge the funds and return them to the Plaintiffs.

81. A claim for unjust enrichment requires that the Plaintiff prove that “(1) the [defendant] was enriched, (2) at [the plaintiff’s] expense, and (3) that it is against equity and good conscience to permit [the defendant] to retain what is sought to be recovered.” *Goel v Ramachandran*, 111 AD3d 783, 790, 791 (2013). In the instant case, the Defendants were enriched individually and collectively by the Plaintiffs’ investment, which the Defendants took and used for their own individual or corporate purposes and not for the purpose the Plaintiffs expected or intended the money be used. Equity cannot permit the Defendants to

retain the Plaintiffs' funds to enrich themselves at the Plaintiffs' expense, and the Defendants must be required to return the money to the Plaintiffs.

82. Defendants' actions support a cause of action for breach of fiduciary duty, fraud, breach of contract, money had-and-received, and unjust enrichment. Based upon the foregoing, Plaintiffs have a likelihood of ultimate success on the merits of the underlying action that support the granting of injunctive relief in this action.

PLAINTIFFS WILL BE IRREPARABLY HARMED ABSENT INJUNCTIVE RELIEF

83. Plaintiffs can also sufficiently establish irreparable injury in this action that is imminent and not remote or speculative, warranting injunctive relief. See *Golden v. Steam Heat, Inc.*, 216 A.D.2d 440, 442, 628 N.Y.S.2d 375, 377 (2d Dep't 1995). Plaintiffs have already invested \$3,045,000.00 in the Bar Works scheme. Defendants' complete abdication of their duties as trustee of these assets has already resulted in an unknown and unaccounted depletion of said assets. Unless injunctive relief is granted in this action restraining and enjoining Defendants from, inter alia, removing, transferring, disposing, selling or hypothecating or otherwise encumbering any and all of their assets, Plaintiffs will not be able to recover any damages from Defendants as any judgment Plaintiffs would be awarded against the Defendants would be ineffectual. The Bar Works Entities' operating funds have been decimated, rendered worthless or nearly worthless and an unknown portion of the assets have been lost. To prevent any further harm, injunctive relief must be granted.

THE BALANCE OF EQUITIES FAVOR THE PLAINTIFFS

84. Lastly, Plaintiffs can establish that the balance of the equities is in their favor as they will suffer more harm than Defendants if injunctive relief is not granted. See *Price Paper & Twine Co. v. Miller*, 182 A.D.2d 748, 750, 582 N.Y.S.2d 746,749 (2d Dep't 1992).

Plaintiffs, as the contractual and trust beneficiaries of the Bar Works Entities' investment scheme, were owed certain duties and obligations by Defendants as fiduciaries. Defendants failed to exercise reasonable care and diligence when administering the property interests of the Plaintiffs, falsely claimed and led Plaintiffs to believe that they were actively managing and administering the Plaintiffs' assets and property for Plaintiffs' benefit, and failed to honestly and in good faith manage and oversee the affairs of the Bar Works Entities. The equities in this action favor Plaintiffs who entrusted Defendants as trustees of their property, who had no reason to believe that anything was amiss with respect to the business activities of the Bar Works Entities or the actions and very identities of its managers and officers, and whose trust assets have thus been decimated, rendered worthless and lost as a result of Defendants' actions.

85. Based upon the foregoing, preliminary injunctive relief must be granted in this action.

86. Plaintiffs do not have an adequate remedy at law.

87. No prior application for the relief set forth herein has been made to this or any other Court.

TEMPORARY RESTRAINING ORDER

88. Plaintiffs seek a temporary restraining order under CPLR §6301.

89. Without a temporary restraining order Plaintiffs will suffer 'immediate and irreparable injury' and 'and continued loss or damage will result'.

90. As is detailed further in the JINMEI WANG Affidavit, Plaintiffs are being harmed each day as they further risk a complete depletion and/or theft of their investment funds (JINMEI WANG Affidavit ¶¶ 31, 32).

EMERGENCY BASIS and 22 NYCRR § 2002.7(f)

91. This application is brought on an emergency basis because Plaintiffs have made a sufficient

showing that the Bar Works Entities are operating a scheme to defraud, and Defendants threaten to immediately further sell, encumber or alienate Plaintiffs investment res.

92. In addition, Plaintiff has demonstrated **significant prejudice** if Defendants are noticed before a temporary restraining order can be signed (See JINMEI WANG Affidavit ¶¶ 45, 46). If notified, Renwick Haddow will likely hide, remove or otherwise seek to conceal and/or abscond with whatever funds the Bar Works Entities have remaining.

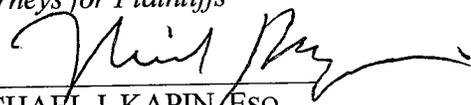
93. If Defendants go unrestrained, Plaintiff will be without any recourse to Defendants including losing more than \$3,000,000.00 which it has invested.

WHEREFORE, it is respectfully requested that this Court grant the relief sought in Plaintiffs' Order to Show Cause in its entirety, and such other and further relief as to the Court seems just and proper.

Dated: June 14, 2017
New York, New York

Yours, etc.,

MICHAEL J. KAPIN, P.C.
Attorneys for Plaintiffs


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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

HONGYING ZHAO, JUAN LIU, SHENSI HE,
HONGLEI TIAN, HAIYAN WANG, JINMEI WANG,
YIHE SUN, SHAOMIN LU, GE GAO,
KUNYUN ZHANG, FENGWEI WANG,
DANDONG WU, XIAOLI WANG, PENG WANG,
YIMIN YANG, JINGRUI FENG, LING SHEN,
CUIRONG LI, HUI ZHENG, CHANGLI XIAO,
QIUYUE ZU, XIUHUA WANG, XIAOYUN ZHANG,
JINLI QIN, SHUYAN FENG, KANWEN ZHANG
and QIAN LU,

Plaintiffs,

-against-

BAR WORKS USA LLC,
BAR WORKS INC.,
BAR WORKS MANAGEMENT INC,
BAR WORKS CHAMBERS ST, INC.,
BAR WORKS TRIBECA INC,
BAR WORKS SAN FRANCISCO 1, LLC,
BAR WORKS CAPITAL, LLC,
BAR WORKS METROPOLITAL AVE, INC.,
BAR WORKS EIGHTH AVENUE INC.,
JONATHAN BLACK,
FRANKLIN KINARD, and
RENWICK HADDOW,

Defendants.

AFFIDAVIT IN SUPPORT

P.R. CHINA)
) ss.
BEIJING)

JINMEI WANG, being duly sworn, deposes and says:

I am an individual Plaintiff herein. I submit this affidavit in *support* of Plaintiffs' motion, brought by order to show cause seeking an order: (a) pursuant to CPLR §6201, directing the Marshal to attach Defendants' assets in order to protect Plaintiffs enforcement of a judgment likely

to be obtained in the within action; (b) prohibiting and restraining the Defendants from removing any funds, whether held jointly in whole or in part, from any bank, brokerage firm, or other institution, wherever situated and without limitation, and from encumbering, pledging, selling or otherwise transferring or hypothecating any and all assets, whether held jointly in whole or in part, wherever situated and without limitation; (c) granting a preliminary injunction, pursuant to C.P.L.R. § 6311 enjoining, forbidding and restraining the Defendants and/or their agents, servants, employees and all persons acting on their behalf from disposing, transferring, encumbering, altering or alienating any and all assets of the Defendants; (d) directing that the Defendants disclose the location of all assets they have secreted to date and if they have transferred, encumbered, pledged, sold or otherwise hypothecated any assets, whether jointly in whole or in part, that they be directed to account for the use and disposition of said funds and/or assets; and, (e) granting to Plaintiff such other and further relief as the Court deems just and proper.

1. I have read through the Summons and Complaint (the “Complaint”) and my attorney, Michael J. Kapin, Esq.’s accompanying Affirmation in support of this Order to Show Cause. I swear to the contents of the allegations contained in both of those documents and incorporate by this reference each of the allegations contained in the Complaint and Mr. Kapin’s affirmation.
2. The “Bar Works Entities” (as defined in the Complaint) were selling “units” of co-working desk space within various “Bar Works” branded locations throughout the United States.
3. Each of the Bar Works Entities was incorporated in 2016 under the guise of being involved in a legitimate business furnishing co-working space to retail customers.

4. The Bar Works Entities were funded through investors, like me, who bought “units” in the Bar Works Entities which units represented a purchase of desk space co-working stations at “Bar Works” retail locations throughout the United States.
5. The Defendants created private placement memorandum style brochures (the "Offering Brochures").
6. Attached as **Exhibit B** are copies of the Offering Brochures (with banking account numbers redacted) for the following “Bar Works” locations: 95 Chambers Street, New York, New York (the “Chambers Location”); 70 White Street, New York, New York (the “Tribeca Location”); 116 Eighth Avenue, New York, New York (the “8th Avenue Location”); 242 Metropolitan Avenue, Brooklyn, New York (the “Metropolitan Location”); and, 615 Sacramento Street, San Francisco, California (the “SF Location”). (See Exhibit B).
7. The purpose of the Offering Brochures was to target wealthy investors and induce those wealthy investors to fund the Bar Works Entities based upon the representation that they were acquiring equity in the form of units of an individual “Bar Works” branded location representing one desk space within a “Bar Work” co-working retail space (the "Representations").
8. The Representations were false because the units being offered did not exist and/or were never intended to be delivered.
9. The Offering Brochure detail the “Bar Works™ Wealth Builder Program” in which “investors seeking income combined with capital appreciation are now offered the chance to purchase a 10-year lease on up to 100 workspace units at Bar Works [...] Furthermore, each lease will benefit from any rent increases derived from the work space. That means

your minimum income will grow as customer charges rise and exceed the initial 14%-16% yield in the later years of the lease.”

10. According to the Offering Brochures, “[t]he cost of each work space lease is \$25,000, plus you receive a free lifetime worldwide membership to Bar Works™ Inc.”
11. The Offering Brochure promised monthly income payment to begin 14 days after taking up the offer.
12. The Offering Brochures promised a “reversion bonus of 25% when your lease expires – i.e., Bar Works will repay your initial capital outlay at 125% - \$31,250 per \$25,000 outlay.”
13. The Offering Brochures further provided, “Bar Works™ Inc. will retain the right to buy back your lease at a minimum 125% of initial cost - \$31,250 - at any point after the second year anniversary of investment and in the event of a change in group ownership or status.”
14. Defendants instructed me to wire \$25,000 per “co-working unit” to Defendant Bar Works Inc. to its JP Morgan Chase Bank, bank account in New York, New York.
15. A minimum of two (2) units purchased (i.e. \$50,000.00) was required to invest in the offering.
16. Based upon the representations of Defendants, I purchased five (5) units and I transferred \$125,000.00 to Defendants.
17. Combined with the other Plaintiffs, in the aggregate we transferred the sum of \$3,045,000.00 by wire transmission to Defendants.

18. I was never provided with any written subscription agreement acknowledging the aforementioned transactions, and never received the Bar Works securities (although I did receive an ownership certificate).
19. Defendants provided me with a “Bar Works FAQ” which made further representations regarding my investment. Notably, Defendants went so far as to give me tax advice for my investment within the FAQ.
20. On or about September 1, 2016, I invested in five (5) units of the Tribeca Location of “Bar Works” by investing \$125,000.00 in Bar Works Tribeca Inc. I entered into a “Wealth Builder Lease Agreement” with Bar Works Tribeca Inc., wherein, for my payment of \$125,000, I was purportedly purchasing a ten year lease for five work spaces, workspace numbers 9437, 7797, 8412, 8939 and 7320. On the same day I signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein I subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of Jan. 2017, I have not received required rent payments, which I agreed could be paid out quarterly.
21. Attached herein as **Exhibit D**, are copies of the “Wealth Builder Lease Agreement” between Bar Works Tribeca Inc. and me, and the “Wealth Builder Sub-Lease Agreement” entered into between Bar Works Management Inc. and me.
22. I was issued an “ownership certificate” by Defendants. Attached herein as **Exhibit E** is the ownership certificate issued to me.
23. Defendants provided various guarantees to me. Attached herein as **Exhibit F** is a copy of a guarantee between Bar Works Tribeca Inc. (as landlord) and Bar Works Management

- Inc. (as sub-lease holder), providing further assurances and guarantees to me as the investor.
24. Defendants directed me to wire my investment to parent company Bar Works Inc. Attached herein as **Exhibit G** is a copy of wire instructions directing potential investors where to send their money. While it says on the instructions that the payment is to “Bar Works Tribeca Inc.,” the account number (which has been redacted) is in fact the same account number as Defendant Bar Works Inc.
25. I did receive initial contractual payments that Bar Works promised, however, as of January 2017, required contractual payments have ceased.
26. Defendants corresponded with me (both individually and as a representative of the Plaintiffs) and advised me that payments had ceased because of ‘bank problems’ that were leading to the failure to make required rental payments. Attached herein as **Exhibit H** is a copy of that email correspondence.
27. As soon as this happened, I began to become concerned. I eventually learned that on or about May 23, 2017, Bar Works had restructured its leadership and had “closed or abandoned” locations. Attached herein as **Exhibit I** is an email from CEO Franklin Kinard to “Bar Works” investors dated May 23, 2017.
28. Notably, this email confirms that certain of “Bar Works” locations have been closed and/or abandoned. The email further seeks to inform investors that “stakeholders in those sites will be shifted to locations that have stronger revenue foundations.”
29. I never agreed to be “shifted” to another location. In the event Bar Works wanted to terminate my agreement, pursuant to our contract, they were required to pay me 125% of

- my investment amount in damages (i.e. \$156,250.00; See termination clause, paragraph 4, Exhibit D).
30. Moreover, as promised in their Offering Brochures, “in the event of a change in group ownership or status,” there was a trigger of my right to a return of 125% of my investment amount.
31. Defendants have refused to make rental payments due and have refused to return Plaintiffs’ funds for locations which are not operating and will not be operating although demand has been duly made.
32. In fact, I visited the New York City in May 2017 to meet with Bar Works, on behalf of myself and on behalf of the other Plaintiffs, at which time I met with Franklin Kinard and demanded rental payments continue and investment funds (at 125% of the investment amount) be returned to me and those investors who have invested in ‘closed or abandoned’ locations. The demands were refused.
33. Attached herein as **Exhibit J** is an organizational chart of the Bar Works Entities and an explanation provided by Defendants as to the nature of the complex corporate structure of the Bar Works Entities.
34. Over the last few weeks, I have learned more and more about the true nature of the business operation of Defendants and can come to no other conclusion than that the Defendants are running a complex scheme defrauding Plaintiffs and absconding with our money.

The Scheme

35. Several articles have recently been published about “Bar Works” business being a complex Ponzi scheme and otherwise fraudulent investment-pooling scheme.

36. Attached herein as **Exhibit K** are four articles recently published detailing the nature of the scheme and the investigation work that has been done to verify certain facts about the scheme. In my opinion, it is quite extensive.
37. Defendants Jonathan Black, Renwick Haddow, and Franklin Kinard were at various times either the Chief Executive Officers, the undisclosed managing member, or otherwise senior officers of the named Bar Works corporate Defendants.
38. As it turns out, the puppet master, apparently pulling the strings at Bar Works is a person by the name of Renwick Haddow.
39. Renwick Haddow, it seems, is currently involved in litigation over a complex Ponzi scheme perpetrated on investors ongoing in the London Courts. Attached herein as **Exhibit L** is an article by the World Policy Institute detailing this complex fraud.
40. I believe that one of the named individual Defendants, Jonathan Black, is a fictitious person created by the Defendants from whole cloth.
41. I doubt that Jonathan Black actually exists. Jonathan Black was listed as the Bar Works Entities CEO, and a signature purporting to be Jonathan Black's was affixed to promotional materials, official government registration certificates, and agreements offered to me as proof of the Bar Works Entities' operations.
42. All references to Jonathan Black were removed from the Bar Works Entities' various web sites suddenly in or about December 2016, and a new individual, Franklin Kinard, was substituted as the CEO.
43. I have never met, nor to my knowledge have any of the other Plaintiffs ever met or spoke to Jonathan Black in person, and the Bar Works Entities have not been forthcoming about this person's actual identity or whereabouts.

44. A photograph purporting to be of Jonathan Black on the Bar Works web site was later revealed to belong to an unrelated Texas-based businessman named Frank Jones, who upon information and belief was not connected to the Bar Works scheme. See a comparison of the LinkedIn profiles for “Jonathan Black” and “Frank Jones,” attached hereto as **Exhibit M**.
45. It is my belief that “Jonathan Black” was created from whole cloth to hide the fact that the actual person controlling the Bar Works Entities was Defendant Renwick Haddow, a shadowy figure with a history of operating Ponzi investment schemes.
46. While Renwick Haddow has hidden his involvement in the “Bar Works” companies, a careful search of documents reveals he is seriously involved. Attached herein as **Exhibit O** is the following: (i) California Secretary of Limited Liability Company Filing statement, dated May 5, 2016, for Bar Works Capital, LLC, showing Renwick Haddow as the Manager or Member; (ii) California Secretary of Limited Liability Company Filing statement, dated May 5, 2016, for Bar Works Oakland, LLC, showing Renwick Haddow as the Manager or Member; and (iii) California Secretary of Limited Liability Company Filing statement, dated May 5, 2016, for Bar Works San Francisco 1, LLC, showing Renwick Haddow as the Manager or Member.
47. The Tribeca Location, like the existence of Jonathan Black, seems to be wholly fictitious.
48. When I visited New York City in May 2017 to see the location I had invested in (i.e. 70 White Street, New York, NY), there was no indication that the location even existed.
49. Bar Works provided me with a Scope of Work proposal from a contractor as evidence that the Tribeca Location was already under construction and would open imminently. This appears to have been some kind of fraudulent document.

50. Defendants are justly indebted to Plaintiff in the sum of at least \$3,045,000.00.
51. Defendants, I believe, have defrauded and intend to further defraud Plaintiffs and frustrate the enforcement of a judgment that is likely to be rendered in our favor.
52. Defendants are going out of business, and if this Court does not act to attach the proceeds of the Defendants final days in business, Plaintiff will be in the position of being unable to collect on a future judgment.
53. Plaintiffs are likely to succeed in obtaining a judgment.
54. Plaintiffs have advised our attorneys not to notify Defendants of this application/lawsuit, prior to obtaining a restraining order. We believe if Defendants are notified, they will hide whatever portion of our money has not otherwise yet been stolen from us.
55. Therefore, this Court should enter an order, pursuant to CPLR 6201 directing the Marshal to attach the proceeds from Defendants in order to protect Plaintiffs' enforcement of a judgment for its just debt.
56. In addition, as my attorneys have set forth in great detail in their papers, Plaintiffs are likely to succeed on the merits of their case and are therefore entitled to a preliminary injunction and a temporary restraining order.
57. Plaintiffs meet the standard for the granting of temporary and preliminary injunctive relief in this action.
58. Mr. Haddow, who on information and belief is a British national currently residing in New York, is the suspected recipient of the Plaintiffs' investment funds, and Plaintiffs on information and belief suspect that Mr. Haddow, should he receive notice of this action and Order, will abscond or otherwise attempt to dispose of the Plaintiffs' investment funds.

59. Accordingly, to preserve the status quo and to ensure that Defendants do not transfer, dispose or otherwise encumber any and all of their assets that would render any judgment Plaintiffs could have against Defendants ineffectual, injunctive relief should be granted in this action.
60. Plaintiffs will suffer irreparable injury in this action that is imminent and not remote or speculative, warranting injunctive relief.
61. At the time Plaintiffs made our respective investments, the cumulative value thereof was \$3,045,000.00. Defendants' complete abdication of their duties as trustee of these assets has already resulted in an unknown and unaccounted depletion of said assets. Unless injunctive relief is granted in this action restraining and enjoining Defendants from, inter alia, removing, transferring, disposing, selling or hypothecating or otherwise encumbering any and all of their assets, Plaintiffs will not be able to recover any damages from Defendants as any judgment Plaintiffs would be awarded against the Defendants would be ineffectual.
62. The Bar Works Entities' operating funds have been decimated, rendered worthless and the assets have been lost. To prevent any further harm, injunctive relief must be granted.
63. Plaintiffs do not have an adequate remedy at law. If Defendants are permitted to finalize their scheme, there will be no funds from which Plaintiffs can recover.
64. There has been no prior application for the relief set forth herein.

Wherefore, it is respectfully requested that this Court grant Plaintiffs' motion, brought by order to show cause, in its entirety; and, Granting such other and further relief as this Court may deem just and proper.

JINMEI WANG 王金梅
JINMEI WANG

Sworn to before me this
14th day of June, 2017

NOTARY PUBLIC

NOTARIAL CERTIFICATE

(Translation)

(2017) J.X.D.W.M.Z.Zi, No.10179

Applicant: Wang Jinmei, female, born on October 30, 1973, ID Card No.: 210821197310303063

Matter for Notarization: Signature

This is to certify that Wang Jinmei came to my office on June 14, 2017 and affixed her signature in the presence of this notary on the Foreign Language Document attached hereto.

Notary: Guan Shijie
Beijing Xinde Notary Public Office
The People's Republic of China
June 14, 2017

I V09582981

公 证 书

中华人民共和国北京市信德公证处

公 证 书

(2017)京信德外民证字第 10179 号

申请人：王金梅，女，一九七三年十月三十日出生，公民身份号码：210821197310303063。

公证事项：签名

兹证明王金梅于二〇一七年六月十四日来到我处，在本公证员的面前，在前面的外文文件上签名。

中华人民共和国北京市信德公证处

公证员

英世捷



NOTARIAL CERTIFICATE

(Translation)

(2017) J.X.D.W.M.Z.Zi, No.10180

Applicant: Wang Jinmei, female, born on October 30, 1973, ID Card No.: 210821197310303063

Matter for Notarization: The Conformity of the English Version with the Chinese Original

This is to certify that the English version of (2017) J.X.D.W.M.Z.Zi, No.10179 NOTARIAL CERTIFICATE attached hereto is in conformity with its Chinese original.

Notary: Guan Shijie
Beijing Xinde Notary Public Office
The People's Republic of China
June 14, 2017

I V09582882

公 证 书

(2017)京信德外民证字第 10180 号

申请人：王金梅，女，一九七三年十月三十日出生，公民身份号码：210821197310303063。

公证事项：译本与原本相符

兹证明前面的 (2017) 京信德外民证字第 10179 号公证书所附的英文译本内容与中文原本内容相符。

中华人民共和国北京市信德公证处

公证员

英世捷

二〇一七年六月十四日



Exhibit A

Exhibit A

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

HONGYING ZHAO, JUAN LIU, SHENSI HE,
HONGLEI TIAN, HAIYAN WANG, JINMEI WANG,
YIHE SUN, SHAOMIN LU, GE GAO,
KUNYUN ZHANG, FENGWEI WANG,
DANDONG WU, XIAOLI WANG, PENG WANG,
YIMIN YANG, JINGRUI FENG, LING SHEN,
CUIRONG LI, HUI ZHENG, CHANGLI XIAO,
QIUYUE ZU, XIUHUA WANG, XIAOYUN ZHANG,
JINLI QIN, SHUYAN FENG, KANWEN ZHANG
and QIAN LU,

Plaintiffs,

-against-

BAR WORKS USA LLC,
BAR WORKS INC.,
BAR WORKS MANAGEMENT INC,
BAR WORKS CHAMBERS ST, INC.,
BAR WORKS TRIBECA INC,
BAR WORKS SAN FRANCISCO 1, LLC,
BAR WORKS CAPITAL, LLC,
BAR WORKS METROPOLITAL AVE, INC.,
BAR WORKS EIGHTH AVENUE INC.,
JONATHAN BLACK,
FRANKLIN KINARD, and
RENWICK HADDOW,

Defendants.

SUMMONS

Venue is based on Defendants'
Place of Business:
47 West 39th Street
New York, New York 10018

To the above named Defendants:

You are hereby summoned to answer the complaint in this action, and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance on the Plaintiffs' attorneys within twenty days after the service of this summons, exclusive of the day of service, where service is made by delivery upon you personally within the state, or, within 30 days after completion or service where service is made in any other manner. In case of your

failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

Dated: June 14, 2017
New York, New York

Yours, etc.,
MICHAEL J. KAPIN, P.C.
Attorney for Plaintiffs



MICHAEL J. KAPIN, ESQ.
305 Broadway, Suite 1004
New York, NY 10007
(212) 513-0500

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

HONGYING ZHAO, JUAN LIU, SHENSI HE,
HONGLEI TIAN, HAIYAN WANG, JINMEI WANG,
YIHE SUN, SHAOMIN LU, GE GAO,
KUNYUN ZHANG, FENGWEI WANG,
DANDONG WU, XIAOLI WANG, PENG WANG,
YIMIN YANG, JINGRUI FENG, LING SHEN,
CUIRONG LI, HUI ZHENG, CHANGLI XIAO,
QIUYUE ZU, XIUHUA WANG, XIAOYUN ZHANG,
JINLI QIN, SHUYAN FENG, KANWEN ZHANG
and QIAN LU,

Plaintiffs,

-against-

BAR WORKS USA LLC,
BAR WORKS INC.,
BAR WORKS MANAGEMENT INC,
BAR WORKS CHAMBERS ST, INC.,
BAR WORKS TRIBECA INC,
BAR WORKS SAN FRANCISCO 1, LLC,
BAR WORKS CAPITAL, LLC,
BAR WORKS METROPOLITAL AVE, INC.,
BAR WORKS EIGHTH AVENUE INC.,
JONATHAN BLACK,
FRANKLIN KINARD, and
RENWICK HADDOW,

Defendants.

VERIFIED COMPLAINT

Plaintiffs Hongying Zhao, Juan Liu, Shensi He, Honglei Tian, Haiyan Wang, Jinmei Wang, Yihe Sun, Shaomin Lu, Ge Gao, Kunyun Zhang, Fengwei Wang, Dandong Wu, Xiaoli Wang, Peng Wang, Yimin Yang, Jingrui Feng, Ling Shen, Cuirong Li, Hui Zheng, Changli Xiao, Qiuyue Zu, Xiuhua Wang, Xiaoyun Zhang, Jinli Qin, Shuyan Feng, and Kanwen Zhang and Qian Lu, by and through their attorneys, Michael J. Kapin, P.C., for their Verified Complaint, respectfully sets forth as follows:

THE PARTIES

1. Plaintiffs are natural persons, each of whom is a citizen of and resides in the People's Republic of China.
2. Defendant Bar Works USA LLC is a domestic limited liability company organized and operating under the laws of New York, with its principal place of business in New York County, New York.
3. Defendant Bar Works Inc. is a foreign for-profit corporation, incorporated and organized under the laws of the state of Delaware with its principal place of business in New York County, New York.
4. Defendant Bar Works Management Inc is a domestic business corporation organized and operating under the laws of New York, with its principal place of business in New York County, New York.
5. Defendant Bar Works Chambers St, Inc. is a foreign for-profit corporation, incorporated and organized under the laws of the state of Delaware with its principal place of business in New York County, New York.
6. Defendant Bar Works Tribeca Inc is a domestic business corporation organized and operating under the laws of New York, with its principal place of business in New York County, New York.
7. Defendant Bar Works San Francisco 1, LLC is a foreign limited liability company, organized and operating under the laws of California with a place of business in New York County, New York.

8. Defendant Bar Works Capital, LLC is a foreign limited liability company, organized and operating under the laws of California with a place of business in New York County, New York.
9. Defendant Bar Works Metropolitan Ave, Inc. is a domestic business corporation organized and operating under the laws of New York, with a place of business in New York County, New York.
10. Defendant Bar Works Eighth Avenue Inc. is a domestic business corporation organized and operating under the laws of New York, with its principal place of business in New York County, New York.
11. Each of the above-mentioned business entity Defendants are collectively hereinafter referred to as the “Bar Works Entities.”
12. Defendant Jonathan Black is, upon information and belief, either a natural person whose primary place of business is New York County, New York or the fictitious and assumed name or alias of an unknown person.
13. Defendant Franklin Kinard is, upon information and belief, a natural person whose primary place of business is New York County, New York.
14. Defendant Renwick Haddow is, upon information and belief, a natural person whose primary place of business is New York County, New York.
15. Each of the above-mentioned individual Defendants are collectively hereinafter referred to as the “Individual Defendants”

FACTUAL BACKGROUND

16. The plaintiffs were approached by representatives of the Bar Works Entities and furnished with private placement style marketing materials.

17. The Bar Works Entities were purportedly selling “units” of co-working desk space within various “Bar Works” branded locations throughout the United States.
18. Upon information and belief, the Individual Defendants, and each of them, was and is an owner, officer, director, employee, representative and/or agent of the Bar Works Entities.
19. Upon information and belief, the Individual Defendants, and each of them, operated and controlled each of the Bar Works Entities in all material respects concerning the below-mentioned transactions that are the subject of this action and concerning all dealings with the Plaintiffs as set forth herein.
20. At all relevant times, the Bar Works Entities and the Individual Defendants regularly conducted business in the State of New York and, particularly in connection with the below-mentioned transactions that are the subject of this action, have enjoyed the benefit of doing business within the State of New York.

JURISDICTION AND VENUE

21. The Bar Works Entities, and each of them, are subject to the jurisdiction of this Court pursuant to Section 302(a)(1) of the Civil Practice Law and Rules because each of them transacts business in the State of New York.
22. The Individual Defendants, and each of them, is subject to the jurisdiction of this Court pursuant to Sections 301 and 302(a)(1) and (2) of the Civil Practice Law and Rules because he/she/they is/are a resident of the State of New York, transacts business in the State of New York, and/or committed a tortious act within the State of New York.
23. Venue is proper in this County pursuant to Section 503(a) of the Civil Practice Law and Rules because each of the Defendants has as its place of business the “Bar Works”

corporate office headquarters at 47 West 39th Street, New York, New York 10018, within the County of New York.

FACTS COMMON TO ALL COUNTS

24. Upon information and belief, each of the Bar Works Entities was incorporated in 2016 under the guise of being involved in a legitimate business furnishing co-working space to retail customers.
25. The Bar Works Entities were funded through investors who bought “units” in the Bar Works Entities which units represented a purchase of numbered desk space co-working stations at “Bar Works” retail locations throughout the United States.
26. Upon information and belief, the Defendants devised and operated a “Ponzi scheme” wherein the Bar Works Entities paid returns to its investors from new capital paid to the Bar Works Entities by new investors, rather than from profit earned through legitimate investments or business activities.
27. Upon information and belief, the Defendants devised and operated a scheme wherein the Bar Works Entities sold co-working desk space in locations that were never opened and/or never intended to be open for the meaningful operation of business.
28. Upon information and belief, the Defendants devised and operated a scheme wherein the Bar Works Entities sold more co-working desk spaces than existed or ever intended to exist.
29. Upon information and belief, the Bar Works Entities were created as part of a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses.
30. Upon information and belief, to further the scheme and artifice to defraud, and in an effort to shroud the Bar Works Entities in an elaborate and layered cloak of legitimacy, the Bar

Works Entities and the Individual Defendants, created private placement memorandum style brochures (the "Offering Brochures").

31. The purpose of the Offering Brochures was to target wealthy investors and induce those wealthy investors to fund the Bar Works Entities based upon the representation that they were acquiring equity in the form of units of an individual "Bar Works" branded location representing one desk space within a "Bar Works" co-working retail space (the "Representations").
32. Upon information and belief, the Representations were false because some or all of the units being offered did not exist and/or were never intended to be delivered.
33. Upon information and belief, Individual Defendants, and each of them, as an owner, officer, director, employee, representative, and/or agent of the Bar Works Entities, knew the Representations were false.
34. Upon information and belief, the Individual Defendants, and each of them, as an owner, officer, director, employee, representative and/or agent of the Bar Works Entities, who operated and controlled the Bar Works Entities in all material aspects, sent a copies of the Offering Brochures to Plaintiffs.
35. The Offering Brochure detail the "Bar Works™ Wealth Builder Program" in which "investors seeking income combined with capital appreciation are now offered the chance to purchase a 10-year lease on up to 100 workspace units at Bar Works [...] Furthermore, each lease will benefit from any rent increases derived from the work space. That means your minimum income will grow as customer charges rise and exceed the initial 14%-16% yield in the later years of the lease."

36. According to the Offering Brochures, “[t]he cost of each work space lease is \$25,000, plus you receive a free lifetime worldwide membership to Bar Works™ Inc.”
37. Notably, the San Francisco “Bar Works” location required a higher \$30,000 per unit investment.
38. The Offering Brochure promised monthly income payment to begin 14 days after taking up the offer.
39. The Offering Brochures promised a “reversion bonus of 25% when your lease expires – i.e., Bar Works will repay your initial capital outlay at 125% - \$31,250 per \$25,000 outlay.”
40. The Offering Brochures further provided, “Bar Works™ Inc. will retain the right to buy back your lease at a minimum 125% of initial cost - \$31,250 - at any point after the second year anniversary of investment and in the event of a change in group ownership or status.”
41. Purportedly to consummate the transactions, Defendants instructed the Plaintiffs to wire \$25,000 per “co-working unit” to Defendant Bar Works Inc. to its JP Morgan Chase Bank bank account in New York, New York.
42. A minimum of two (2) units purchased (i.e. \$50,000.00) was required to invest in the offering.
43. Based upon the representations of Defendants, the 27 Plaintiffs transferred an aggregate sum of \$3,045,000.00 by wire transmission to Bar Works Inc.
44. Despite the Plaintiffs' transfer of an aggregate sum of \$3,045,000.00 to Bar Works Inc., the Plaintiffs were never provided with a written subscription agreement as required by New York law, including but not limited to a real estate syndicate offering pursuant to NY GBS §352-e (1)(a), or otherwise were never provided with any other documentation

acknowledging the aforementioned transactions, and never received the Bar Works securities.

45. Upon information and belief and as further evidence of Bar Works Entities scheme and artifice to defraud, after the Plaintiffs transferred an aggregate amount of \$3,045,000.00 to Bar Works Inc., no notice of sale containing the information required by Form D (17 C.F.R. § 239.500) was filed with the Securities and Exchange Commission as required by 17 C.F.R. § 230.503.

SPECIFIC TRANSACTION OF EACH PLAINTIFF

46. On or about August 11, 2016, Hongying Zhao invested in two (2) units of the 70 White Street, New York, New York 10013 “Bar Works” location by investing \$50,000 in Bar Works Tribeca Inc. Hongying Zhao entered into a “Wealth Starter Lease Agreement” with Bar Works Tribeca Inc., wherein, for Hongying Zhao’s payment of \$50,000. Hongying Zhao purportedly purchased a ten year lease for two work spaces, workspace numbers 9063 and 9442. On the same day Hongying Zhao signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Hongying Zhao subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Hongying Zhao has not received required rent payments.
47. On or about October 17, 2016, Hongying Zhao additionally invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Hongying Zhao entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Hongying Zhao’s payment of \$50,000 Hongying Zhao purportedly purchased a ten year lease for two work

spaces, workspace numbers 7195 and 8182. On the same day Hongying Zhao signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Hongying Zhao subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Hongying Zhao has not received required rent payments.

48. On or about July 28, 2016, Juan Liu invested in two (2) units of the 70 White Street, New York, New York 10013 “Bar Works” location by investing \$50,000.00 in Bar Works Tribeca Inc. Juan Liu entered into a “Wealth Starter Lease Agreement” with Bar Works Tribeca Inc., wherein, for Juan Liu’s payment of \$50,000 Juan Liu purportedly purchased a ten year lease for two work spaces, workspace numbers 9382 and 8169. On the same day Juan Liu signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Juan Liu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Juan Liu has not received required rent payments.

49. On or about August 23, 2016, Shensi He invested in two (2) units of the 70 White Street, New York, New York 10013 “Bar Works” location by investing \$50,000.00 in Bar Works Tribeca Inc. Shensi He entered into a “Wealth Starter Lease Agreement” with Bar Works Tribeca Inc., wherein, for Shensi He’s payment of \$50,000 Shensi He purportedly purchased a ten year lease for two work spaces, workspace numbers 9801 and 8828. On the same day Shensi He signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Shensi He subleased the purchased workspaces to Bar Works

Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month.

As of March 2017, Shensi He has not received required rent payments.

50. On or about August 22, 2016, Honglei Tian invested in three (3) units of the 70 White Street, New York, New York 10013 “Bar Works” location by investing \$75,000.00 in Bar Works Tribeca Inc. Honglei Tian entered into a “Wealth Accelerator Lease Agreement” with Bar Works Tribeca Inc., wherein, for Honglei Tian’s payment of \$75,000 Honglei Tian purportedly purchased a ten year lease for three work spaces, workspace numbers 9488, 9378 and 8253. On the same day Honglei Tian signed a “Wealth Accelerator Sub-Lease Agreement” with Bar Work Management Inc., wherein Honglei Tian subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$969.00 per month. As of March 2017, Honglei Tian has not received required rent payments.
51. On or about September 27, 2016, Honglei Tian additionally invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Hong Lei Tian entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Honglei Tian’s payment of \$50,000 Honglei Tian purportedly purchased a ten year lease for two work spaces, workspace numbers 8886 and 8266. On the same day Honglei Tian signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Honglei Tian subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Honglei Tian has not received required rent payments.

52. On or about August 30, 2016, Haiyan Wang invested in four (4) units of the 70 White Street, New York, New York 10013 “Bar Works” location by investing \$100,000.00 in Bar Works Tribeca Inc. Haiyan Wang entered into a “Wealth Accelerator Lease Agreement” with Bar Works Tribeca Inc., wherein, for Haiyan Wang’s payment of \$100,000 Hai Yan Wang purportedly purchased a ten year lease for four work spaces, workspace numbers 6967, 8919, 9727 and 7006. On the same day Haiyan Wang signed a “Wealth Accelerator Sub-Lease Agreement” with Bar Work Management Inc., wherein Haiyan Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,292.00 per month. As of March 2017, Hai Yan Wang has not received required rent payments.
53. On or about September 1, 2016, Jinmei Wang invested in five (5) units of the 70 White Street, New York, New York 10013 “Bar Works” location by investing \$125,000.00 in Bar Works Tribeca Inc. Jinmei Wang entered into a “Wealth Builder Lease Agreement” with Bar Works Tribeca Inc., wherein, for Jinmei Wang’s payment of \$125,000 Jinmei Wang purportedly purchased a ten year lease for five work spaces, workspace numbers 9437, 7797, 8412, 8939 and 7320. On the same day Jinmei Wang signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Jinmei Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, Jinei Wang has not received required rent payments.
54. On or about September 9, 2016, Yihe Sun invested in two (2) units of the 615 Sacramento Street, San Francisco, California 94111 “Bar Works” location by investing \$60,000.00 in Bar Works Capital LLC. Yihe Sun entered into a “San Francisco Lease Agreement” with

- Bar Works Capital LLC, wherein, for Yihe Sun's payment of \$60,000 Yihe Sun purportedly purchased a ninety-nine year lease for two work spaces, workspace numbers 7886 and 7340. On the same day Yihe Sun signed a "San Francisco Sub-Lease Agreement" with Bar Work Management Inc., wherein Yihe Sun subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Yihe Sun has not received required rent payments.
55. On or about September 26, 2016, Lushao Min invested in two (2) units of the 615 Sacramento Street, San Francisco, California 94111 "Bar Works" location by investing \$60,000.00 in Bar Works Capital LLC. Lu Shao Min entered into a "San Francisco Lease Agreement" with Bar Works Capital LLC, wherein, for Lushao Min's payment of \$60,000, Lushao Min purportedly purchased a ninety-nine year lease for two work spaces, workspace numbers 7876 and 7770. On the same day, Lushao Min signed a "San Francisco Sub-Lease Agreement" with Bar Work Management Inc., wherein Lushao Min subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Lushao Min has not received required rent payments.
56. On or about September 13, 2016, Gao Ge invested in two (2) units of the 615 Sacramento Street, San Francisco, California 94111 "Bar Works" location by investing \$60,000 in Bar Works Capital LLC. Gao Ge entered into a "San Francisco Lease Agreement" with Bar Works Capital LLC, wherein, for Gao Ge's payment of \$60,000 Gao Ge purportedly purchased a y ninety-nine year lease for two work spaces, workspace numbers 9576 and 7946. On the same day, Gao Ge signed a "San Francisco Sub-Lease Agreement" with Bar Work Management Inc., wherein Gao Ge subleased the purchased workspaces to Bar

Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Gao Ge has not received required rent payments.

57. On or about September 19, 2016, Kunyun Zhang invested in two (2) units of the 615 Sacramento Street, San Francisco, California 94111 “Bar Works” location by investing \$60,000.00 in Bar Works Capital LLC. Kunyun Zhang entered into a “San Francisco Lease Agreement” with Bar Works Capital LLC, wherein, for Kunyun Zhang’s payment of \$60,000, Kunyun Zhang purportedly purchased a ninety-nine year lease for two work spaces, workspace numbers 9007 and 8478. On the same day, Kunyun Zhang signed a “San Francisco Sub-Lease Agreement” with Bar Work Management Inc., wherein Kunyun Zhang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Kunyun Zhang has not received required rent payments.

58. On or about December 19, 2016, Kunyun Zhang invested in five (5) units of the 116 Eighth Avenue, New York, New York 10011 “Bar Works” location by investing \$125,000.00 in Bar Works Eighth Avenue LLC. Kunyun Zhang entered into a “Wealth Builder Lease Agreement” with Bar Works Eighth Avenue LLC, wherein, for Kunyun Zhang’s payment of \$125,000, Kunyun Zhang purportedly purchased a ten year lease for five work spaces, workspace numbers 8677, 7040, 9611, 8084 and 7168. On the same day Kunyun Zhang signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Kunyun Zhang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, Kunyun Zhang has not received required rent payments.

59. On or about September 28, 2016, Fengwei Wang invested in two (2) units of the 615 Sacramento Street, San Francisco, California 94111 “Bar Works” location by investing \$60,000.00 in Bar Works Capital LLC. Fengwei Wang entered into a “San Francisco Lease Agreement” with Bar Works Capital LLC, wherein, for Fengwei Wang’s payment of \$60,000, Fengwei Wang purportedly purchased a ninety-nine year lease for two work spaces, workspace numbers 6980 and 7116. On the same day, Fengwei Wang signed a “San Francisco Sub-Lease Agreement” with Bar Work Management Inc., wherein Fengwei Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Fengwei Wang has not received required rent payments.
60. On or about September 21, 2016, Dangdong Wu invested in two (2) units of the 615 Sacramento Street, San Francisco, California 94111 “Bar Works” location by investing \$50,000.00 in Bar Works Capital LLC. Dangdong Wu entered into a “San Francisco Lease Agreement” with Bar Works Capital LLC, wherein, for Dangdong Wu’s payment of \$50,000, Dangdong Wu purportedly purchased a ninety-nine year lease for two work spaces, workspace numbers 8529 and 9857. On the same day, Dangdong Wu signed a “San Francisco Sub-Lease Agreement” with Bar Work Management Inc., wherein Dangdong Wu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Dangdong Wu has not received required rent payments.
61. On or about October 13, 2016, Dangdong Wu additionally invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Dangdong Wu entered into a “Wealth Starter

Lease Agreement” with Bar Works Chambers LLC, wherein, for Dangdong Wu’s payment of \$50,000, Dangdong Wu purportedly purchased a ten year lease for two work spaces, workspace numbers 8569 and 7157. On the same day, Dangdong Wu signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Dangdong Wu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Dangdong Wu has not received required rent payments.

62. On or about October 27, 2016, Dangdong Wu invested in five (5) units of the 242 Metropolitan Avenue, Brooklyn, New York 12111 “Bar Works” location by investing \$125,000.00 in Bar Works Metropolitan LLC. Dangdong Wu entered into a “Wealth Builder Lease Agreement” with Bar Works Metropolitan LLC, wherein, for Dangdong Wu’s payment of \$125,000, Dangdong Wu purportedly purchased a ten year lease for five work spaces, workspace numbers 7831, 7957, 7042, 8742, and 8966. On the same day Dangdong Wu signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Dangdong Wu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, Dangdong Wu has not received required rent payments.

63. On or about October 13, 2016, Xiaoli Wang invested in two (2) units of the 615 Sacramento Street, San Francisco, California 94111 “Bar Works” location by investing \$60,000.00 in Bar Works Capital LLC. Xiaoli Wang entered into a “San Francisco Lease Agreement” with Bar Works Capital LLC, wherein, for Xiaoli Wang’s payment of \$60,000, Xiaoli Wang purportedly purchased a ninety-nine year lease for two work spaces, workspace

numbers 9122 and 8527. On the same day, Xiaoli Wang signed a “San Francisco Sub-Lease Agreement” with Bar Work Management Inc., wherein Xiaoli Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Xiaoli Wang has not received required rent payments.

64. On or about October 14, 2016, Xiaoli Wang additionally invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Xiaoli Wang entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Xiaoli Wang’s payment of \$50,000, Xiaoli Wang purportedly purchased a ten year lease for two work spaces, workspace numbers 8760 and 7041. On the same day, Xiaoli Wang signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Xiaoli Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Xiaoli Wang has not received required rent payments.

65. On or about October 14, 2016, Xiaoli Wang invested in two (2) units of the 242 Metropolitan Avenue, Brooklyn, New York 12111 “Bar Works” location by investing \$50,000.00 in Bar Works Metropolitan LLC. Xiaoli Wang entered into a “Wealth Starter Lease Agreement” with Bar Works Metropolitan LLC, wherein, for Xiaoli Wang’s payment of \$50,000, Xiaoli Wang purportedly purchased a ten year lease for two work spaces, workspace numbers 9146 and 7682. On the same day, Xiaoli Wang signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Xiaoli

Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Xiaoli Wang has not received required rent payments.

66. On or about September 30, 2016, Peng Wang invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Peng Wang entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Peng Wang’s payment of \$50,000, Peng Wang purportedly purchased a ten year lease for two work spaces, workspace numbers 7201 and 7725. On the same day, Peng Wang signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Peng Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Peng Wang has not received required rent payments.

67. On or about September 27, 2016, Yimin Yang invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Yimin Yang entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Yimin Yang’s payment of \$50,000, Yimin Yang purportedly purchased a ten year lease for two work spaces, workspace numbers 6936 and 8345. On the same day, Yimin Yang signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Yimin Yang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business

which was to be run from within the workspace location. As of March 2017, Yimin Yang has not received required rent payments.

68. On or about October 12, 2016, Jingrui Feng invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Jingrui Feng entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Jingrui Feng’s payment of \$50,000, Jingrui Feng purportedly purchased a ten year lease for two work spaces, workspace numbers 9085 and 9649. On the same day, Jingrui Feng signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Jingrui Feng subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Jingrui Feng has not received required rent payments.

69. On or about October 11, 2016, Ling Shen invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Ling Shen entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Ling Shen’s payment of \$50,000, Ling Shen purportedly purchased a ten year lease for two work spaces, workspace numbers 7069 and 8820. On the same day, Ling Shen signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Ling Shen subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from

within the workspace location. As of March 2017, Ling Shen has not received required rent payments.

70. On or about October 11, 2016, Cuirong Li invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Cuirong Li entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Cuirong Li’s payment of \$50,000, Cuirong Li purportedly purchased a ten year lease for two work spaces, workspace numbers 8749 and 9706. On the same day, Cuirong Li signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Cuirong Li subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Cuirong Li has not received required rent payments.

71. On or about October 14, 2016, Hui Zheng invested in five (5) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$125,000.00 in Bar Works Chambers LLC. Hui Zheng entered into a “Wealth Builder Lease Agreement” with Bar Works Chambers LLC, wherein, for Hui Zheng’s payment of \$125,000, Hui Zheng purportedly purchased a ten year lease for five work spaces, workspace numbers 7928, 8606, 9956, 8877 and 9231. On the same day, Hui Zheng signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Hui Zheng subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month along with a share of profits from a fitness business

which was to be run from within the workspace location. As of March 2017, Hui Zheng has not received required rent payments.

72. On or about November 7, 2016, Hui Zheng invested in five (5) units of the 242 Metropolitan Avenue, Brooklyn, New York 12111 “Bar Works” location by investing \$125,000.00 in Bar Works Metropolitan LLC. Hui Zheng entered into a “Wealth Builder Lease Agreement” with Bar Works Metropolitan LLC, wherein, for Hui Zheng’s payment of \$125,000, Hui Zheng purportedly purchased a ten year lease for five work spaces, workspace numbers 8777, 7918, 9941, 8590 and 8333. On the same day, Hui Zheng signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Hui Zheng subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, Hui Zheng has not received required rent payments.

73. On or about October 25, 2016, Changli Xiao invested in five (5) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$125,000.00 in Bar Works Metropolitan LLC. Changli Xiao entered into a “Wealth Builder Lease Agreement” with Bar Works Metropolitan LLC, wherein, for Changli Xiao’s payment of \$125,000, Changli Xiao purportedly purchased a ten year lease for five work spaces, workspace numbers 9165, 6945, 9743, 8672 and 9526. On the same day, Changli Xiao signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Changli Xiao subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, Changli Xiao has not received required rent payments.

74. On or about December 12, 2016, Qiuyue Zu invested in five (5) units of the 116 Eighth Avenue, New York, New York 10011 “Bar Works” location by investing \$125,000.00 in Bar Works Eighth Avenue LLC. Qiuyue Zu entered into a “Wealth Builder Lease Agreement” with Bar Work Eighth Avenue LLC., wherein, for Qiuyue Zu’s payment of \$125,000, Qiuyue Zu purportedly purchased a ten year lease for five work spaces, workspace numbers 8508, 8008, 9289, 9879 and 9862. On the same day, Qiuyue Zu signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Qiuyue Zu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, As of March 2017, Qiuyue Zu has not received required rent payments.
75. On or about October 11, 2016, Qiuyue Zu additionally invested in five (5) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$125,000.00 in Bar Works Chambers LLC. Qiuyue Zu entered into a “Wealth Builder Lease Agreement” with Bar Works Chambers LLC, wherein, for Qiuyue Zu’s payment of \$125,000, Qiuyue Zu purportedly purchased a ten year lease for five work spaces, workspace numbers 9729, 9371, 9370, 8860 and 7284. On the same day, Qiuyue Zu signed a “Wealth Builder Sub-Lease Agreement” with Bar Work Management Inc., wherein Qiuyue Zu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, As of March 2017, Qiuyue Zu has not received required rent payments.
76. On or about October 12, 2016, Xiuhua Wang invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Xiuhua Wang entered into a “Wealth Starter Lease Agreement”

with Bar Works Chambers LLC, wherein, for Xiuhua Wang's payment of \$50,000, Xiuhua Wang purportedly purchased a ten year lease for two work spaces, workspace numbers 7001 and 8309. On the same day, Xiuhua Wang signed a "Wealth Starter Sub-Lease Agreement" with Bar Work Management Inc., wherein Xiuhua Wang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Xiuhua Wang has not received required rent payments.

77. On or about October 13, 2016, Xiaoyun Zhang invested in sixteen (16) units of the 242 Metropolitan Avenue, Brooklyn, New York 12111 "Bar Works" location by investing \$400,000.00 in Bar Works Metropolitan LLC. Xiaoyun Zhang entered into a "Wealth Builder Lease Agreement" with Bar Works Metropolitan LLC, wherein, for Xiaoyun Zhang's payment of \$400,000, Xiaoyun Zhang purportedly purchased a ten year lease for sixteen work spaces, workspace numbers 8859, 8846, 7215, 8174, 9903, 8159, 7631, 9413, 9830, 8203, 9700, 8318, 8213, 9444, 9865, and 7360. On the same day Xiaoyun Zhang signed a "Wealth Builder Sub-Lease Agreement" with Bar Work Management Inc., wherein Xiaoyun Zhang subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$5,333.00 per month. As of March 2017, Xiaoyun Zhang has not received required rent payments.

78. On or about October 21, 2016, Jinli Qin invested in two (2) units of the 242 Metropolitan Avenue, Brooklyn, New York 12111 "Bar Works" location by investing \$50,000.00 in Bar Works Metropolitan LLC. Jinli Qin entered into a "Wealth Starter Lease Agreement" with Bar Works Metropolitan LLC, wherein, for Jinli Qin's payment of \$50,000, Jinli Qin

purportedly purchased a ten year lease for two work spaces, workspace numbers 7719 and 9762. On the same day, Jinli Qin signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Jinli Qin subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Jinli Qin has not received required rent payments.

79. On or about October 26, 2016, Shuyan Feng invested in three (3) units of the 242 Metropolitan Avenue, Brooklyn, New York 12111 “Bar Works” location by investing \$75,000.00 in Bar Works Metropolitan LLC. Shuyan Feng entered into a “Wealth Accelerator Lease Agreement” with Bar Works Metropolitan LLC, wherein, for Shuyan Feng’s payment of \$75,000, Shuyan Feng purportedly purchased a ten year lease for three work spaces, workspace numbers 8665, 7493 and 8398. On the same day, Shuyan Feng signed a “Wealth Accelerator Sub-Lease Agreement” with Bar Work Management Inc., wherein Shuyan Feng subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$969.00 per month. As of March 2017, Shuyan Feng has not received required rent payments.

80. On or about November 3, 2016, Kanwen Zhang invested in two (2) units of the 242 Metropolitan Avenue, Brooklyn, New York 12111 “Bar Works” location by investing \$50,000.00 in Bar Works Metropolitan LLC. Kanwen Zhang entered into a “Wealth Starter Lease Agreement” with Bar Works Metropolitan LLC, wherein, for Kanwen Zhang’s payment of \$50,000, Kanwen Zhang purportedly purchased a ten year lease for two work spaces, workspace numbers 7503 and 7227. On the same day, Kanwen Zhang signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Kanwen Zhang subleased the purchased workspaces to Bar Works Management Inc. in

exchange for guaranteed profits in the amount of \$625.00 per month. As of March 2017, Kanwen Zhang has not received required rent payments.

81. On or about August 17, 2016, Qian Lu invested in five (5) units of the 70 White Street, New York, New York 10013 “Bar Works” location by investing \$125,000.00 in Bar Works Tribeca Inc. Qian Lu entered into a “Wealth Builder Lease Agreement” with Bar Works Tribeca Inc., wherein, for Qian Lu’s payment of \$125,000, Qian Lu purportedly purchased a ten year lease for five work spaces, workspace numbers 8187, 8609, 6993, 7266 and 7888. On the same day, Qian Lu signed a “Wealth Builder Lease Agreement” with Bar Work Management Inc., wherein Qian Lu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$1,667.00 per month. As of March 2017, Qian Lu has not received required rent payments.

82. On or about October 17, 2016, Qian Lu invested in two (2) units of the 95 Chambers Street, New York, New York 10007 “Bar Works” location by investing \$50,000.00 in Bar Works Chambers LLC. Qian Lu entered into a “Wealth Starter Lease Agreement” with Bar Works Chambers LLC, wherein, for Qian Lu’s payment of \$50,000, Qian Lu purportedly purchased a ten year lease for two work spaces, workspace numbers 7566 and 7240. On the same day, Qian Lu signed a “Wealth Starter Sub-Lease Agreement” with Bar Work Management Inc., wherein Qian Lu subleased the purchased workspaces to Bar Works Management Inc. in exchange for guaranteed profits in the amount of \$625.00 per month along with a share of profits from a fitness business which was to be run from within the workspace location. As of March 2017, Qian Lu has not received required rent payments.

DOMINATION AND CONTROL

83. Each of the Individual Defendants is the alter egos of each of the Bar Works Entities, and as such exercised complete domination of entities with respect to the facts herein, and such domination was used to commit a wrong against Plaintiffs which resulted in the Plaintiffs' injuries herein.
84. Upon information and belief, the Individual Defendants caused the Bar Works Entities to restructure and reconfigure in order to avoid liability under each of the Plaintiff's contracts.
85. Upon information and belief, the Individual Defendants caused the Bar Works Entities to transfer assets without proper and/or due consideration, to unknown corporations.
86. Upon information and belief, the Individual Defendants used Plaintiffs investment funds for their personal expenditures, wholly unrelated to any legitimate business purpose.
87. The Bar Works Entities failed to observe corporate formalities in their transfer of business assets to avoid their creditors.
88. The Individual Defendants exercise and exercised complete dominion and control over the transfer of assets of the Bar Works Entities.

DEFENDANTS BREACH THEIR AGREEMENT WITH PLAINTIFFS

89. Defendants failed to perform under the contracts with Plaintiffs in that they did not make required rental payments as agreed to in each of Plaintiff's contracts.
90. Defendants failed to perform under the contracts in that they failed to open "Bar Works" locations as agreed.
91. Defendants failed to perform under the contracts in that they purported to change ownership of the Bar Works Entities or otherwise changed the Bar Works Entities positions with respect

to the Plaintiffs' property interests, but failed to repay Plaintiffs their investments as is/was required under each of the Plaintiff's contracts.

92. Defendants otherwise breached the contracts with Plaintiff without any intention of performing.

**FIRST CAUSE OF ACTION AGAINST BAR WORKS MANAGEMENT INC, BAR WORKS CHAMBERS ST, INC., BAR WORKS TRIBECA INC, BAR WORKS SAN FRANCISCO 1, LLC, BAR WORKS CAPITAL, LLC, BAR WORKS METROPOLITAL AVE, INC. and BAR WORKS EIGHTH AVENUE INC.,
(Breach of Contract)**

93. Each of the Plaintiffs has duly performed all the conditions required of it under their respective contracts, namely, funding their investments in the "Bar Work" business, as set forth above.

94. Defendants failed and neglected to perform as required under each contract.

95. Defendants owe Plaintiff, collectively, \$3,806,250.00, representing one hundred and twenty five percent (125%) of Plaintiffs aggregate investment amount, pursuant to the terms of each Plaintiff's contracts, along with past due rental payments, costs of this action and reasonable attorneys' fees.

96. By reason of the foregoing, Plaintiff has been damaged in the amount of at least \$3,806,250.00, and in such further amounts as may be proven at trial.

**SECOND CAUSE OF ACTION AGAINST BAR WORKS INC.
(Unjust Enrichment)**

97. Defendant Bar Works Inc. received the aggregate sum of \$3,045,000.00 from the Plaintiffs without consideration to the Plaintiffs for the \$3,045,000.00 transferred.

98. Bar Works Inc.'s retention of the \$3,045,000.00 received from the Plaintiffs is unjust and has operated to the Plaintiffs' detriment and caused the Plaintiffs to suffer monetary and other damages.

99. By reason of the foregoing, the Plaintiffs are entitled to a judgment against Bar Works Inc. in the amount of at least \$3,045,000.00 with interest thereon.

**THIRD CAUSE OF ACTION AGAINST BAR WORKS INC.
(Money Had and Received)**

100. By the aforesaid acts, Bar Works Inc. received and retained money that it is not entitled to.

101. Bar Works Inc. benefitted from the receipt of the Plaintiffs' \$3,045,000.00, and under principles of equity and good conscience, it should not be permitted to keep the money.

102. By reason of the foregoing, the Plaintiffs are entitled to a judgment against Bar Works Inc. in the amount of at least \$3,045,000.00 with interest thereon.

**FOURTH CAUSE OF ACTION AGAINST ALL DEFENDANTS
(Fraud)**

103. The Representations contained in the Offering Brochures, and the representations Defendants made concerning the identities of Bar Works' management and officers, was false and known to be false by Defendants.

104. Upon information and belief and in furtherance of the scheme and artifice to defraud, Defendants sold unregistered Bar Works Entities securities to the Plaintiffs.

105. As the agent and/or representative of the Bar Works Entities, the Individual Defendants made the Representations to the Plaintiffs in furtherance of the scheme and

artifice to defraud and for the purpose of inducing the Plaintiffs to transfer the aggregate sum of \$3,045,000.00 to Bar Works Inc.

106. The Plaintiffs were justified in relying on the Representations.

107. The Plaintiffs transferred \$3,045,000.00 to Bar Works Inc. on the reasonable belief that they, in return, were acquiring an equity interest in a legitimate and profitable business, namely, particular "Bar Works" branded co-working desk spaces in retail locations in major cities in the United States.

108. Instead, Defendants absconded with the Plaintiffs' \$3,045,000.00

109. By reason of the foregoing, the Plaintiffs are entitled to a judgment against Defendants in the amount of at least \$3,045,000.00 with interest thereon.

110. In addition, because the Individual Defendants were owners, officers, directors, employees, agents and/or representatives of the Bar Works Entities, were in complete control of the Bar Works Entities, and had knowledge of and participated in the scheme and artifice to defraud, the Plaintiffs are entitled to a judgment against Individual Defendants in the amount of at least \$3,045,000.00 with interest thereon.

111. By reason of the foregoing, the Plaintiffs are also entitled to punitive damages in an amount to be determined at trial.

**FIFTH CAUSE OF ACTION AGAINST BAR WORKS MANAGEMENT, INC.
(Breach of Fiduciary Duty)**

112. Defendant Bar Works Management, Inc., by virtue of its management/sub-lease agreements executed with each of the Plaintiffs in respect to their leases of the Bar Works workspaces, became the manager and trustee with respect to the Plaintiffs' property interests in those leases.

113. Plaintiffs did not retain the power to retrieve or otherwise exercise control over their purported workspace leases, but rather entrusted Bar Works Management, Inc. to control, oversee, direct, use, dispose, and profit from the leases at Bar Works Managements' direction and without the guidance or control of the Plaintiff investors, for the Plaintiffs' benefit.
114. As trustee, Bar Works Management, Inc. had a fiduciary duty to conduct its management of the Plaintiffs' property with the utmost good faith and undivided loyalty toward the Plaintiffs throughout the relationship.
115. Bar Works Management, Inc. failed to fulfill its obligations as fiduciary and instead engaged in self-dealing, duplicity, concealment, misdirection of trust assets, and failure to pay over trust proceeds to the Plaintiffs in a timely fashion.
116. Plaintiffs were thereby damaged by Bar Works Management, Inc.'s breach of its duty in the form of unpaid rental income, unpaid expected interest or other dividend payments, and the loss or diminution of their valuable property interests in the Bar Works retail locations and the workspaces therein in an amount to be computed at trial but at least \$3,045,000.00.

**SIXTH CAUSE OF ACTION AGAINST INDIVIDUAL DEFENDANTS
(Veil Piercing)**

117. Upon information and belief, at the time of the transaction with the Plaintiffs, the Individual Defendants, and each of them, was in direct and complete control and domination of the finances, policies, activities, business practices and transactions of the Bar Works Entities, to the extent that at the time of the afore-and below-pleaded transaction, the Bar Works Entities, and each of them, had no separate mind, will or existence of its own apart from the Individual Defendants.

118. Upon information and belief, the Bar Works Entities, and each of them, is the alter ego of the Individual Defendants, and each of them,
119. Upon information and belief, the Individual Defendants, and each of them, blatantly disregarded the corporate form of the Bar Works Entities, and utilized and manipulated the Bar Works Entities for their personal advantage.
120. Upon information and belief, the Individual Defendants exercised total and exclusive domination over the Bar Works Entities.
121. Upon information and belief, the Individual Defendants made all of the decisions for the Bar Works Entities.
122. Such control and domination has been used by the Bar Works Entities to commit wrongs against the Plaintiffs, including, but not necessarily limited to, misappropriation and conversion of the Plaintiffs' funds for personal use.
123. Additionally, and in the alternative, there was such a unity of interests and ownership between and among the Individual Defendants and the Bar Works Entities, that the independence of the Bar Woks Entities had in effect ceased or had never even begun.
124. This domination and control proximately caused the Plaintiffs to suffer damages as complained of herein.
125. Accordingly, adherence to the fiction of a separate identity of the Individual Defendants and the Bar Works Entities would serve only to defeat justice and equity by permitting the economic entity to escape liability arising out of an operation conducted by one corporation for the benefit of the whole enterprise.
126. Therefore, the corporate veil must be pierced and the Individual Defendants made liable to the same extent as the Bar Works Entities.

WHEREFORE, the Plaintiffs respectfully pray for the following relief:

1. Compensatory damages;
2. Restitution of unjust enrichment obtained and retained by the Defendants;
3. Punitive damages as allowed by law;
4. Attorneys' fees and costs;
5. Pre-judgment and post-judgment interest on the Plaintiffs' damages as allowed by law; and
6. Such other and further legal and equitable relief as the Court, in its discretion, may deem appropriate.

Dated: June 14, 2017
New York, New York

Yours, etc.,

MICHAEL J. KAPIN, P.C.
Attorney for Plaintiffs



MICHAEL J. KAPIN, ESQ.
305 Broadway - Suite 1004
New York, New York 10007
(212) 513-0500

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

HONGYING ZHAO, JUAN LIU, SHENSI HE,
HONGLEI TIAN, HAIYAN WANG, JINMEI WANG,
YIHE SUN, SHAOMIN LU, GE GAO,
KUNYUN ZHANG, FENGWEI WANG,
DANDONG WU, XIAOLI WANG, PENG WANG,
YIMIN YANG, JINGRUI FENG, LING SHEN,
CUIRONG LI, HUI ZHENG, CHANGLI XIAO,
QIUYUE ZU, XIUHUA WANG, XIAOYUN ZHANG,
JINLI QIN, SHUYAN FENG, KANWEN ZHANG
and QIAN LU,

Plaintiffs,

-against-

BAR WORKS USA LLC,
BAR WORKS INC.,
BAR WORKS MANAGEMENT INC,
BAR WORKS CHAMBERS ST, INC.,
BAR WORKS TRIBECA INC,
BAR WORKS SAN FRANCISCO 1, LLC,
BAR WORKS CAPITAL, LLC,
BAR WORKS METROPOLITAL AVE, INC.,
BAR WORKS EIGHTH AVENUE INC.,
JONATHAN BLACK,
FRANKLIN KINARD, and
RENWICK HADDOW,

Defendants.

VERIFICATION

P.R. CHINA)
) ss:
BEIJING)

JINMEI WANG, being duly sworn, deposes and states: I am an individual plaintiff in this matter. I have read the VERIFIED COMPLAINT in its entirety, and can verify such as true, except as to those statements made upon information and belief, and as to those I believe them to be true. The basis and foundation of this verification is my personal knowledge, together with my books, records, and documents, as well as conversations with other individual plaintiffs and review of their records.

JINMEI WANG 
JINMEI WANG

Sworn to before me this
14th day of June, 2017

Notary Public

NOTARIAL CERTIFICATE

(Translation)

(2017) J.X.D.W.M.Z.Zi, No.10177

Applicant: Wang Jinmei, female, born on October 30, 1973, ID Card
No.: 210821197310303063

Matter for Notarization: Signature

This is to certify that Wang Jinmei came to my office on June 14,
2017 and affixed her signature in the presence of this notary on the
VERIFICATON attached hereto.

Notary: Guan Shijie
Beijing Xinde Notary Public Office
The People's Republic of China
June 14, 2017

IV09582979

公 证 书

中华人民共和国北京市信德公证处

公 证 书

(2017)京信德外民证字第 10177 号

申请人：王金梅，女，一九七三年十月三十日出生，公民身份号码：210821197310303063。

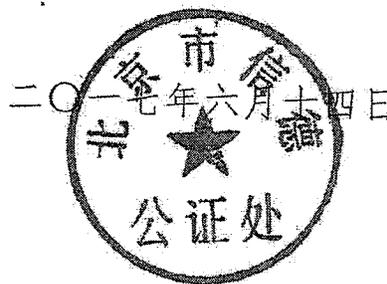
公证事项：签名

兹证明王金梅于二〇一七年六月十四日来到我处，在本公证员的面前，在前面的确认书上签名。

中华人民共和国北京市信德公证处

公证员

英世捷



IV09582975

NOTARIAL CERTIFICATE

(Translation)

(2017) J.X.D.W.M.Z.Zi, No.10178

Applicant: Wang Jinmei, female, born on October 30, 1973, ID Card No.: 210821197310303063

Matter for Notarization: The Conformity of the English Version with the Chinese Original

This is to certify that the English version of (2017) J.X.D.W.M.Z.Zi, No.10177 NOTARIAL CERTIFICATE attached hereto is in conformity with its Chinese original.

Notary: Guan Shijie
Beijing Xinde Notary Public Office
The People's Republic of China
June 14, 2017

I V09582980

公 证 书

(2017)京信德外民证字第 10178 号

申请人：王金梅，女，一九七三年十月三十日出生，公民
身份号码：210821197310303063。

公证事项：译本与原本相符

兹证明前面的 (2017) 京信德外民证字第 10177 号公证书所附的英文译本内容与中文原本内容相符。

中华人民共和国北京市信德公证处

公证员

姜世捷



IV09581991

Exhibit B

BAR WORKS @ CHAMBERS STREET

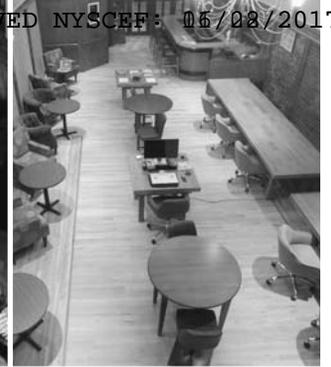
New venue + new service for members

Our fifth **Bar Works venue** in New York will **include gym facilities for our members and non-members**

Leasehold purchasers will also participate in the success of the **gym facility capped at 8% per annum** as an additional return on investment



Bar Works @ Chambers 95 Chambers Street Manhattan



CONTENTS I

Letter from the Directors 4

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Details of the Offer: 6

Wealth Builder Program from Bar Works™ Inc. and information on additional revenue streams from Beyond the Bar Fitness LLC 6

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47 Seventh Avenue South

I LETTER FROM THE DIRECTORS



DEAR INVESTOR,

Our expansion continues and we are pleased to announce another well-positioned venue in downtown Manhattan. The newly-built Bar Works at Chambers Street, Manhattan – just down the block from City Hall – increases our mass in the city to five locations with two more in the pipeline, and again with a ‘walk in off the street’ appeal. That’s something many of our competitors just don’t have.



This latest venue in fact has two street entrances, giving us real flexibility with the layout, and a large basement area (1,500 sq ft) that also allows us to bring a new dimension to our offer in the co-working space environment and a new element in potential returns for you. The Chambers Street site will allow us to accommodate “the coolest fitness class operator in town” – that’s what our partner operator (**Beyond the Bar Fitness LLC**) says of its plan to deliver a range of fitness classes from there and out across the internet.

Bar Works’ high quality internet connections will enable Beyond the Bar to offer real-time participation in their classes around the world. We believe this is a unique facility that many people will wish to use. Exercising on your own or with only an online coach can become a little dull, and our facility will offer the chance to be part of real workouts with real people, and the ability to ask questions and get feedback from thousands of miles away.



The ability to live-stream classes, information and encouragement will provide significant added value to the fitness club, as well as to our Bar Works’ clients and investors. It will be a unique facility in the growing health and fitness industry. And our members will have free access – another benefit of being a Bar Works’ member.

And at the same time, this year’s forecasts for co-working (demand and space provision) also suggest that our flexible and accessible, fixed-price space model remains at the forefront of the market.

This document gives more information on growth in health and fitness and on current trends in co-working, which we hope will interest you and explain fully why the Bar Works’ and Beyond the Bar partnership will prove successful.



The document also sets out how this latest Bar Works’ venue will offer an additional revenue stream to our investors there.

Jonathan Black
Chief Executive, Bar Works™ Inc.



KEY PARTIES I

Group Company Name: Bar Works™ Inc.
47W 39th Street
New York 10018 USA

Leasehold Company Name: Bar Works Chambers LLC,
47W 39th Street New York 10018
USA

Gym Operator: Beyond the Bar Fitness LLC trading
as Beyond the Bar

Gym website: www.beyondthebar.global

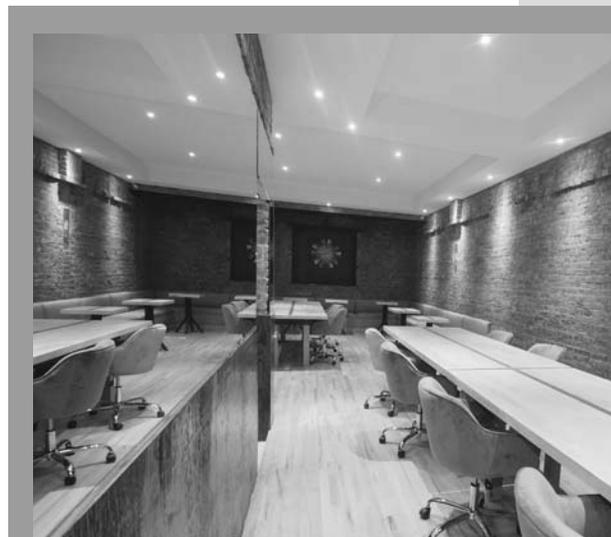
Website of the Company: www.barworks.nyc

Management Corporation: Bar Works™ Management Inc.
41W 46th Street
New York 10036 USA

Property Attorney: Reznick Law 900 Third Avenue,
17th Floor
New York, NY 10022 USA

Bankers: JP Morgan Chase
Columbus Circle
New York City New York USA

Accountant to the Company: ProTax Center 1312 Kings Highway
New York 11229 USA



Bar Works on the New York Subway



I DETAILS OF THE OFFER

The Wealth Builder Program from Bar Works™ Inc.

The Chambers Street location is in the heart of downtown Manhattan, just down the block from City Hall and west of Broadway. It lies within a major retail and commercial area, with several major banks and corporations within yards of its doors. Multiple subway lines are within easy reach.

This property is a new refit of former retail units over two floors and has two frontages, allowing easy separation of social and work space areas and the provision of fitness club facilities in the lower ground area. In total, there is almost 5,000 square feet of space. Bar Works expects to provide a minimum of 200 work stations as well as the gym and shower facilities, social and entertaining areas.

Within the Bar Works™ Wealth Builder Program investors seeking income combined with capital appreciation are now offered the chance to purchase a 10-year lease on up to 100 workspace units at **Bar Works @ Chambers**. These leases will also benefit from a fixed share of income from **Beyond the Bar Fitness LLC** and its revenues. Furthermore, each lease will benefit from any rent increases derived from the work space. That means your minimum income will grow as customer charges rise and exceed the initial 14%-16% yield in the later years of the lease.

Income from the fitness club operator cannot be quantified at this time, but will be based on an equal split of Bar Works™ Inc.'s receipt of 20% of sales and investors receiving a 50% share of those revenues, payable every six months from the date of investment.

The maximum annual 'Gym Windfall' will be capped at 8% of the unit lease price, although underlying rental income from each lease will continue to rise. This means for example that a single unit lease could yield in excess of 22% per annum – First Year 14% Minimum + 8% Maximum Gym Windfall + Rental Rise – in the years ahead.

The work space units available under this lease scheme will be amongst those set aside for full-time and long-term members of Bar Works™ Inc. who will pay \$600 per month all-inclusive for their use.

The cost of each work space lease is \$25,000, plus you receive a free lifetime worldwide membership to Bar Works™ Inc.

Table of Returns

	Premium	Monthly Rent	Minimum % return per year
Single Workspace	\$25,000	\$292	14%
Wealth Starter (2 workspaces)	\$50,000	\$625	15%
Wealth Accelerator (3 workspaces)	\$75,000	\$969	15.5%
Wealth Builder (5 workspaces)	\$125,000	\$1,667	16%

PLUS+

	Premium	Gym 'Windfall'	Max Return
Single Workspace	\$25,000	\$2,000	8%
Wealth Starter (2 workspaces)	\$50,000	\$4,000	8%
Wealth Accelerator (3 workspaces)	\$75,000	\$6,000	8%
Wealth Builder (5 workspaces)	\$125,000	\$10,000	8%

The Wealth Builder Program has been structured to maximize your income and capital.

We do not encourage the purchase of single units as by purchasing multiples your rental income and returns increase.

All income payments (not including the Gym Windfall) will be paid monthly from the point of investment – so you start receiving income just 14 days after taking up this offer. You will see a steady flow of income for the whole time you hold your lease, plus a twice yearly payment of the Gym Windfall.

Bar Works™ Inc. offers an automatic reversion bonus of 25% when your lease expires – i.e., Bar Works will repay your initial capital outlay at 125% - \$31,250 per \$25,000 outlay. In addition, Bar Works™ Inc. will retain the right to buy back your lease at a minimum 125% of initial cost - \$31,250 - at any point after the second year anniversary of investment and in the event of a change in group ownership or status.

In the event of change of ownership of **Beyond the Bar Fitness LLC**, Bar Works™ Inc. would expect its revenue share under new ownership to

continue or for an end of agreement premium to be paid; any such premium would be shared with investors at Chambers Street on a 50:50 basis.

Bar Works™ Inc. continues to offer a 'matched trade' facility where leaseholders can sell their leased units at any time if required – and perhaps buy more too – and we expect the Chambers Street leases to trade at a premium in future to reflect the returns boost provided by **Beyond the Bar Fitness LLC**.

INTRODUCTION: I

1. Chambers Street – location details, plans for venue

In line with Bar Works™ Inc.'s business model and offering at all its outlets, this venue will offer full service, fixed price work stations on full and part-time tariffs, as well as having spaces available for ad hoc daily and even hourly use. Social and networking areas will include bar and restaurant facilities (subject to availability), events and fitness club offering up to 15 exercise and workout classes per day, seven days a week. The club and its instructors will be fully licensed and certified for safety and insurance purposes.

Provision of all fitness classes – and the fully qualified, professional staff to go with them – will be the responsibility of **Beyond the Bar Fitness LLC**. Many of these classes will

be streamed live onto the internet, and available to offsite subscribers via that company's website. Selection of the live-streamed classes will be made by Beyond the Bar, so as to offer a full range of fitness and workout sessions to offsite subscribers whilst maintaining some premium classes for full club members.

Provision of the necessary internet and camera facilities will be the responsibility of Bar Works' Inc. and will include the technical ability to count remote subscribers and monitor subscriber response.

All Bar Works' customers will have access to the club and the variety of fitness classes offered, and there will also be an 'off camera' area where

members will be able to exercise in private. Costs of individual classes will vary – depending on speciality – and Bar Works' members will receive a 20% discount on class fees as well as free access to the quiet area which will be supervised but not trainer led.

Day-to-day responsibility for upkeep and maintenance of the club and its equipment will be the responsibility of **Beyond the Bar Fitness LLC** and its staff.

I INTRODUCTION:

2. Partnership with Beyond the Bar Fitness LLC

Founders of **Beyond the Bar Fitness LLC** believe the ability to live-stream exercise and fitness classes to internet subscribers is the growth area of the health and fitness market, and the premises at Chambers Street are highly suitable for such an enterprise – not least because of the high quality of connectivity provided at Bar Works’ venues. The lower ground area of 95 Chambers Street is also ideal for installation of a gym and workout areas. Bathroom plumbing is already in place on that level and can easily be expanded into full shower and locker areas.

Linkage to a co-working environment is also seen as advantageous to Beyond the Bar’s concept, since many co-workers will also wish to have some exercise facilities at hand and provide initial membership.

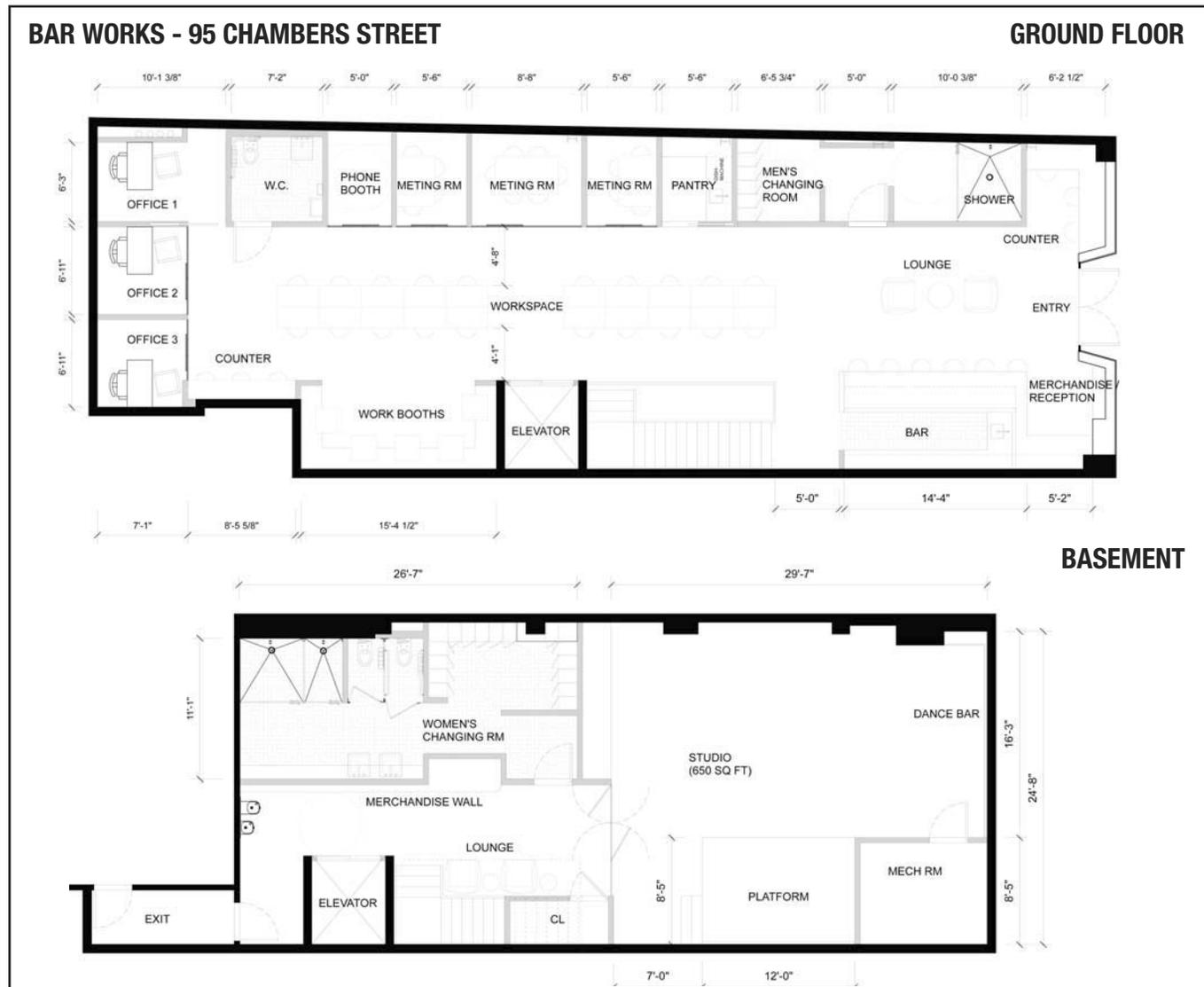
From Bar Works’ perspective, the ability to offer its members free access to a fitness club is seen as advantageous.

Beyond the Bar will launch from the Chambers Street site in Spring 2017 and will pay Bar Works™ Inc. 20% of annual revenues thereafter, including offsite revenues, which are expected to

provide the bulk of the gym’s sales over time. Beyond the Bar will also pay a fixed rent for the space to Bar Works and will be responsible for all maintenance and safety in the club and its ancillary areas.

Bar Works™ Inc. will provide full internet connectivity to enable Beyond the Bar’s online classes at all times.

Bar Works Inc., in effect, is taking the view that a successful fitness club with regular online classes will boost total revenues for this site, its investors and for the Company as a whole.



BACKGROUND INFORMATION – I

Trends for Gym Usage/Health and Fitness Market

Gyms and health clubs have been big business for many years now, and currently generate revenues in excess of \$84 billion a year globally. In the USA alone, the health club industry is estimated to be worth around \$26 billion a year. (Source: Statista)

Economists have noted a strong resumption in growth - +5% a year – since 2012 in reviving developed economies (northern Europe and the US) and in developing economies such as China and Brazil. In the UK for example, the **2015 State of the UK Fitness Industry Report** revealed the UK health and fitness industry in a clear uptrend, with more clubs, more members and a greater “market value than ever before. 1 in every 8 people in the UK is member of a gym, an all-time penetration rate high of 13.7%”. Growth in memberships in the UK for that year was put at 5.8%.

However, health clubs and gym membership are just a small proportion of the total worldwide health and fitness market and it is estimated that 1 in 4 people around the world are sufficiently active in exercise and sport to be healthy, and only a minority of them are members of sport and fitness clubs.

In fact, whilst health club and gym memberships are rising in both developed and developing economies, that ‘healthily active’ proportion of the world’s population has remained static at 25% for some years, as one commentator on the Worldwide Survey of Fitness Trends* (carried out by the American College of Sports Medicine (ACSM)) points out. (Dr E E Bustamante, Department of Kinesiology and Nutrition, University of Illinois at Chicago) Dr Bustamante and other health science professionals are looking and pushing for a break out from that 25% participation ceiling.



Getting more people more active, fitter and healthier appears to be a priority for health professionals, governments and even employers - the ACSM Survey highlights the sustained interest in “worksites health promotion... within the context of health care reform in the United States and rising health care costs, worksite health promotion programs may take on additional importance in the future”. Many of these programs are physically housed within the company or corporation campus, whereas other programs contract with independent commercial or community-based programs.

Three sustained trends emerging from the ACSM research are particularly relevant to the business model of Beyond the Bar – strength training, body weight training and high intensity interval training, all of which fall into the range of classes to be offered by our fitness partner. These three categories of exercise have been in the top five trends in the ACSM survey for at least three years and involve limited use of gym equipment. Combined with Beyond the Bar’s online delivery of classes – thereby accessing a very much broader audience – we expect this venture will tap into an established and growing market around the world.

Two notable competitors which have launched from Manhattan and have thrived are Sole Cycle, now owned by Equinox, and Peloton. These operators offer cycle only classes. Sole Cycle now has over 160 studios throughout the US and Peloton has one studio in New York but streams all its classes online to members across the globe. It is the Peloton model which Beyond the Bar is looking to emulate.

** The annual Worldwide Survey of Fitness Trends covers the full spectrum of health and fitness activities and recognises four sectors of the industry: commercial for-profit clubs, clinical or medical fitness programs, corporate wellness programs, and community-based not-for-profit fitness programs. The ACSM survey is now in its 10th consecutive year, and helps the health and fitness industry make critical programming and business decisions. The results are applicable to all sectors of the health and fitness industry. Although no one can accurately predict the future of any industry, this survey helps track trends in the field that can assist owners, operators, program directors, and personal trainers with making important business decisions.*

I BACKGROUND INFORMATION –

Update on co-working provision

Small Business Labs, which monitors the environment for small businesses, recently released its forecasts for the co-working industry, and its figures and comments are of significance:

“Co-working is booming. The industry is growing and hybridizing so fast, we're having a hard time keeping up with it.

We recently released our 2016 co-working forecast and we are projecting continued rapid growth over the next 4 years, although at a slower rate than the industry's current dizzying pace...We expect the number of global co-working spaces will grow from a bit over 11,000 this year to just over 26,000 in 2020.”

SBL also estimates that the number of members of co-working sites globally will grow from just under a million in 2016 to 3.8 million by 2020.

SBL's summary is worth recording: “The member growth forecast is higher than the space forecast because co-working spaces are getting bigger, both in size and number of members:

- new spaces tend to be much larger than older spaces
- existing spaces are expanding by

- adding more space and members
- co-working facility operators continue to figure out how to serve more members per square foot of space
- spaces outside of the US tend to be smaller than US spaces, but the gap has been closing and will likely continue to close

According to Deskmag, the average number of members per space roughly doubled over the past two years. We see this trend continuing, but at a lower rate. We're forecasting a 77% increase in the average number of members per space over the next 4 years.

The forecast shows co-working space and member growth slowing steadily over the forecast period.

The number of spaces is forecast to grow 18% in 2020, down from a 41% growth rate in 2016. This, in part, reflects the larger space sizes. But it also reflects a maturing market and the challenges associated with rapid growth as an industry gets bigger.

Member growth also slows over the forecast period, but is still growing at a very brisk 26% pace in 2020.

In terms of other metrics, the real estate firm JLL points out that co-working spaces only comprise "0.7 percent of the total US office market" and less than that outside of the US. This forecast would move this to a bit less than 2% of the US office market in 2020.

Another interesting set of data is Starbucks had about 23,000 global stores at the start of 2016 and McDonald's had about 34,000. We think it's reasonable to believe co-working could be bigger than Starbucks. Interestingly enough, by 2020 some Starbucks stores might be considered co-working spaces.

So we feel pretty good about this forecast.

Having said that, our 2014 co-working forecast turned out to be way too low.

Our 2015 was also too low, but better than 2014.

Prior to 2014 our forecasts were low to on target. In the 8 years we've been doing co-working forecasts, we've yet to have one that turned out too optimistic.”

New York County Courthouse, in Lower Manhattan, New York



BACKGROUND INFORMATION – I

Overview of Bar Works™ Inc.

“ Bar Works Inc., in effect, is taking the view that a successful fitness club with regular online classes will boost total revenues for this site, its investors and for the Company as a whole ”

Bar Works™ Inc. focuses on accessibility, flexibility and price – and on bringing real vibrancy and energy to the co-working environment. The likes of Regus and WeWorks are attempting to catch up, but marrying their property-focused business model to the dynamics of the co-working economy is a slow process, and Bar Works believes it has a clearly defined edge over such established competition.

Bar Works' work spaces have a unique vibrancy, based on people rather than simply on architecture or location, making these venues ideal for events and networking. Bar Works has already held a number of successful Meet-Ups (www.meetup.com) at its current Manhattan venues, which, even though charging a fee, ensure a regular flow of new people to our venues who subsequently take up membership.

Few, if any, of the current work space providers' offers ease of access, their premises usually requiring pre-booking. In major city centers, and particularly in New York and London, facilities are almost always booked up for at least a month or more in advance. Not at Bar Works – at our venues, you can walk in and access a work station for a day, a week or a month without paying a deposit or committing to a long-term agreement. And we keep a proportion of our work spaces available for such 'passing trade'.

Costs of using space with all other operators are also not limited to a monthly rent. Phone, internet and other services are generally extra costs, and can raise the monthly bill by as much as 50% or more. Bar Works offers a fixed-price, all-inclusive deal to members (whether full or part-time) and to ad hoc users.

In addition, competing work space locations do not have full catering and alcohol licenses, so that users are forced to eat and entertain elsewhere. The Bar Works model means that members can use the premises for all their business-related needs, and network much more effectively in comfort and in contact with their data and resources.

This inviting 'open door' style will be replicated wherever Bar Works™ Inc. operates in the world, and is much closer to the variable needs of an increasingly flexible workforce.

Additionally, Bar Works aims at all commercial/creative/entrepreneurial activity rather than purely at the Tech Startup or creative markets, thus opening up the target membership to a bigger broader spectrum, and offering a bigger, broader network for members.

Services available for each monthly or daily membership payment include the following:

- Free internet
- Free photocopying

- Free phone connection and national calls
- Free meeting room use (subject to pre-booking and availability)
- Free networking
- No notice period
- No deposit
- Free coffee
- Discounted alcoholic drinks (beer and wine licenses)
- Free subscription to The Search tech scene quarterly
- Free technical support
- Free use of all our locations

AND NOW FREE ACCESS TO BEYOND THE BAR FITNESS CLASSES

Bar Works offers Limited or Full Membership, and a Virtual Office option.

Capacity at the **Bar Works @ Chambers** venue will be limited to a maximum of 200 work stations and only 100 work stations will be available for the Wealth Builder Program at this site. The fitness club facility will add a new dimension to the offering at Chambers Street, and we anticipate a higher proportion of members there will be looking for full time space.

Our whole philosophy at Bar Works™ Inc. is to facilitate an energized and progressive environment for entrepreneurs, freelancers and travelling business people in the 21st Century world of work at all our venues, large and small.

I Summary of

Bar Works @ Chambers Street

95 Chambers Street

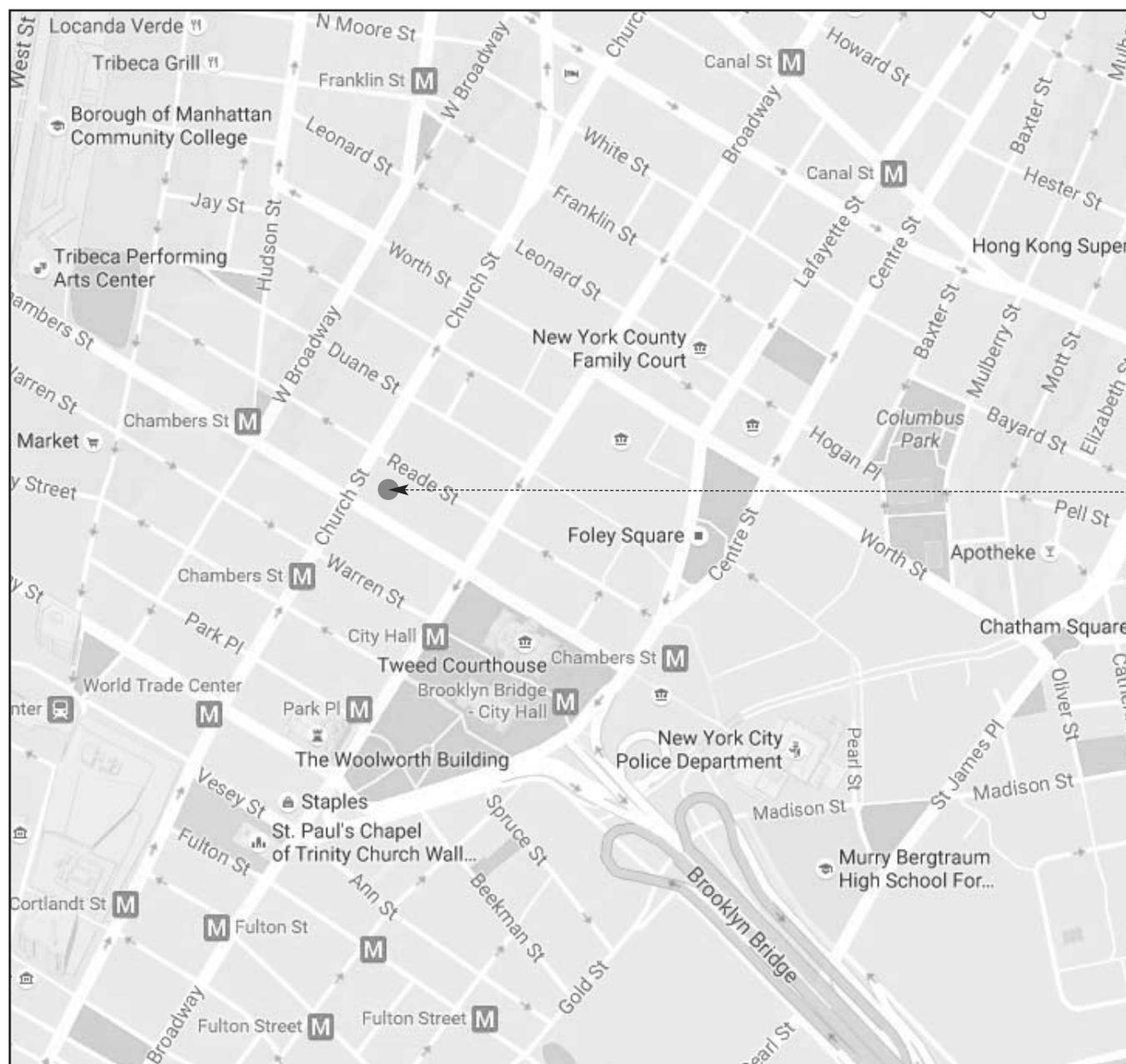
This latest venue at 95 Chambers Street will have the added attraction of a fitness club and regular, daily fitness classes alongside Bar Works' stylish and energized environment. It will be our second outlet in the TriBeCa area of lower Manhattan, and with all the good transportation and proximity to key organizations and places that brings.

Bar Works @ Chambers will add significantly to our offering in New York City for our members on the move – and who want to keep their fitness levels up.

All Bar Works' members will have free access to the club and the variety of fitness classes offered, and there will also be an 'off camera' area of the gym where members can exercise in

private. Costs of individual classes will vary – depending on specialty – and Bar Works' members will be offered classes for free on a first come served basis. The Company will also offer a small retail shop at the unit, coffee and juice bar.

The building itself is "new build" and with high quality finishing and services.



Summary of I

This Offer

Bar Works™ Wealth Builder Program now offers investors seeking income combined with capital appreciation the opportunity to purchase a 10-year lease on workspace units at **Bar Works @ Chambers**. A maximum of 100 full time workspace units are available under this offer.

These leases benefit from a minimum 14% first year income return, rising annually in line with increased charges to members. At Chambers Street, the leases also benefit from a fixed share of income from the fitness club and its revenues. The maximum additional annual yield produced by the “Gym Windfall” will be not more than 8% - giving a potential annual return of +22% in the years ahead.

Table of Returns – Rental Income Premium

	Monthly Rent	Minimum % return per year	Single Workspace
	\$25,000	\$292	14%
Wealth Starter (2 workspaces)	\$50,000	\$625	15%
Wealth Accelerator (3 workspaces)	\$75,000	\$969	15.5%
Wealth Builder (5 workspaces)	\$125,000	\$1,667	16%

PLUS+Gym Windfall

Premium	Gym ‘Windfall’	Max Return	Single Workspace
	\$25,000	\$2,000	8%
Wealth Starter (2 workspaces)	\$50,000	\$4,000	8%
Wealth Accelerator (3 workspaces)	\$75,000	\$6,000	8%
Wealth Builder (5 workspaces)	\$125,000	\$10,000	8%

Health and Fitness is a growing industry around the world, with more and more people every year seeking to join gyms and health clubs. And more and more people are also accessing fitness training online. The business model of Beyond the Bar Fitness LLC aims to maximize on the potential for taking live fitness classes into homes and offices around the world. And they will be using Bar Works’ connectivity to do so.

Improve your financial fitness and join us at Chambers Street.

Application form

HOW TO APPLY

You are required to complete the application form. In addition you will also be sent two agreements which will require signing once there are cleared funds. The first is the Lease Purchase Agreement which is your purchase of a sublease from Bar Works Chambers LLC. The second is the lease agreement you have with Bar Works Management, Inc. (a wholly owned subsidiary of Bar Works, Inc.) which is the company that will enter a lease with the investor, manage the workspace and pay the rentals.

PLEASE RETURN COMPLETED DOCUMENTS TO:
Bar Works Management Inc.
47W 39th St
New York
10018
USA

Please send your wire transfer to the following account:

ALWAYS QUOTE 'BAR WORKS Chambers'

PLEASE SEND YOUR WIRE TRANSFER TO:

Bank Name: JPMorgan Chase Bank
Bank Address: Broadway & 61st, New York, New York 10023, USA
Account Name: Bar Works Inc.
Account Number: [REDACTED]
SWIFT: CHASUS33
Routing Number: 021000021
Address: Lincoln Center, New York, New York 10023, USA.

BAR WORKS INC. – PURCHASE SUMMARY

Wealthbuilder Program options:

Wealth Starter (2 workspaces) \$50,000

Wealth Accelerator (3 workspaces) \$75,000

Wealth Builder (5 workspaces) \$125,000

Total \$ amount to be remitted:

INCOME PAYMENT DETAILS – payments direct to:

.....

.....

Bank:

Sort Code/SWIFT:

Account Number/IBAN:

Routing No (US):

Or by check to:

CLIENT INFORMATION

Name:

Address:

.....

.....

Telephone:

Email:

Signature:

Please let us know which agent introduced this investment to you:

.....

Also please let us know the consultant's name:

.....

Bar Works in the Media I

Eater SF

Historic Jack's to Become Another Coworking Space Called Bar Works

by Stefanie Tuder Aug 9, 2016, 12:34p @stefanietuder

It will be converted to 400 work areas



The Jack's space

Hot on the heels of coworking space Covo's opening this week, another similar business is entering the market. Called Bar Works, the New York City-based venue is expanding to San Francisco in the historic Jack's (615 Sacramento St.). The three-story space has been through many owners and incarnations, originally opening as Jack's in 1864, then becoming Jeanty at Jack's after it was purchased by Philippe Jeanty in 2002. After sitting vacant for the past seven years, Bar Works has bought the 6,000-square-foot space (for a cool \$3.55 million), transitioning it to 400 work areas for freelancers, travelers, and telecommuting employees. The company aims to open by the end of the year.

There will also be food and drink services in the space, but details are still being worked out. Regardless, Bar Works sees the space less as a restaurant and more as a work space. "In our case, the bar is more an aesthetic than a functional thing," Bar Works managing director Franklin Kinardp told The Chronicle.

Whether San Franciscans enjoy just looking at a bar, or actually working at one, remains to be seen. There are already plenty of alternatives in the city, including the newly-opened Covo, WeWork (in six locations), Galvanize, Workshop Cafe, and more.

- Jack's restaurant gets new life as Bar Works co-working space [The Chron]
- Late-Breaking EaterWire: Jeanty at Jack's Bids Adieu [ESF]
- Covo, Mid-Market's Newest Restaurant and Coworking Space, Arrives [ESF]

San Francisco Chronicle Bar Works at Jacks Takes San Francisco By Storm

"It's one of the most beautiful restaurants in the city," said John Konstin, owner of John's Grill. Konstin owned Jack's in the late 1990s, and gave it a significant remodel prior to selling it for \$2.6 million to Bay Area chef Philippe Jeanty. "Jack's is special. It's part of the city."

Jeanty reopened it in 2002 as a French bistro named Jeanty at Jack's. That restaurant closed in 2009, and has been dark for seven years while Jeanty looked for a buyer — a delay that he chalks up to the funky, nontraditional restaurant layout of three floors and a mezzanine.

"It certainly is not an easy layout to operate," said Jeanty. "We used to have food runners and literally that's all they did — go up and down the stairs."

Now, it will live again — but for the first time in its 152-year history, it will not be a restaurant. Instead, it will house a different sort of jacks.

Bar Works purchased the 6,000-square-foot building for \$3.55 million. The company plans to reopen the building by the end of the year, with 400 work spaces designed for freelancers, travelers and telecommuting employees. Bar Works hopes to open more spots in the Bay Area within 18 months.



"For what Bar Works does, which is efficiently serve the individual or small team, San Francisco is really tight as a market right now," said Mark Gilbreath, CEO of LiquidSpace, a company that connects available office space — including at Bar Works, one of its partners — with itinerant workers. "In San Francisco, just as in New York, the co-working movement has absolutely gone mainstream and is enjoying tremendous demand."

FORTUNE

This U.S. Firm Is Revamping Britain's Iconic Red Phone Booths Into Mini-Offices

REUTERS PW

U.S. firm to turn Britain's red phone boxes into mini-offices

A former venture capitalist is planning to restore the former glory of Britain's famous red telephone boxes by turning some of them into mini-offices for on-the-go workers.

Jonathan Black, chief executive of New York City-based Bar Works Inc, said his company was refitting phone booths in five British cities with 25-inch screens, scanners, printers, a wireless mouse and Wi-Fi connection - as well as free coffee.

"It's an alternative to, say, Starbucks but obviously it provides you with total privacy," said Black, a Brit who lives in New York.

There's also free coffee involved.

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"It's an alternative to, say, Starbucks but obviously it provides you with total privacy," said Black, a Brit who lives in New York.

Privately-owned Bar Works launched in Manhattan last year, offering bar-themed workspaces in popular locations. Users pay a monthly subscription in return for access to the premises and unlimited use of office facilities.



Telephone boxes outside the General Post Office in Blackpool Lancashire

MailOnline Welcome to the office – it's a bit of a squeeze: New York firm to transform iconic red phone boxes into mini work stations

Some of Britain's iconic red phone boxes are set to be given an unusual makeover by a New York co-working space firm.

Bar Works is to launch Pod Works in locations including London, Leeds and Edinburgh using old BT phone boxes as mini-work stations for those on the move.



Call centre: The phone boxes will have a screen, printer and wi-fi



**BAR
WORKS**
WORK SPACE WITH VIBE

Bar Works™, Inc
47W 39th Street
New York
10018
USA

www.barworks.nyc

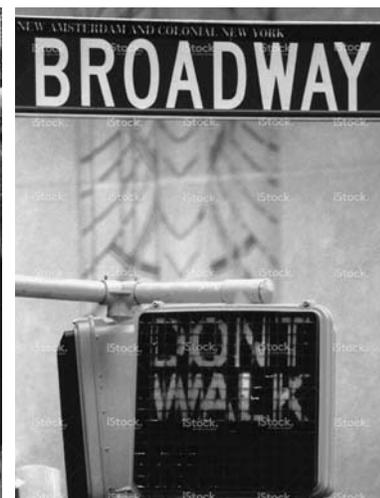
PURCHASE MEMORANDUM

BAR WORKS INC.

GET YOUR SEAT IN THE HOTTEST PROPERTY SUB-SECTOR IN TOWN

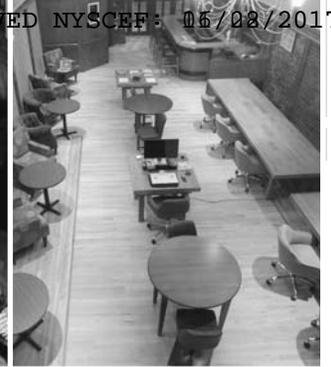
►► Own a workspace and **make up to 16% yearly** from rents in a booming market ◀◀

Last year the US Bureau of Labor Statistics said that by 2020 some “65 million Americans will be freelancers, temps, independent contractors and solopreneurs, making up about 40% of the workforce”.



Bar Works™ at Tribeca, Manhattan, New York – The latest property from Bar Works™ the growing co-working space provider

WEALTHBUILDER PROGRAM THE HASSLE-FREE WAY TO BUILD WEALTH FAST



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41 W 46th Street, Manhattan



41 W 46th Street, Manhattan



41 W 46th Street, Manhattan

Letter from the directors

DEAR INVESTOR,

Co-working is now the fastest growing sub-sector of the commercial property market in cities around the world. Bar Works™ Inc. is one of the very few branded operators in this sector which targets the mid-market.

Bar Works™ is a fast emerging operator in the co-working space market, operating two venues in New York's Manhattan, with a third opening soon in Manhattan's West Village a thriving affluent neighborhood.

We believe we have identified three key flaws in the current work space product – accessibility, cost and target market.

In central Manhattan right now, for example, anyone wanting a work space has to book up a month in advance – often more – because the demand is so great and supply relatively limited.

Big firms such as WeWork and Regus have millions of square feet of work units in Manhattan alone, and are charging not less than US\$600 a month for their use, and they are still fully booked. But on top of that, all providers are hitting their customers with monthly service costs as well – for basic services such as internet access and phone calls, copying and faxes. Such 'extras' can push monthly work space costs up by over 50%, and many users find themselves paying US\$700 upwards.

We know this to be the case because the founders of Bar Works™ Inc. have over 20 years' experience of using temporary work and office units in cities around the world, and we have the bills to prove it! For many entrepreneurs, freelancers and contract workers such hefty 'service' charges can be a real shock, and the difference between financial success and failure.

In response, our Bar Works™ model offers members a fixed monthly all-in fee of not more than US\$600 at the two sites in Manhattan that we already operate.

And here's the next big difference Bar Works™ makes. We are picking up sites that already have full restaurant and bar licenses, so we offer our members full entertaining/event facilities that most other work space offerings just don't have.

These former catering sites also have another big advantage – on street frontage and accessibility. Combined with the fact that we will have capacity for 'passing trade', this means Bar Works™ is a very visible and easy to access brand. For example our third site in West Village occupies 50 feet of frontage on Seventh Avenue.

We are eager to roll out our model as fast as possible, and in many other major cities. We and our real estate advisers are already checking out sites in San Francisco, Austin Texas, Chicago and London. We are aiming to have our first site open in San Francisco by the end of the year and London by 2017 with offers submitted on properties in both of these cities.

Finally the third big difference with Bar Works™ compared to our competitors is the market we are targeting. Many of our competitors are targeting young Tech startups which is a relatively small market compared to the broader mid-market consisting of freelancers, lawyers, designers, architects etc.

We opened our first Bar Works™ in October 2015 at 47 W 39th Street, Manhattan. This property is already profitable. Our Second Bar Works™ opened in March 2016 at 41 W 46th Street, Manhattan, located near the famous Times Square. Our third venue will be opening shortly in Manhattan's West Village. Our Fourth venue is our largest yet and is located in Lower Manhattan's Tribeca (Triangle Below Canal Street) ranked the most desirable and expensive neighborhood in the City.

Bar Works™ Wealthbuilder Program is the brand owned by Bar Works™ Inc. in which investors can purchase their own workspace on a 10 year lease and lease this back to Bar Works™ Management Inc. (Its wholly owned subsidiary) for a fixed rental income.

Bar Works™ launched in October 2015 offering a limited number of leases to investors in its first location. The response to this investment was tremendous and as a result all the available leases were sold by December 2015. Our second location at Times Square sold out even quicker. Our third venue at West Village, Manhattan is due to close shortly with limited spaces available

Bar Works™ is releasing further workspaces from its latest venue located in Tribeca, New York. We are also offering our investors a life-time worldwide membership to Bar Works™, which will allow you to use any Bar Works™ in our growing network.

Bar Works™ completed its first round of equity fund raising where we raised \$1.5m. This will allow Bar Works™ to continue the rollout of new venues without the requirement of additional capital.

This Purchase Memorandum sets out our offer to investors who are looking for solid, double-digit income returns over the next decade. Thank you for your time in considering this proposal, and we look forward to you joining the Bar Works™ network!



Jonathan Black
Chief Executive, Bar Works™ Inc.

Key Parties

Group Company Name: Bar Works™, Inc
47W 39th Street
New York
10018
USA

Leasehold Company Name: Bar Works Tribeca, Inc
47W 39th Street
New York
10018
USA

Website of the Company: www.barworks.nyc

Management Corporation: Bar Works™ Management Inc.
41W 46th Street
New York
10036
USA

Attorney: Thompson Bukher LLP
369 Lexington Avenue
New York
10017
USA

Property Attorney: Reznick Law
900 Third Avenue, 17th Floor
New York, NY 10022
USA

Bankers: JP Morgan Chase
Columbus Circle
New York City
New York
USA

Auditor to the Company: ProTax Center
1312 Kings Highway
New York
11229
USA



Wealth builder program explained

After the success of the first three Bar Works™ lease programs the company has acquired its fourth venue, located in New York's, Tribeca, situated in lower Manhattan.

The Bar Works™ Wealth Builder Program allows investors who are seeking income combined with capital appreciation the chance to purchase a 10-year lease on workspace units in Manhattan's Times Square on a fixed rental including the benefit of any rent increases derived from the lease.

The units available will be amongst those set aside for full-time and long-term members of Bar Works™ Inc. who will pay US\$600 per month all-inclusive for their use.

The cost of each work space is US\$25,000, plus you receive a free life time worldwide membership to Bar Works™.

	Premium	Monthly Rent	% return per year
Single Workspace	\$25,000	\$292	14%
Wealth Starter (2 workspaces)	\$50,000	\$625	15%
Wealth Accelerator (3 workspaces)	\$75,000	\$969	15.5%
Wealth Builder (5 workspaces)	\$125,000	\$1,667	16%

The Wealthbuilder Program has been structured to maximize your income and capital.

We do not encourage the purchase of single units as by purchasing multiple units your rental income and returns increase.

All income payments will be paid monthly from the point of investment – so you start receiving income just 14 days after taking up this offer. You will see a steady flow of income for the whole time you hold your lease.

In addition, Bar Works™ will buy back your lease at 125% of initial cost - ie, US \$31,250. However, Bar Works™ Inc. may offer the right to buy back at that level at any point after the second year anniversary of investment. In addition at the end of the lease term there is a reversionary interest which pays back the investor the sum of their initial investment.

Bar Works™ Inc. will also offer a matched bargain facility where leaseholders can sell their lease units at any time if required – and perhaps buy more too!

“

An energizing environment is rare to find in a co-working space. A trendy building or beautiful architecture doesn't make the atmosphere. The people do

Introduction: The business model for Bar Works™ inc.

The founders of Bar Works™ Inc. believe they have identified three key flaws in the current inner city work space model – accessibility and price.

None of the current work space operators offer an easy access facility, their premises usually requiring pre-booking. In major city centers, and particularly in New York, facilities are almost always booked up for at least a month or more in advance.

Costs of using space with all operators are also not limited to a monthly rent. Phone, internet and other services are generally extra costs, and can raise the monthly bill by as much as 50% or more.

In addition, competing work space locations do not have full catering and alcohol licenses, so that their users are forced to eat and entertain elsewhere. The Bar Works™ model means that members can use the premises for all their business-related needs, and network much more effectively in comfort and in contact with their data and resources.

Bar Works™ work spaces have a unique vibrancy, based on people rather than simply on architecture or décor making these venues ideal for events and networking. Bar Works™ has already held a number of successful Meet Ups (www.meetup.com) which as well as charging a fee ensures there is a regular flow of people to Bar Works™ who in turn take up membership.

Thirdly, Bar Works™ focuses on the mid-market rather than purely on the Tech Startup market opening up the target market to a bigger broader market.

Marketing and Promotion

Bar Works™ promotes itself heavily online featuring on a number of websites which has also attracted membership including:

www.liquidspace.com,
www.instantoffice.com,
www.pivotdesk.com and
www.getcroissant.com

Bar Works™ continues to promote its brand to ensure a continual flow of members and to promote public awareness. It has recently entered into an agreement to promote its brand at the largest office supplies retailer Staples in its number one US store in Union Square. In addition it is also planning City wide advertising now that the company has a number of venues across the City. This will include advertising on the New York Subway.

Services available for each monthly membership payment will include the following:

- Free internet
- Free photocopying
- Free phone connection and national calls
- Free meeting room use (subject to pre-booking and availability)
- Free networking
- No notice period
- No deposit
- Free coffee
- Discounted alcoholic drinks (beer and wine licenses)
- Free subscription to The Search
- Free technical support
- Free fax



*The opening for
Bar Works
Times Square*

**Bar Works™ on 39th Street,
Manhattan.**

Bar Works™ offers a Limited Membership or Full Membership and Virtual Office options. For example, at the West 39th Street facility there is a capacity for approximately 200 members, with 64 permanent work spaces (usually for full members), 134 flexible spaces (for part-time and temporary members) and 50 additional spaces for virtual office/ad hoc/per day usage. The new West Village Bar Works™ will have 95 permanent work spaces with capacity for 1,000 members (including fixed, flexible and virtual). Our Tribeca venue is our largest yet with a square footage of over 6,000 with a capacity for at least 400 permanent workspaces with additional private offices and meeting rooms.

"An energizing environment is rare to find in a co-working space. A trendy building or beautiful architecture doesn't make the atmosphere. The people do. The best way to encourage that energy is through our bar environment. You will get a real opportunity to network with your fellow entrepreneurs. Many of the good ideas are generated in such surroundings and this atmosphere is present 24/7."



Background – changing work patterns

Last year the US Bureau of Labor Statistics said that by 2020 some “65 million Americans will be freelancers, temps, independent contractors and solopreneurs, making up about 40% of the workforce”. Similar trends can be seen in other developed and developing economies, and this suggests that demand for work spaces will continue to rise in the coming years around the world.

In addition, the latest issue of the Harvard Business Review (HBR) reports that large corporates are also now encouraging their employees to use remote co-working spaces because of the benefits all companies and workers can derive from the model.

HBR says:

“There seems to be something special about co-working spaces. As

researchers who have, for years, studied how employees thrive, we were surprised to discover that people who belong to them report levels of thriving that approach an average of 6 on a 7-point scale. This is at least a point higher than the average for employees who do their jobs in regular offices, and something so unheard of that we had to look at the data again.

It checked out. So we were curious: What makes co-working spaces – defined as membership-based workspaces where diverse groups of freelancers, remote workers, and other independent professionals work together in a shared, communal setting – so effective? And are there lessons for more traditional offices?”

HBR cites several examples of how employees of large corporates are using the co-working model, including using actual remote work spaces. (<https://hbr.org/2015/05/why-people-thrive-in-coworking-spaces>). And the journal concludes that co-working spaces enhance success for three main reasons: people who use co-working spaces see their work as meaningful; they have more job control; they feel part of a community.

Thus, the work space model is now also serving a growing number of major corporates as they realize the benefits it brings in terms of worker wellbeing and productivity. And whilst many big corporations may decide to refit their own offices to copy the model, they also seem to be active in co-working memberships for their staff.

The work-life balance appears to be shifting for employees as well as the self-employed.



Market for temporary work space – The ‘Hot Work Space’

Whilst the changes in how and where people work are behind the huge success of companies such as Regus and WeWork, it looks likely that there will be many more such success stories from every continent in the years ahead. (Market leader WeWork raked in revenues of US\$150 million (£96 million) in 2014, and is taking its US model to Europe and the Middle East.)

Globally, the co-working business is in a major uptrend. According to industry tracker Deskmag.com, flexible working spaces around the world grew five times during 2010-13. That’s just three years. In its most recent published report (2014), Deskmag.com also said that:

“Seven out of ten co-working facilitators report that the availability of desk space in co-working spaces can’t keep up with the public’s demand in general. The current need for co-working spaces outweighs the availability of vacant spots. Taken as a whole, the co-working economy has paralleled this positive outlook, with more than one in two co-working spaces planning to expand in this year alone. Success stories with this kind of market value are few and far between. Compared to co-working, many other industries see less growth on average.”

In India, for example, the India Times reported this summer that, “With the blossoming of India’s start-up ecosystem, entrepreneurs are not the only ones making big business - so are the people running the spaces they work out of. Co-working spaces, which are growing in demand by the day, are proving to be a profitable and even scalable venture.”

Deskmag.com has also highlighted another trend within the industry, and reported that “more co-working members are switching workspaces”

“When we last took our survey, 80% of co-working professionals were still at their first co-working space; this time around, that number dropped to just under 70%. More people were also likely to return to their first co-working spaces. There was one exception, however, which significantly increased the frequency of co-working traffic from one space to another. Whereas in the past, co-workers normally remained loyal to their first ever co-working space (even to those with poor ratings), future estimates show that the probability that people will stay put in unsatisfactory work spaces will be much lower.”

Thus, an element of competition is entering the work space provision market, and end users are becoming more selective about the facilities and

support they want – and they may well be becoming more cost-conscious at the same time.

For work space operators this means a more varied and differentiated offering is needed, even though a key factor for operators is that they keep property and renovation costs under control. This is more easily achieved in countries where property can be leased on long-term contracts and there is good competition in the refit and renovation market.

Our fourth Bar Works™ is located at 70 White Street, which is situated in Lower Manhattan in the heart of the area known as Tribeca (Triangle Below Canal Street). It is just off Broadway which is the main thoroughfare in the area.

FILM
FESTIVAL



Information on the Tribeca venue

“ There seems to be something special about co-working spaces. As researchers who have, for years, studied how employees thrive, we were surprised to discover that people who belong to them report levels of thriving that approach an average of 6 on a 7-point scale ”



70 White Street, Tribeca

Tribeca has recently been described as the most desirable and expensive residential area in the City. It possesses the ideal demographics for our brand. Tribeca features numerous galleries, stores and fine restaurants and is home to the burgeoning Tribeca Film Festival organized by actor Robert DeNiro. It is one of the few neighborhoods that embodies a sense of community and is home to both the rich and famous as

well as the struggling artist and entrepreneur.

Size

The property measures approximately 6,000 sf on the ground with approximately 400 available spaces for fixed workspaces with additional private offices with a capacity for around 1,200 paying members (including fixed, flexible and virtual).



Summary of the business model: Bar Works™ Inc.

To provide both a differentiated offering in the work space market, and to keep set up costs down, Bar Works™ Inc. is focusing on acquiring long term leases on premises which already have full restaurant and bar licenses as well as under utilized space.

In addition, in what is anticipated to become an increasingly competitive market, Bar Works™ Inc. offers its customers an all-inclusive, no deposit fee structure. This aspect of the Company's model is inspired by the long-term experience of its founders, who between them have more than 20 years' experience of using flexible work space in leading cities around the world and operating membership-based businesses.

"Too many work space providers hit users with extra charges each month – for phones, internet charges etc. – and that can be both annoying and damaging to entrepreneurial people. If you are starting a new venture, or working on a fixed price contract, the last thing you need is a big surprise at the end of the month. And some of the surprises can be really big, pushing total space costs up by more than 50% in our experience.

It is time for the work space industry to

be more transparent in what it offers and what it charges, and we believe the fixed cost, no deposit model is one that we can make work, and which will have real appeal amongst freelancers, contract workers and others wanting work space in city centers", says Bar Works™ Inc.'s Chief Executive, Jonathan Black.

The first Bar Works™ which opened in October 2015 is already profitable and has attracted members through both word of mouth and various marketing initiatives. It is clear that Bar Works™ is providing a unique offering in a market which offers very little differentiated product and where there are no Main Street brands except WeWork.

Features of the Bar Works™ model include:

1. No deposit and members can leave at any time after the completed month paid for in advance, so no notice period either.
2. Networking. 'Happy Hour' is the best time to meet other co-workers, and Bar Works™ venues holds a 'Happy Hour' Monday to Friday from 6pm-8pm..
3. Events. Bar Works™ hosts a busy

schedule of events with guest speakers each month.

On the costs side, Bar Works™ Inc. focuses on sites where long leases are available and with pre-set rent review clauses, so that the Company knows exactly what its biggest single outlay is be in the years ahead. Design and refurbishment will also be done on fixed price contracts to avoid large budget overspends.

Staff costs are lower (as a percentage of costs) than for other work space providers due to the multi-function/discipline of the staff.

The Company's plans for expansion include at least six further sites in New York City, to ensure a recognizable brand within the city, as well as a spread of convenient locations for members. Directors of Bar Works™ are already researching available and suitable sites in other key cities, with offers made on properties in San Francisco and London in particular, with the aim of taking the total number of Bar Works™ properties to not less than 20 in the next three years. The Directors and their real estate advisers believe the potential for growth in the Bar Works™ portfolio to be substantially higher.

BAR WORKS

Wealthbuilder™ Program
The hassle free way to build wealth fast.

- > Up to 16% return p.a.
- > 25% capital growth potential
- > Prime location investment - Manhattan NYC
- > Hassle free - armchair investment
- > World class product
- > Fast growth industry

Wealth BUILDER PRO™ 16% p.a.
5 Workspaces
Just \$275k

Wealth ACCELERATOR™ 15.5% p.a.
3 Workspaces
Just \$75k

Summary of this offer

Bar Works™ Inc. has created a more vibrant, accessible and usable work space environment for a variety of user needs – the freelancer, contract worker, entrepreneur and travelling executive. At the same time, the Company will exploit niche venues with full bar and catering licenses in selected and ‘hot’ districts of cities in the US and elsewhere.

The Bar Works™ model also offers customers a clear and inclusive fee structure – with no hidden extras. The Directors believe this to be another key differentiator of their business model, since established work space providers place additional monthly charges on their customers even for the very basic services of telephones and internet access.

Because Bar Works™ Inc. expects to expand its model rapidly across several major international cities, the Company is willing to sub-let a limited proportion of work spaces via 10-year leases to investors in order to raise additional expansion capital. In this Purchase Memorandum investors have the opportunity to invest on the following terms:

1. Purchase a workspace on a 10-year lease in Manhattan’s Tribeca one of the prime real estate spots in lower Manhattan with over 6,000 sq ft. Select from three options under the Wealthbuilder Program where you can receive returns of up to 16% per year.
2. Purchase price starts at \$50,000 for the Wealth Starter which consists of two workspaces and a return of 15% per year.
3. Income payable monthly from point of purchase – i.e., first income received 14 days from point of purchase completion.
4. Participation in one of the fastest growing commercial property subsectors in the US and overseas.
5. Bar Works™, Inc has completed a round of equity funding which allows the company to expand without the need for further outside equity.
6. The lease has a reversionary interest which pays the investor the sum of their investment at the end of the lease term.
7. The Company offers the option to buy back leases at any time after the second anniversary of purchase at a 25% premium.
8. Matched bargain trading facility will be available to allow earlier exit from the investment, with all income rights transferable and attaching to each lease.
9. Full documentation and title provided for each work space unit.
10. Lifetime and Worldwide membership of Bar Works™ network of venues.



Application form

HOW TO APPLY

You are required to complete the application form. In addition you will also be sent two agreements which will require signing once there are cleared funds. The first is the Lease Purchase Agreement which is your purchase of a sublease from Bar Works Tribeca, Inc. The second is the lease agreement you have with Bar Works Management, Inc. (a wholly owned subsidiary of Bar Works, Inc.) which is the company that will enter a lease with the investor and manage the workspace and pay the rentals.

PLEASE RETURN COMPLETED DOCUMENTS TO:

Bar Works Inc.
47W 39th St
New York
10018
USA

PLEASE SEND YOUR WIRE TRANSFER TO:

Bank Name: JPMorgan Chase Bank
Bank Address:
Broadway and 61st, New York, New York, 10023, USA
Account Name: Bar Works Tribeca Inc
Account Number: [REDACTED]
Swift: CHASUS33
Routing Number: 021000021
Address: Lincoln Center, New York, New York, 10023, USA.

BAR WORKS INC. – PURCHASE SUMMARY

Wealthbuilder Program options:

Wealth Starter – 2 units - \$50,000

Wealth Accelerator – 3 units - \$75,000

Wealth Builder – 5 units - \$125,000

Select Option:

Total \$ amount to be remitted:

INCOME PAYMENT DETAILS – payments direct to:

.....
.....

Bank:

Sort Code/SWIFT:

Account Number/IBAN:

Routing No (US):

Or by check to:

CLIENT INFORMATION

Name:

Address:

.....
.....

Telephone:

Email:

Signature:



BAR WORKS

Wealthbuilder™ Program

The hassle free way to build wealth fast.

- › Up to 16% return p.a.
- › 25% capital growth potential
- › Prime location investment - Manhattan NYC
- › Hassle free - armchair investment
- › World class product
- › Fast growth industry

Wealth BUILDER PRO™ 16% p.a.
5 Workspaces
Just \$125k

Wealth ACCELERATOR™ 15.5% p.a.
3 Workspaces
Just \$75k

Wealth STARTER™ 15% p.a.
2 Workspaces
Just \$50k





**BAR
WORKS**
WORK SPACE WITH VIBE

Bar Works™, Inc
47W 39th Street
New York
10018
USA

www.barworks.nyc

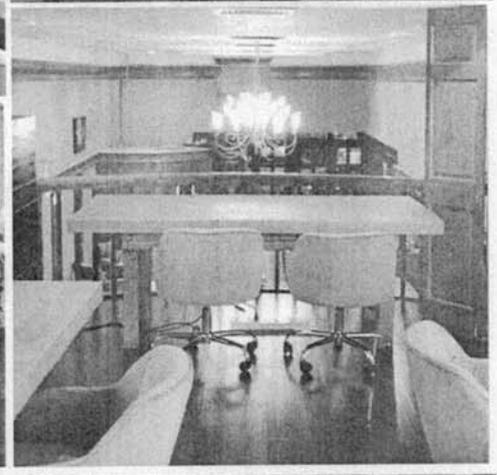
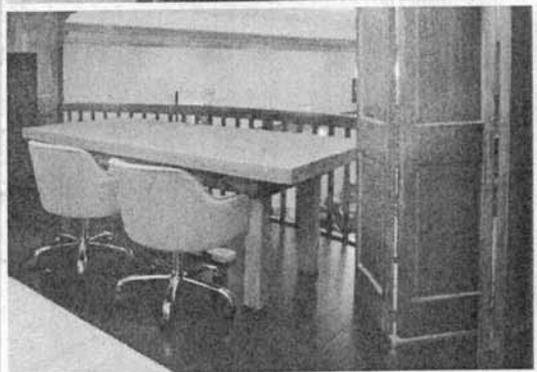
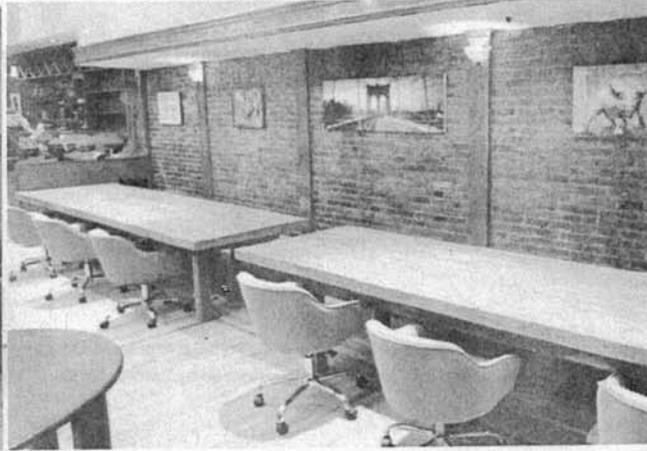
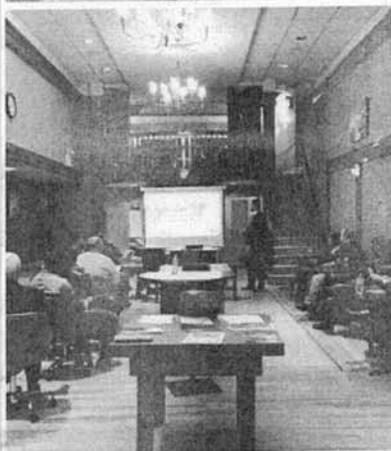
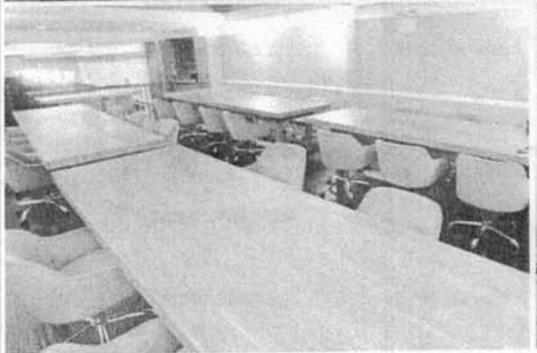
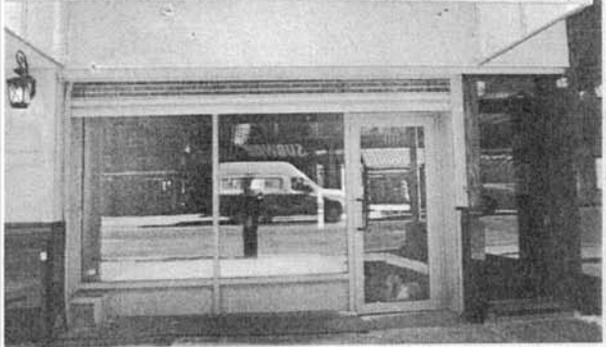
BAR WORKS @ 16th & 8th

In the midst of one of the best-known and historic locales of the city

Bar Works NYC expansion continues as demand stays strong

Google

In Manhattan's Tech Hub + Benefits of Gym Membership + Discounted Bulletproof Coffee and Pure Green Juices



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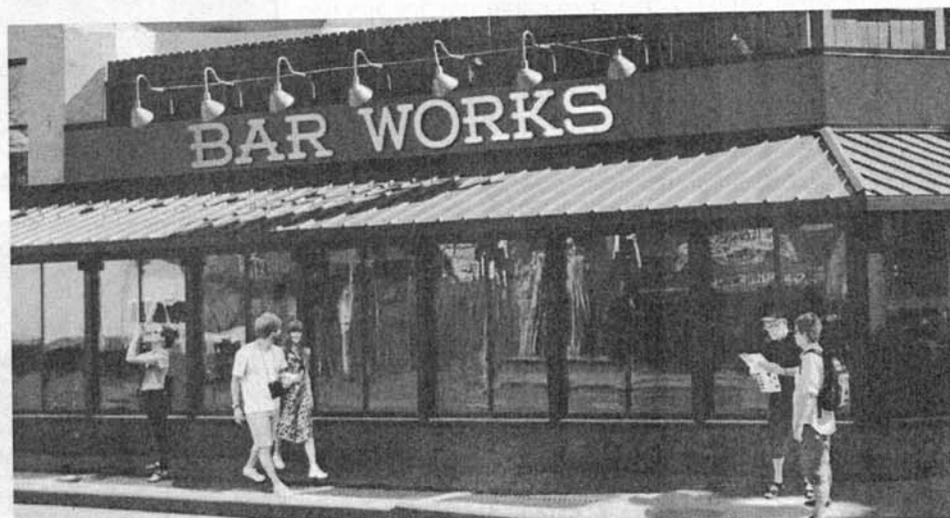
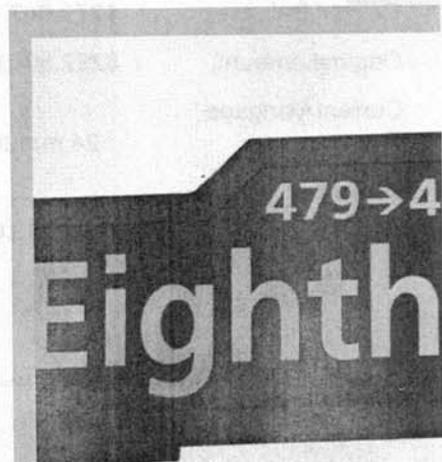
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47 Seventh Avenue South

KEY PARTIES I

Group Company Name: Bar Works™ Inc.
47W 39th Street
New York 10018 USA

Leasehold Company Name: Bar Works 8th Avenue LLC,
47W 39th Street New York 10018
USA

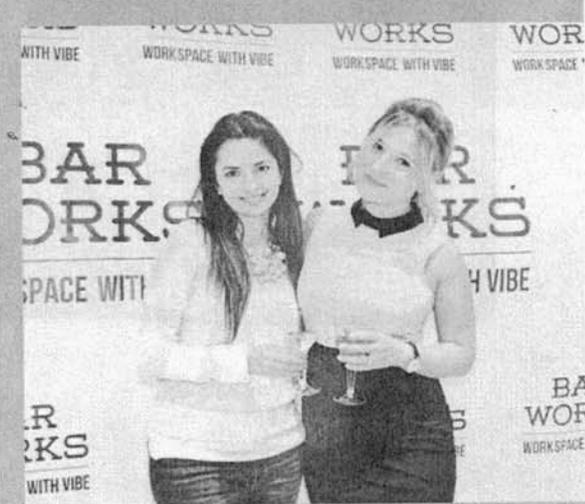
Website of the Company: www.barworks.global

Management Corporation: Bar Works™ Management Inc.
41W 46th Street
New York 10036 USA

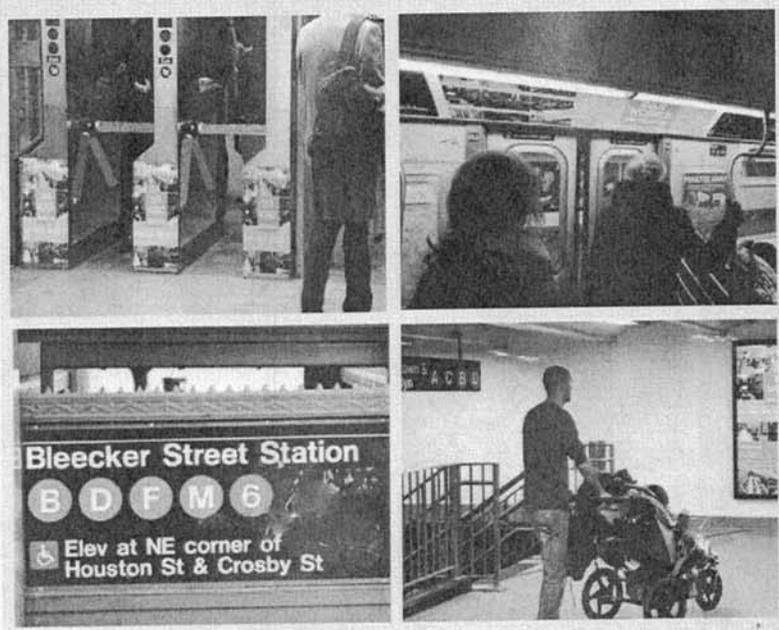
Property Attorney: Reznick Law 900 Third Avenue,
17th Floor
New York, NY 10022 USA

Bankers: JP Morgan Chase
Columbus Circle
New York City New York USA

Auditor to the Company: ProTax Center 1312 Kings Highway
New York 11229 USA



Bar Works on the New York Subway



I. DETAILS OF THE OFFER

The Wealth Builder Program from Bar Works™ Inc.

This latest planned venue lies at the junction of 16th Street and 8th Avenue, on the border of two of lower Manhattan's most attractive districts – the Meatpacking District to the south and Chelsea to the north. The former area has a long and rich history and in the last two decades has been transformed into one of the most sought-after areas in town.

(8th Avenue runs along the west side of Manhattan from Abingdon Square in the south, carrying traffic northbound up to 59th Street. In Lower Manhattan, it is sometimes shown on maps as Frederick Douglass Boulevard, and leads straight into the Wall Street Financial District.)

From the late 1990s, high-end boutiques catering to young professionals and hipsters opened in the Meatpacking District just to the north of Hudson Street and Wall Street. Famous names who opened in the area included Diane von Fürstenberg, Christian Louboutin, Alexander McQueen, Stella McCartney, Barbour, Rubin & Chapelle and many more. An Apple Store then opened and was soon joined by restaurants such as Pastis - which closed in 2014 - and 5 Ninth, and nightclubs such as Tenjune. In 2004, New York magazine called the Meatpacking District "New York's most fashionable neighborhood".

In June 2009, the first segment of the High Line linear park opened, and sparked further regeneration. A former elevated freight railroad built under the aegis of the legendary Robert Moses, the High Line park opened to great reviews across the city as a greenway modeled after Paris's Promenade Plantée.

The Whitney Museum of American Art had already announced that it would build a second, Renzo Piano-designed home at 99 Gansevoort Street, just west of Washington Street and adjacent to the southernmost entrance to the High Line. On 1st May 2015, the museum opened at this site.

These were turning points in the changes experienced by the neighborhood over the first two decades of the 21st century, transforming it from a gritty manufacturing district into a bustling high-end retail, dining, and residential area, as documented by photographer Brian Rose in his 2014 book "Metamorphosis". The district remains a hugely popular place for entrepreneurs and young businesses, and also has an active local community that endeavors to preserve its low-rise and historic features.

Bar Works' latest property is a former restaurant and bar on two floors, with the bulk of its frontage extending along 16th Street from the corner entrance on 8th Avenue. There is an adjacent subway stop giving access to four main subway lines, and just down the block is the headquarters of Google Inc. – a 3m square foot building.

This location is also close to our Chambers Street venue which is due to open this month. Chambers Street houses a fitness club and work out area, and members of Bar Works@16th & 8th will also have free access to those facilities, subject to availability.

Our plans for Chambers Street and for 16th & 8th now also include a concession from Bulletproof Coffee, the Washington-state based provider of a new coffee recipe that includes brain-boosting coconut oil extract and calorie-burning grass-fed butter. Bar Works™ Inc. has the exclusive right to open Bulletproof Coffee outlets in New York City, and we plan to offer the product across our venues. We will also be an outlet for Pure Green juices – another product much sought after by those who want to maximize their energy and minimize their calories. Both of these innovative new products are expected to attract extra attention and customers for Bar Works – and members will get both at discounted prices.

Total floor space at 16th & 8th is approximately 4,500 square feet, and the Company expects to install a total of 200 work stations, as well as refurbished social and catering areas.

Within the Bar Works™ Wealth Builder Program investors seeking income combined with capital appreciation now have the opportunity to purchase 10-year leases on up to 100 workspace units at **Bar Works @ 16th & 8th**. These leases will also benefit from any future rent increases derived from each work space. That means your minimum income will grow as customer charges rise and returns will exceed the initial 14%-16% yield in the later years of the lease.

The work space units available under this lease scheme will be amongst those set aside for full-time and long-term members of Bar Works™ Inc. who will pay \$600 per month all-inclusive for their use.

The cost of each work space lease is \$25,000, plus you receive a free lifetime worldwide membership to Bar Works™ Inc.

Table of Returns

	Premium	Monthly Rent	% return per year
Single Workspace	\$25,000	\$292	14%
Wealth Starter (2 workspaces)	\$50,000	\$625	15%
Wealth Accelerator (3 workspaces)	\$75,000	\$969	15.5%
Wealth Builder (5 workspaces)	\$125,000	\$1,667	16%

The Wealth Builder Program has been structured to maximize your income and capital.

We do not encourage the purchase of single units as by purchasing multiples your rental income and returns increase.

All income payments will be paid monthly from the point of investment – so you start receiving income just 14 days after taking up this offer. You will see a steady flow of income for the whole time you hold your lease.

Bar Works™ Inc. will repay your initial capital when your lease expires - i.e., 100% of your initial capital is repaid on the tenth annual anniversary. In addition, Bar Works™ Inc. will retain the right to buy back your lease at a minimum 125% of initial cost - \$31,250 - at any point after the second year anniversary of investment and in the event of a change in group ownership or status.

Bar Works™ Inc. continues to offer a 'matched bargain' facility where leaseholders can sell their leased units at any time if required – or buy more.



I. INTRODUCTION:

1. 8th Avenue – location details, plans for venue

New York's Meatpacking District has long since lost most of its original industrial character, and is now a very vibrant and prosperous residential and commercial area. Well over 80,000 people live in the district, and most are young professionals without children and with college degrees, according to the most recent published statistics. Much of the area retains low-rise buildings, with brick-built town houses still in evidence.

Median income for the district is put at around \$96,000 a year, with two thirds of the resident population described as 'white collar' workers. Consumer spending in the area is well above the national average in all categories.

In addition, the district contains many tourist and leisure facilities (such as the High Line linear park and the Whitney Museum of American Art at Gansevoort Street) and is the headquarters and home to many businesses, from Google and Samsung to the remaining meat packing and construction firms. It is one of the busiest areas of New York City, night and day.

Manhattan as a whole sees close to four million people within its precincts in any one working day, according to studies by NYU's Rudin Center for Transportation Policy and Management. At the weekend the number drops below three million but is still nearly double the 1.46 million city residents, and this high volume of visitors and daily population includes the Meatpacking District.

A number of leading tech companies are located in this part of lower Manhattan, including Twitter, Samsung and Rocket Fuel as well as Google. As a result, the area has become something of a magnet for tech start-ups too, and demand for office and studio space reportedly remains high.



Bar Works' new venue will be at the center of this tech hub, and will offer up to 200 work stations as well as social and catering facilities. As always with Bar Works' places, connectivity and office facilities will be of a high standard. The addition of the Bulletproof Coffee and Pure Green juice product ranges to our catering offer is expected to have significant appeal in this and our other locations.

The Company expects to allocate 100 work spaces for full-time members, with the remainder available for part-time and ad hoc users. There will be

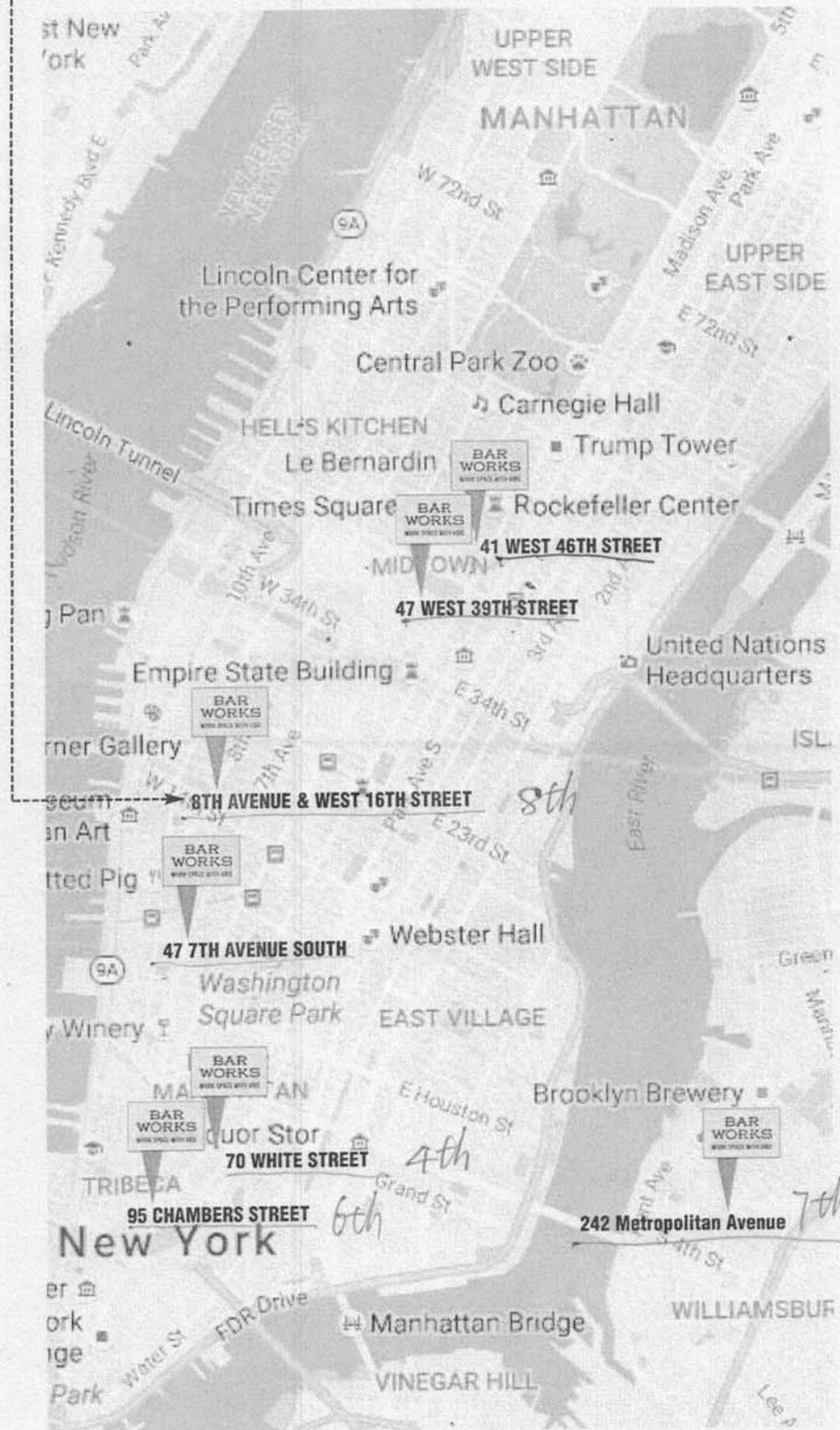
virtual office facilities also, and regular networking and information events.

In addition, because of this location's proximity to Bar Works@Chambers Street, members at 16th & 8th will have free access to the fitness club based at Chambers Street, which is opening this month. Subway links are excellent – offering a good choice of lines and trains from right outside our new venue. And on the A Line (8th Avenue Express), for example, there are just four stops between 16th & 8th and Chambers Street.

INTRODUCTION: I

2. Summary of demand at Bar Works NYC venues

8th Avenue & West 16th Street



Bar Works@Chambers Street opens this month and will make our fourth active venue so far. Two more openings are scheduled for the end of this year in New York City – at Tribeca and Williamsburg, Brooklyn.

Our first three venues are all doing well, with full-time spaces full at two venues and almost full at the third. In fact, there is a waiting list at West Village, which is just a few city blocks from the new location at 16th & 8th. We expect the new location to benefit quickly from the demand our current locations are generating.

Fashionable and popular areas such as Greenwich Village, the Meatpacking District and West Village appear to be limiting the number of new-build and high-rise developments, even though lower Manhattan is experiencing high demand for office and commercial space currently.

Across Manhattan as a whole demand for space appears to be strong still, and Richard Persichetti vice president of research, marketing and consulting at real-estate services firm Cushman & Wakefield, told the Wall Street Journal earlier this year that Midtown rents “still have some room to grow” because rents remain below their 2008 peak.

Yet there is evidence that Midtown tenants are re-locating downtown in search of more modern and flexible space – viz Time Inc. “One of Midtown’s biggest challenges is its disproportionate stock of buildings that went up after World War II and in the 1970s and ‘80s, when office space wasn’t laid out in today’s popular collaborative design”, J.J Sollazzo, real-estate economist at research firm CoStar Group Inc., commented in the same WSJ article.

I. INTRODUCTION:

3. Update on co-working market in New York City

In 2015, WeWork alone was responsible for 3% of all Manhattan leasing and 9% of all FIREsector (finance, insurance and real estate) deals, leasing nearly 900,000 square feet in total according to Colliers Research In NYC. Add to WeWork's three million square feet the holdings of other large players – such as Regus, Corporate Suites, Virgo Business Centers, Jay Suites - and many smaller operators, and the footprint of co-working/flexible space in New York easily now exceeds five million square feet. However, that is not a big number in New York – there is an estimated 504,737,604 square feet of office space in Midtown, Midtown South and Downtown.

All three of these areas of Manhattan are proving popular for the big co-working space providers. In Midtown, WeWork has taken 60,000 sq ft of former USPS space at 450 Lexington Avenue, on top of the 109,631 sq ft subleased from Colgate-Palmolive at 300 Park Avenue. Downtown, WeWork has picked up a 235,000 sq ft lease at 85 Broad Street, the former headquarters of Goldman Sachs; Regus has also taken space in a former Goldman Sachs building at 77 Water Street.

According to AlleyVoice, there are more than 50 co-working space operators in NYC, with those in Manhattan including AlleyNYC, Centre for Social Innovation, Collab, Con Artist Shared Workspace, The Farm Soho, 500 Startups, Grind, Hive at 55, In Good Company, New Work City, OfficeLinks Hub, The Productive, Projective Space, SoTechie, Spark Labs, Studio Guild, WECREATE, Wix Lounge, WorkHouse NYC, and The Yard. Not to mention Bar Works! And the average monthly cost of a dedicated desk at a co-working space in Manhattan is \$526 according to a recent Prodigy Network



publication. That figure, however, does not include monthly extras for phones, printing etc.

This significant growth can be attributed in part to technological advances, shifting work/life priorities, and an evolving economy that has redefined what many think of as traditional office hours and workplaces.

“The ubiquitous ‘coffee shop entrepreneur’ that migrates from their home-based office to the nearest cafe has largely given way to a new group of start-up oriented individuals and businesses that recognize the need for innovative and functional space,” notes Rebecca Green in “Collaborate or Compete: How Do Landlords Respond to the Rise in Co-working?” in the Cornell Real Estate Review.

One commentator recently suggested that, “The exceptional increase in co-working space continues to be driven by a surge of millennials entering the employment marketplace. The Brookings Institution estimates that by the year 2025, a staggering 75% of the workforce will be the so-called Net Generation. The expectations these employee cohorts have for their office

environment—with flexibility being perhaps the top priority in many instances—have continued to evolve at pace. The latest in workplace-strategy jargon is the ‘workplace of choice,’ which allows employees to choose how they want to work on a particular day. Choices range from a place to have privacy to a space for collaboration to breakout rooms. It’s part of the social experience; choice of social environment for working goes back to interaction. The idea is to maximize productivity and also to address how people work today.”

But it is not just millennials driving companies’ exploration into co-working and flexible office space. Freelance workers of all ages have taken to these kinds of spaces, realizing in some cases that the “working from home” fantasy doesn’t always hold up its end of the bargain for everyone. Further reflecting this societal trend, Fortune 100 companies are increasingly taking desks in temporary facilities, both as a cost cutting measure and as a bridge to attracting and retaining talent by providing environments that cultivate a mix of networking, training, team events, and ideation. WeWork is



Pure Green, 126 William St, New York



Bullet Proof Coffee, 3110 Main St, Santa Monica, CA

accommodating tenants with large numbers of employees by offering full floors and modifying space for security, reception, IT, etc.

These changes and trends have had a considerable effect on the commercial real estate industry, in addition to the increased leasing activity. Recognizing the growing desire by both individuals and organizations to seek out collaborative work environments, Colliers noted some of the key benefits of adapting a co-working mindset in its "How Coworking Can Improve Flexibility, Reduce Costs and Increase

Employee Engagement" report. Positive takeaways include cultural alignment, creation of a more social environment, the ability to provide on-demand solutions and—perhaps the most compelling factor—a not-insignificant amount of cost savings.

The rise in co-working and flexible office space across New York City demonstrates that these kinds of spaces have become a viable alternative to traditional office settings in the city. And the prospects for future demand for co-working space remain strong. Small Business Labs, which

monitors the environment for small businesses, recently released its forecasts for the co-working industry, and says:

"Co-working is booming. The industry is growing and hybridizing so fast, we're having a hard time keeping up with it.

We recently released our 2016 co-working forecast and we are projecting continued rapid growth over the next 4 years, although at a slower rate than the industry's current dizzying pace... We expect the number of global co-working spaces will grow from a bit over 11,000 this year to just over 26,000 in 2020."

SBL also estimates that the number of members of co-working sites globally will grow from just under a million in 2016 to 3.8 million by 2020.

And, according to Deskmag, the average number of members per space roughly doubled over the past two years and the co-working specialist now forecasts a 77% increase in the average number of members per space over the next four years.

The number of spaces is forecast to grow 18% in 2020, down from a 41% growth rate in 2016. This, in part, reflects larger space sizes. But it also reflects a maturing market and the challenges associated with rapid growth as the industry gets bigger.

Member growth also slows over the forecast period, but is still expected to grow at a very brisk 26% pace in 2020. In terms of other metrics, the real estate firm JLL points out that co-working spaces only comprise "0.7 percent of the total US office market" and less than that outside of the US. This forecast from Deskmag would move this to a bit less than 2% of the US office market in 2020.

I. BACKGROUND INFORMATION –

1. Economic Outlook for US and New York

Given the outcome of the Presidential Election last week, few commentators and analysts are yet sticking their necks on the line re economic growth forecasts and any impact of a Trump Presidency. There have been a lot of gasps of horror, but few realistic or quotable comments.

Indeed, at this time most observers are still trying to work out who exactly will be on the Trump Team, let alone what Trump will do, or what he will prioritize from his pre-election wish list.

On the economic and fiscal front, President-elect Trump has said he wants to 1) cut business and personal taxes, 2) instigate a major infrastructure rebuilding program and 3) de-regulate the banking industry. In all these areas, in our view, there will be significant constraints on what he can do.

For the first two items on his financial agenda, President Trump will find that the finances of the US are likely to restrict him. Cutting corporate taxes to 15%, for example, might have to be an end of term stepped target rather than an instant action, and whilst Congress may be happy to pass personal tax cuts for lower and middle income groups it is not certain that higher rate taxpayers will get all they want – some but not all.

The Republican Party has control of both houses, but Trump does not necessarily have control of the Republican Party. It seems rational to assume that his opponents in the Party will translate into opponents in Congress, and that President Trump will not be assured of getting all he wants passed.

Above all else, Trump is a pragmatist and he will have to do deals to get anywhere near the level of tax cuts and public spending he has in mind.

However, it seems likely that Congress will adhere to his general principle that lower taxes actually boost tax take, so the US economy can look forward to some growth originating from lower taxation and its consequent boost to consumer spending and corporate investing.

And federal spending on major infrastructure work can only be good for the whole USA – for jobs and growth. New York City might even get funding for further phases of the Second Avenue Subway project! At least we know that New York City is dear to his heart.

The third item on his fiscal agenda may well prove much more contentious, even if his apparent first choice of Secretary to the Treasury – Steven Mnuchin – gets the job. Mnuchin is a former Goldman Sachs man, and as such could be seen as having conflicts of interest and quite a lot of baggage. And de-regulation of the banks is not a popular topic even in Republican circles; a media storm could easily be whipped up on that one wish-list topic alone. As a result, we believe it right to discount removal of constraints on banks as a likely action in the foreseeable future.

Donald Trump has said he will double America's GDP growth rate, although he has given no base figure on which to assess him. Nevertheless, given the current healthy state of US economic growth, he would do well – and many voters would be happy – if he proves able to put an extra full percentage point on annual growth. On current forecasts, the US economy is expected to grow at around 2% for the next two years. In 2015, the economy grew 2.4%, so even before the election there were some signs of a dip in growth.

However, the latest report (June 2016) from the OECD actually reinforces some

of the comments and reported thinking of President-elect Trump. "Output remains on a moderate growth trajectory sustained by mutually-reinforcing gains in employment, income and household spending...Public debt prospects have improved, but the debt-to-GDP ratio will remain high without higher growth or further consolidation...Productivity growth has been especially slow in recent years, intensifying a broad-based deceleration initiated in the early 2000s...Multiple policies to reinvigorate productivity would be appropriate, such as targeted investments in public infrastructure, eliminating needless inter-jurisdictional differences in occupational licensing and broadening the scope of antitrust laws".

If President Trump prioritizes tax cuts and infrastructure spending for his first year, there can be no doubt GDP growth for late 2017 and 2018 will be higher than the current OECD expectations – as long as his other wish-list activities such as tearing up trade deals never actually happen. In any case, a realistic view of Trump's comments on trade deals suggests that he simply wants to put some deals back on a fairer footing and not use trade deals as a tool for political change in developing economies.

In New York – the President-elect's home base – there will be real hope that much needed upgrades and improvements to the transport system will get federal help, and that would only be good news for the city and the state. The Gateway Project to run more trains between NYC and New Jersey was long overdue and at last underway, but there are other upgrades needed for a city that gets over two million commuters and visitors every day of the week.

In the meantime, latest figures on the economy of New York showed a 1.5%

increase in the job count between September 2015 and September 2016, according to preliminary figures released last month by the New York

State Department of Labor. Most of that appears to have come from New York City itself, which saw job count rise by well over 2% in the year.

Overall, unemployment levels across the state remain at roughly 5%, in line with the national average, with the city again undercutting that level.



I BACKGROUND INFORMATION –

2. Overview of Bar Works™ Inc.

Bar Works™ Inc. focuses on accessibility, flexibility and price – and on bringing real vibrancy and energy to the co-working environment. And our new tie-ups with Bulletproof Coffee and the Pure Green juice company demonstrate our commitment to giving our members the latest and the best. Bulletproof Coffee, for example, is now being endorsed by “Billboard-topping recording artists, world champion athletes and some of the world’s top executives because of its massive impact on energy and cognitive function”.

The likes of Regus and WeWorks are attempting to catch up, but marrying their property-focused business model to the dynamics of the co-working economy is a slow process, and Bar Works believes it retains a defined edge over such established competition.

Bar Works’ work spaces have a unique energized atmosphere, based on people rather than simply architecture or location, making these venues ideal for events and networking. Bar Works has already held a number of successful Meet Ups (www.meetup.com) at its current Manhattan venues, which, even though charging a fee, ensure a regular flow of new people who subsequently take up membership.

Few, if any, of the current work space providers’ offer ease of access, their premises usually requiring pre-booking. In major cities, and particularly in New York, facilities are almost always booked up for at least a month or more in advance. Not at Bar

Works – at our venues, you can walk in and access a work station for a day, a week or a month without paying a deposit or committing to a long-term agreement. And we keep a proportion of our work spaces available for such ‘passing trade’.

Costs of using space with all other operators are also not limited to a monthly rent. Phone, internet and other services are generally extra costs, and can raise the monthly bill by as much as 50% or more. But Bar Works offers a fixed-price, all-inclusive deal to members (whether full or part-time) and to ad hoc users.

In addition, competing work space locations do not have full catering and alcohol licenses, so that users are forced to eat and entertain elsewhere. The Bar Works model means that members can use the premises for all their business-related needs, and network much more effectively in comfort and in contact with their data and resources.

This inviting ‘open door’ style will be replicated wherever Bar Works™ Inc. operates in the world, and is much closer to the variable needs of an increasingly flexible workforce.

Additionally, Bar Works aims at all commercial/creative/entrepreneurial activity rather than purely at the Tech Startup or creative markets, thus opening up the target membership to a bigger broader spectrum, and we are now offering a bigger, broader network for members. The new venue at 16th Street and 8th Avenue will be the seventh Bar Works in New York City, and Bar Works in San Francisco,

London and Dublin are set to open in the months ahead.

Services available for each monthly or daily membership payment include the following:

- Free internet
- Free photocopying
- Free phone connection and national calls
- Free meeting room use (subject to pre-booking and availability)
- Free networking
- No notice period
- No deposit
- Free coffee
- Discounted alcoholic drinks (beer and wine licenses)
- Discounted Bulletproof Coffee and Pure Green juices
- Free subscription to The Search tech scene quarterly
- Free technical support
- Free fax

Bar Works offers Limited or Full Membership, and a Virtual Office option.

Capacity at **Bar Works @ 16th & 8th** will be limited to a maximum of 200 work stations and only 100 work stations will be available for the Wealth Builder Program at this site. Members at this new venue will also have free access to the fitness club at our Chambers Street Bar Works, which opens this month.

Our whole philosophy at Bar Works™ Inc. is to facilitate an energized and progressive environment for entrepreneurs, freelancers and travelling business people in the 21st Century world of work at all our venues, large and small.

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Our whole philosophy is to facilitate an energized and progressive environment

Summary of I

Summary of Bar Works @ 16th & 8th

This new venue for Bar Works Inc. represents a significant increase in the Company's capacity in downtown Manhattan. It will provide up to 200 work stations and social and networking facilities at a prime location bordering the fashionable areas of the Meatpacking District and Chelsea. The location is within easy reach of Wall Street, as well as being at the center of what has become New York City's tech hub.

Right outside the new Bar Works is a main subway station for four main train lines, including the iconic A train. Members can take the A train to utilize their free membership of the Chambers Street fitness club and workout facility that is part of our Bar Works@Chambers Street offering, as well as accessing Midtown Manhattan

and major rail terminals within minutes.

Following introduction to our Chambers Street site, both Bulletproof Coffee and Pure Green juices will be sold at 16th & 8th – at a discount for our members.

Our new site is a former restaurant and bar, making planning and license consents much speedier to transfer, and with two levels within the building, offering the ability to provide quiet work space as well as vibrant social areas.

The surrounding area contains many retail, cultural and leisure facilities, as well as being part of a fashionable residential area.

The location is also close to our West Village Bar Works, where full-time work stations are fully booked and a waiting list operating. The Company expects to appeal to the same young, entrepreneurial clientele that keep West Village buzzing every day. The Meatpacking District, for example, is home to a high proportion of college-educated, single people with very much higher than average incomes and busy lifestyles.

The NYC headquarters of Google, Rocket Fuel, Samsung and Twitter all lie within a few blocks of this exciting new venue which we expect to be up and running early in the New Year.



I. Summary of this Offer

Bar Works™ Wealth Builder Program now offers investors seeking income combined with capital appreciation the opportunity to purchase a 10-year lease on workspace units at **Bar Works @ 16th & 8th** for just \$25,000 per lease. A maximum of 100 full time workspace units are available under this offer.

The leases also benefit from a guaranteed 25% uplift in value in the event that Bar Works™ Inc. takes up its right to buy back leases after the 2nd year of the Effective Date and 100% of your initial capital is repaid on the tenth annual anniversary.

Regular and rising income from the in-demand co-working sector, and in an area of Manhattan that is rapidly turning into the city's tech hub.

Table of Returns – Rental Income

	Premium	Monthly Rent	% return per year
Single Workspace	\$25,000	\$292	14%
Wealth Starter (2 workspaces)	\$50,000	\$625	15%
Wealth Accelerator (3 workspaces)	\$75,000	\$969	15.5%
Wealth Builder (5 workspaces)	\$125,000	\$1,667	16%

“The exceptional increase in co-working space continues to be driven by a surge of millennials entering the employment marketplace. The Brookings Institution estimates that by the year 2025, a staggering 75% of the workforce will be the so-called Net Generation.”

Join us in the district of downtown Manhattan that ‘millennials’ love – at 16th & 8th, the new Bar Works hotspot.

Application form I

HOW TO APPLY

You are required to complete the application form. In addition you will also be sent two agreements which will require signing once there are cleared funds. The first is the Lease Purchase Agreement which is your purchase of a sublease from Bar Works 8th Avenue LLC. The second is the lease agreement you have with Bar Works Management, Inc. (a wholly owned subsidiary of Bar Works, Inc.) which is the company that will enter a lease with the investor and manage the workspace and pay the rentals.

PLEASE RETURN COMPLETED DOCUMENTS TO:

Bar Works Inc.
47W 39th St
New York
10018
USA

PLEASE SEND YOUR WIRE TRANSFER TO:

Bank Name: JPMorgan Chase Bank
Bank Address:
Broadway & 61st, New York,
New York, 10023, USA
Account Name: Bar Works Inc.
Account Number [REDACTED]
SWIFT: CHASUS33
Routing Number: 021000021
Address: Lincoln Center, New York,
New York, 10023, USA.

BAR WORKS INC. – PURCHASE SUMMARY

Wealthbuilder Program options:

Minimum Investment - \$25,000

Wealth Starter - \$50,000

Wealth Accelerator - \$75,000

Wealth Builder - \$100,000

Select Option:

Total £ amount to be remitted:

* INCOME PAYMENT DETAILS – payments direct to:

.....
.....

Bank:

Sort Code/SWIFT:

Account Number/IBAN:

Routing No (US):

Or by check to:

CLIENT INFORMATION

Name:

Address:

.....
.....

Telephone:

Email:

Signature:

Bar Works in the Media

FORTUNE

This U.S. Firm Is Revamping Britain's Iconic Red Phone Booths Into Mini-Offices

There's also free coffee involved.

A former venture capitalist is planning to restore the former glory of Britain's famous red telephone boxes by turning some of them into mini-offices for on-the-go workers.

Jonathan Black, chief executive of New York City-based Bar Works, said his company was refitting phone booths in five British cities with 25-inch screens, scanners, printers, a wireless mouse, and Wi-Fi connection—as well as free coffee.

"It's an alternative to, say, Starbucks but obviously it provides you with total privacy," said Black, a Brit who lives in New York.

Privately-owned Bar Works launched in Manhattan last year, offering bar-themed workspaces in popular locations. Users pay a monthly subscription in return for access to the premises and unlimited use of office facilities.



Telephone boxes outside the General Post Office in Blackpool Lancashire

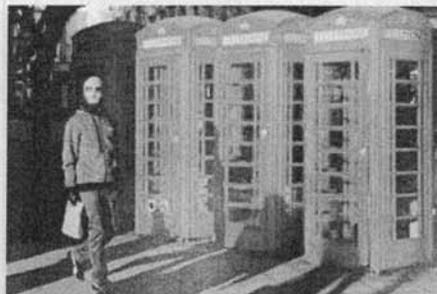
REUTERS PW

U.S. firm to turn Britain's red phone boxes into mini-offices

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MailOnline

Welcome to the office – it's a bit of a squeeze: New York firm to transform iconic red phone boxes into mini work stations

Some of Britain's iconic red phone boxes are set to be given an unusual makeover by a New York co-working space firm.

Bar Works is to launch Pod Works in locations including London, Leeds and Edinburgh using old BT phone boxes as mini-work stations for those on the move.



Call centre: The phone boxes will have a screen, printer and wi-fi

San Francisco Chronicle

Jack's site to be a co-working space

One of San Francisco's most historic downtown restaurants has been sold. But instead of becoming a new eating place, the former Jack's will live again as a new-age, tech-centric office space from Bar Works, a company that operates three such venues in New York City.

"It's important for us as a company to be out there," said Bar Works managing director Frank-lin Kinard from New York. "If you're not going to go in the San Francisco market, you're just not serious."



After decades as Jack's, the restaurant reopened in 2002 as a French bistro named Jeanty at Jack's

International Business Times

Britain's red telephone boxes to be turned into mini-offices for workers on the go

Red telephone booths across Britain to be revived as mini-offices Getty Images With advanced communication technologies making the iconic British red telephone boxes expendable, a US firm is all set to bring them back to use. Call boxes would be converted into min-offices for workers on-the-go

Bar Works Inc's chief executive Jonathan Black, a Briton living in New York, said that his company will refurbish telephone kiosks with fully functional printers, scanners, 25-inch screens and Wi-Fi.



Eastern Daily Press

Box office: The phone booth which could become Norwich's newest - and smallest - workplace

In a telephone-box transformation worthy of Superman himself, one of Tombland's red phone booths is to become Norwich's newest shared office.

The project is the idea of New York-based Bar Works Inc, which has snapped up more than a dozen of the boxes across the country and wants to refurbish them for the use of entrepreneurs.

It says the location of the boxes makes them ideal for business people looking for affordable workspace in attractive locations.



The Norwich phone box in Tombland which could so be converted into a miniature office for travelling businessmen.

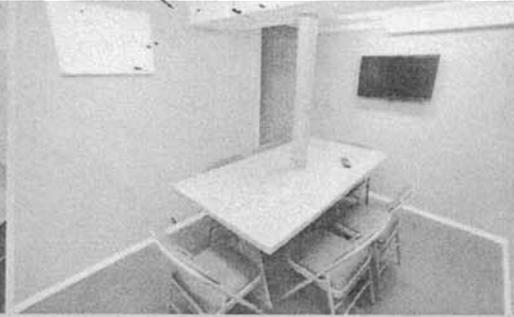
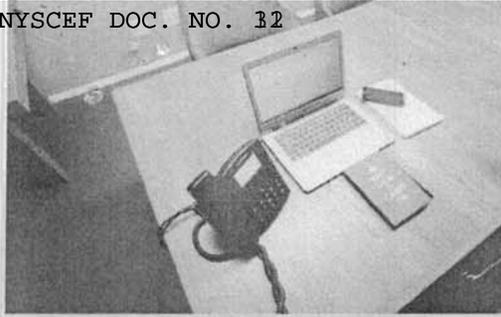
Bold News/Media Website

Bar Works and Bold, a Part of the Rising World of Co-Working Spaces

Co-working spaces are a fast-growing part of New York City real estate, and Bar Works, headquarters of Bold Media, is part of that growth. The space is a former Italian restaurant turned office space that (hence the name) kept the bar. The spot is located in Midtown and led by Jonathan Black and Zoe Miller. The atmosphere of the space is more relaxed than your typical office, with long tables and benches and comfortable seating in the former dining area instead of standard desks with swivel chairs.



HAPPY HOURS: Zoe Miller repurposed an old restaurant to give her co-working space Bar Works a shot



**BAR
WORKS**
WORK SPACE WITH VIBE

Bar Works™, Inc
47W 39th Street
New York
10018
USA

www.barworks.nyc

BAR WORKS @ 7

Metropolitan

Bar Works™ in Brooklyn

Williamsburg Location – district at the heart of Brooklyn’s economic growth, in the borough set to overtake Chicago



Bar Works @ Metropolitan

Brooklyn, New York

INTRODUCTION: I

1. Williamsburg and the Borough of Brooklyn

As the map shows, page 8, Williamsburg lies in the north of the borough immediately adjacent to the East River and the Navy Yard district – where many of America’s World War II ships were built. Historically, there was significant maritime, energy and import related development along the River into Williamsburg, and this pattern of ‘linked development’ continues in the two districts.

The Navy Yard area is now a thriving commercial and industrial space spilling over into Williamsburg and adding to the economic success of north Brooklyn as a whole.

The Navy Yard industrial park has more than 330 businesses (including manufacturers, artists, distributors, a distillery, food processors, filmmakers and a medical lab) that employ nearly 7,000 people. The Yard has also been undergoing expansion in recent years, with new or renovated buildings to include a sustainable design center, a green manufacturing center, new film and television studio facilities, and a new 240,000-square-foot medical lab. This is in addition to businesses such as the much written-about Brooklyn Grange Farms (operating a 65,000-square-foot commercial farm on top of Building 3) and Steiner Studios - one of the largest production studios outside of Los Angeles. Many artists also lease space and have established an association called Brooklyn Navy Yard Arts.

Williamsburg itself has a large arts community and became well known more than two decades ago for its ‘hip’ music scene – hosting many indie rock bands and clubs, as well as reportedly being the origin of the ‘electroclash’ genre. In fact, nightlife in Williamsburg became so vibrant and diverse as to earn the district the nickname ‘Little Berlin’.

Williamsburg and Greenpoint account for over 10% of the borough’s jobs,

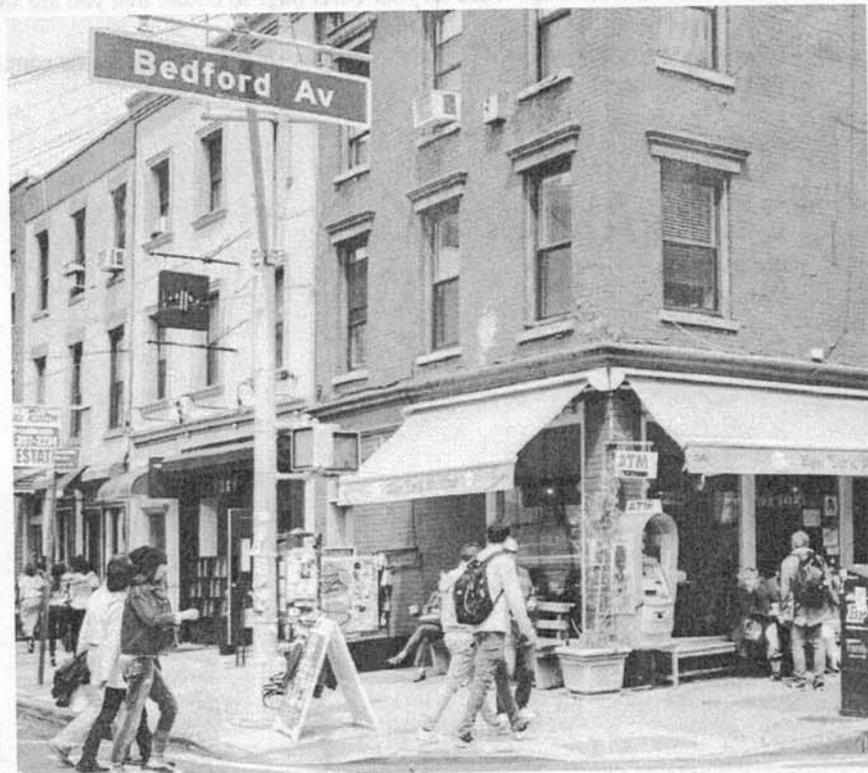
with a concentration of jobs in health care, administrative support and construction. The number of businesses in Williamsburg itself grew by nearly 32% between 2003 and 2011, compared to a 21% gain across Brooklyn as a whole. With an expanding restaurant and nightlife scene, the district is home to the Brooklyn Winery, New York Distilling and the Brooklyn Brewery. Broadway Stages, a film and television studio, is also located in the area.

Economic development has been occurring in many areas of the borough beyond the Navy Yard and Downtown – many financial firms have relocated to the latter area because of its relative proximity to Wall Street – and Williamsburg has been a significant beneficiary. In April 2014, the City Council approved a revised plan for the \$1.5 billion redevelopment of the 11-acre former Domino Sugar factory (which operated from 1884 to 2004) on the Williamsburg waterfront.

The plan includes 2,280 housing units (including 700 affordable units), 480,000 square feet of office space (including room for tech firms), retail space, community space and 4.8 acres of publicly accessible waterfront areas. The project will take an estimated 10 to 15 years to complete, with completion of the first building planned for this year.

Expansion of the hotel industry is also underway in this part of the borough, as Williamsburg attracts both business people and tourists. ‘Pod’ and boutique hotels, as generally cheaper options for travellers, are opening in the district, including the most recent opening directly across the street from Bar Works™ Inc.’s new venue.

Apple has also announced the opening of a flagship store across the street from the Bar Works location.



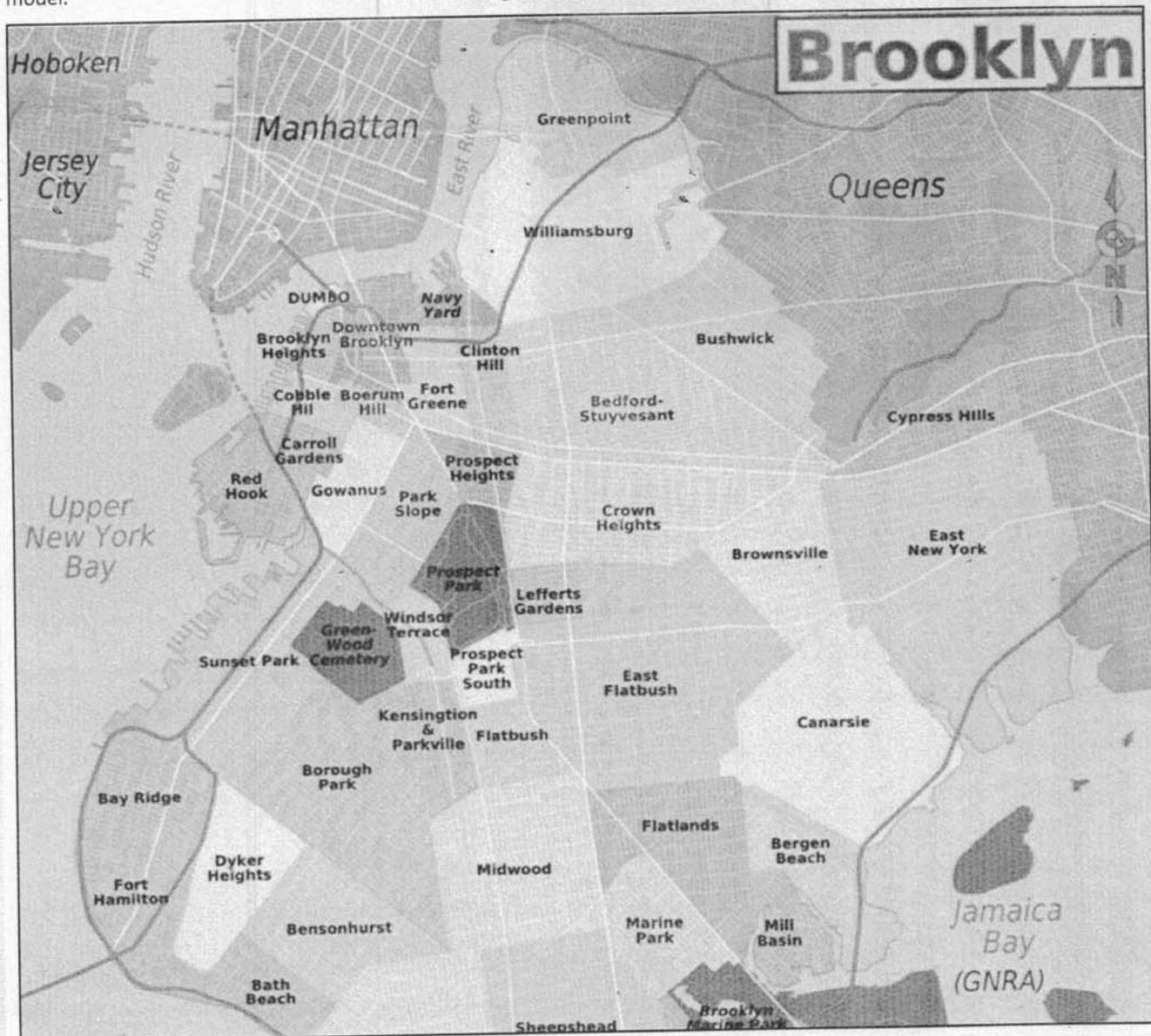
INTRODUCTION:

2. Location Specifics

Bar Works @ Metropolitan will utilize a former retail space on Metropolitan Avenue, between Driggs Avenue and Bedford Avenue. Total available space is currently put at 4,000 square feet, including a mezzanine area which Bar Works expects to expand by around 500 square feet. This should enable the Company to provide up to 300 works stations, plus meeting rooms and social space. Applications will be made for food and drinks licenses to bring the venue into line with the Bar Works' model.

A new 220-room Pod Hotel will have its main entrance directly opposite **Bar Works @ Metropolitan**, and another Whole Foods Market development will be just a few doors away. Other neighbors include the likes of Madewell, Urban Outfitters' Space 98, G Star, J Crew, Gant Rugger, Brooklyn Denim, Blue Bottle Coffee, Steven Alan Home. And WeWorks (on one floor above a supermarket on Bedford Avenue) and Williamsburg Cinemas are within a block of our site. Apple is also opening of a new flagship store imminently.

Further retail, commercial and residential developments are underway in the immediate area (within five blocks), and the venue's nearest subway station is the L Train Bedford Stop (four blocks south), used by over nine million people a year. Other subway stops (for various lines) are within six blocks of 242 Metropolitan Avenue.



INTRODUCTION: I

3. Proposal for Bar Works @ Metropolitan

The current building is in sound state but in need of decorative upgrade and remodeling. With 20 feet high ceilings, there is scope to double the size of the current mezzanine area without impacting light and ventilation of the ground floor areas.

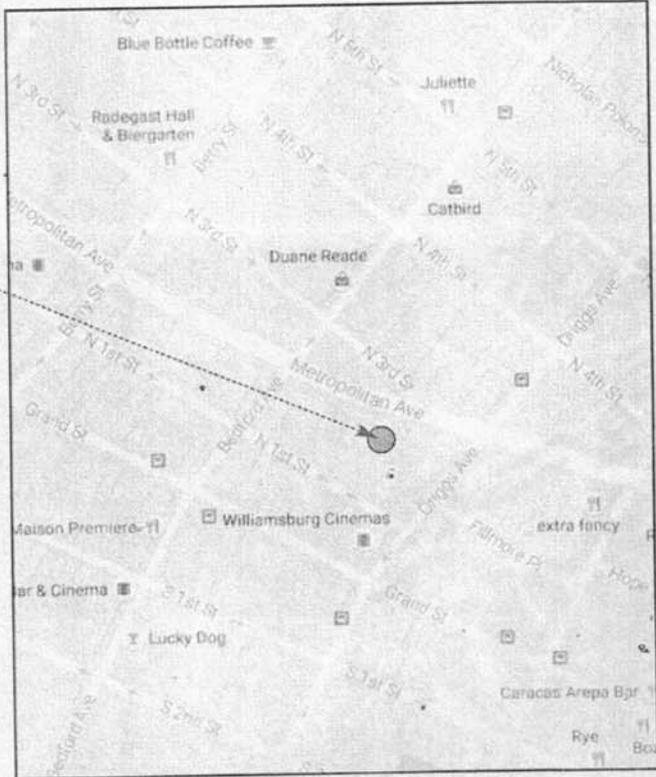
This venue is expected to attract customer interest from local residents as well as freelancers and entrepreneurs visiting the area. New condominiums already exist within two blocks of our site, and further residential developments are underway in the immediate vicinity, in addition to the major residential development planned for the waterfront Domino Sugar site.

Williamsburg is known as a laid-back community, and attracts businesses from small startups to established companies - many in the tech fields. As WeWorks says of its own location; "Myriad options for food, fitness, and fun abound along bustling Bedford Avenue, including Radegast Hall & Biergarten and Toby's Estate Coffee. There are plenty of public transportation options, since the office space is conveniently located near the L, G, J, M, and Z subway lines..."

Bar Works will establish its own vibrant co-working model in an area that is rapidly redeveloping into a major commercial location within the fastest-growing district of Brooklyn - and it will be accessible directly from the street, unlike the rival WeWorks unit.

The remodeling of the building will reflect the modernist and non-conformist style of Williamsburg and its likely clientele. Whilst permitting and works for this building are anticipated to take longer than usual, the Company believes the new venue will be up and running in the first quarter of 2017.

242 Metropolitan Avenue, between Driggs Avenue and Bedford Avenue



**Brooklyn Bridge
City Hall Station**

4 5 6 J Z

 **Elevator at Centre St & Chambers St**

BACKGROUND INFORMATION –

Population and Economy of Brooklyn

The Borough of Brooklyn has been the growth leader in New York City for more than 10 years, in both population and jobs growth. As a result, Brooklyn is expected to move above Chicago in the rankings for the USA's largest cities before the end of the decade. By 2020 Brooklyn will be America's third largest 'city', according to government and private forecasters.

Historically, Brooklyn has long been the place attracting migrants from the over-crowded streets of Manhattan – first the Italian community exiting lower Manhattan before the start of the 20th century, and then followed by other ethnic and migrant groups looking for better homes and cleaner air before and after the second World War.

Most recently and particularly in the Williamsburg district, the newcomers have been Wall Street workers looking for homes and amenities within easy reach of the office. To a large extent, this has begun a process of gentrification, but older and less conformist Brooklyn communities remain. Williamsburg still has its musicians, artists and filmmakers, many of whom moved into cheap warehouse space back in the 1990s.

In 2014 the Office of the New York State Comptroller published the following information about the borough:

- Brooklyn is the largest of New York City's five boroughs by population and the second-largest by area. With 2.6 million people, it is the second most densely populated county in the nation.
- Immigrants accounted for 39 percent of the borough's residents in 2012, the third-largest share of any large county in the nation.
- Between 2003 and 2012, private sector employment grew by 19.8 percent, faster than any other borough and nearly twice the rate of growth in the rest of the City.
- Total private sector wages grew by 42 percent between 2003 and 2012, faster than any borough outside of Manhattan.
- Since 2003, the number of businesses has grown by 21 percent, a much faster rate of growth than the rest of the City.
- The health care and social assistance sector is the largest employer in Brooklyn, accounting for one-third of all private sector jobs. The leisure and hospitality sector had the fastest rate of job growth between 2008 and 2012.
- Manufacturing jobs are increasing in Brooklyn, reversing a decades-long trend. Brooklyn is also attracting a growing number of technology and creative firms with relatively high-paying jobs.
- The unemployment rate in Brooklyn has declined from a peak of 10.9 percent during the recession to 8.9 percent during the first quarter of 2014, but the rate remains much higher in some of the borough's neighborhoods.
- Median household income in Brooklyn is lower than in the other boroughs, but it grew twice as fast in 2012 (5.8 percent) as the citywide median.
- Nearly 30 percent of all households in Brooklyn devoted more than half of their income to rent.
- Serious crime declined by 77.5 percent in Brooklyn between 1990 and 2013.

And there has been significant progress in all areas of the economy since then, as witnessed by a report published in November 2015 by the Brooklyn Chamber of Commerce. This highlighted the following:

- Brooklyn has 560,000 jobs and 2.62 million residents
- Employment grew 28 percent in the borough between 2000 and 2014
- Brooklyn's population increased by 186,000 residents in nine years between 2006 and 2014
- Net foreign migration to BK increased by 74 percent between 2011 and 2014
- Personal income in BK totaled \$110 billion in 2013
- Health care accounts for 33 percent of jobs in Brooklyn
- Brooklyn added 640 bars and restaurants between 2011 and 2014
- The population with advanced degrees grew by 46 percent, vs. 20 percent in NYC and NYS.

According to the Chamber's report (its first borough-wide economic analysis) "Brooklyn's resurgence has caused explosive economic growth, and established the borough as a transcendent brand recognized the world over – but untapped potential is still teeming under the surface."

BACKGROUND INFORMATION – I

Overview of Bar Works™ Inc.

“By the end of this decade Brooklyn is expected to be bigger than Chicago, making it the third largest ‘city’ in the US, according to estimates from the Brooklyn Chamber of Commerce and the New York State Comptroller”

Founders of Bar Works™ Inc. believe there are three key flaws in the current inner city work space model – accessibility, flexibility and price. The likes of Regus and WeWorks are attempting to catch up, but marrying their property-focused business model to the dynamics of the co-working economy is a slow process, and Bar Works believes it has a clearly defined edge over such established competition.

Bar Works' work spaces have a unique vibrancy, based on people rather than simply on architecture or location, making these venues ideal for events and networking. Bar Works has already held a number of successful Meet Ups (www.meetup.com) at its Manhattan venues, which, even though charging a fee, ensure a regular flow of new people to our venues who subsequently take up membership.

Few, if any, of the current work space providers' offers ease of access, their premises usually requiring pre-booking. In major city centers, and particularly in New York and London, facilities are almost always booked up for at least a month or more in advance. Not at Bar Works – at our venues, you can walk in and access a work station for a day, a week or a month without paying a deposit or committing to a long-term agreement. And we keep a proportion of our work spaces available for such 'passing-trade'.

Costs of using space with all other operators are also not limited to a monthly rent. Phone, internet and other services are generally extra costs, and can raise the monthly bill by as much as 50% or more. But Bar Works offers a fixed-price, all-inclusive deal to members (whether full or part-time) and to ad hoc users.

In addition, competing work space locations do not have full catering and alcohol licenses, so that users are forced to eat and entertain elsewhere. The Bar Works model means that members can use the premises for all their business-related needs, and network much more effectively in comfort and in contact with their data and resources.

This inviting 'open door' style will be replicated wherever Bar Works™ Inc. operates in the world, and is much closer to the variable needs of an increasingly flexible workforce.

Additionally, Bar Works aims at all commercial/creative/entrepreneurial activity rather than purely at the Tech Startup or creative markets, thus opening up the target membership to a bigger broader spectrum, and offering a bigger, broader network for members.

Services available for each monthly or daily membership payment include the following:

- Free internet
- Free photocopying
- Free phone connection and

national calls

- Free meeting room use (subject to pre-booking and availability)
- Free networking
- No notice period
- No deposit
- Free coffee
- Discounted alcoholic drinks (beer and wine licenses)
- Free subscription to The Search tech scene quarterly
- Free technical support
- Free fax

Bar Works offers Limited or Full Membership, and a Virtual Office option.

Capacity at the **Bar Works @ Metropolitan** venue will be limited to a maximum of 300 work stations and only 100 work stations will be available for the Wealth Builder Program at this site. This makes the Williamsburg location marginally larger than our West 39th Street facility where there is capacity for approximately 250 work spaces, with 64 permanent desks (usually for full members), 134 flexible spaces (for part-time and temporary members) and 50 additional spaces for virtual office/ad hoc/per day usage.

Our whole philosophy at Bar Works™ Inc. is to facilitate an energized and progressive environment for entrepreneurs, freelancers and travelling business people in the 21st Century world of work at all our venues, large and small.

Summary of

Bar Works @ Metropolitan

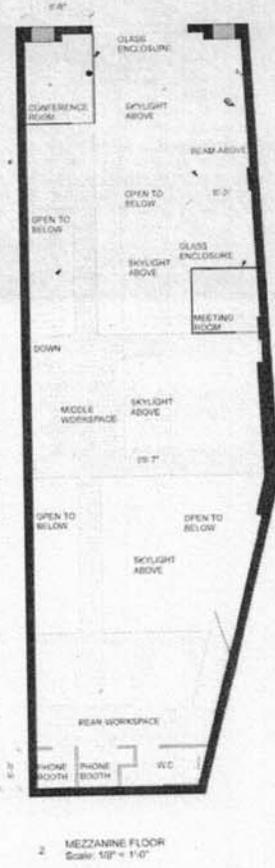
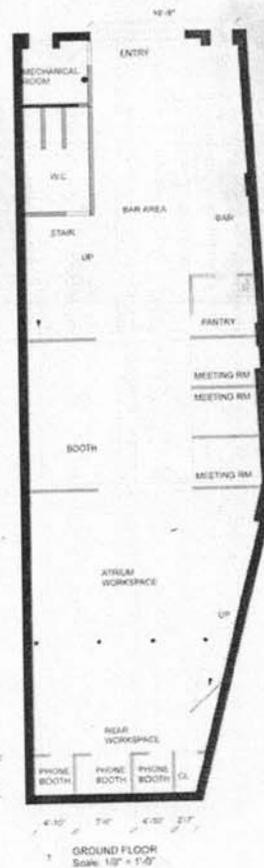
This latest project from Bar Works™ Inc. represents a well-serviced location in a high growth area of a high growth borough – Williamsburg, Brooklyn has long been a ‘hip’ place to be and is now also seen as a ‘hot spot’ in the New York economy. Residential, retail, com-

mercial and industrial developments are happening throughout Williamsburg, and Metropolitan Avenue is rapidly attracting new ventures. The opening of a 220-bed Pod Hotel and flagship Apple store just across the street from Bar Works @ Metropolitan

indicates the resurgence in commercial and tourist activity in the area.

Bar Works @ Metropolitan will offer the full Bar Works package – easy to access work stations, full catering and networking functions, events and vibe.

Floorplans



Summary of

The Wealth Builder Offer

At this Williamsburg location, the Bar Works™ Wealth Builder Program offers investors the opportunity to purchase 10-year leases on workspace units on a fixed rental including the benefit of any rent increases derived from the work spaces. The offer is targeted at investors seeking steady growth in income combined with an element of capital appreciation. Your income will grow alongside rises in customer charges and thus exceed the initial 14%-16% yield shown in the table below.

The units available will be amongst those set aside for full-time and long-term members of Bar Works™ Inc. who will pay \$600 per month all-inclusive for their use.

The cost of each work space is \$25,000, plus you receive a free lifetime worldwide membership to Bar Works™.

	Premium	Monthly Rent	% return per year
Single Workspace	\$25,000	\$292	14%
Wealth Starter (2 workspaces)	\$50,000	\$625	15%
Wealth Accelerator (3 workspaces)	\$75,000	\$969	15.5%
Wealth Builder (5 workspaces)	\$125,000	\$1,667	16%

The Wealth Builder Program has been structured to maximize your income and capital. Williamsburg, Brooklyn has long been a 'hip' place to be and is now also seen as a 'hot spot' in the New York economy.

"Over the past decade, Brooklyn has expanded at a rapid pace by attracting new businesses and residents. Downtown Brooklyn is New York City's largest business district outside of Manhattan, and there are a number of other important economic centers in the borough, including the Brooklyn Navy Yard, Sunset Park, Williamsburg and Greenpoint... Brooklyn is attracting young professionals, many of whom work in Manhattan, in large numbers. With its excellent transportation network, Brooklyn is easily accessible to other parts of New York City." – Office of the New York State Comptroller.

GROW YOUR INCOME AND CAPITAL IN THE LOCATION THAT IS GROWING INTO AMERICA'S THIRD LARGEST CITY – BURGEONING BROOKLYN!!

Application form

HOW TO APPLY

You are required to complete the application form. In addition you will also be sent two agreements which will require signing once there are cleared funds. The first is the Lease Purchase Agreement which is your purchase of a sublease from Bar Works Metropolitan LLC. The second is the lease agreement you have with Bar Works Management, Inc. (a wholly owned subsidiary of Bar Works, Inc.) which is the company that will enter a lease with the investor and manage the workspace and pay the rentals.

PLEASE RETURN COMPLETED DOCUMENTS TO:

Bar Works Management Inc.
47W 39th St
New York
10018
USA

Please send your wire transfer to the following accounts depending on currency.

ALWAYS QUOTE 'BAR WORKS' REFERENCE NUMBER 97901

GBP ACCOUNT

Acct Name: CFX GBP CLIENT ACCT
Bank: Barclays Bank Plc
Address: 1 Churchill Place
London
E14 5HP
Sort: [REDACTED]
Swift Code: [REDACTED]
Acct No: [REDACTED]
IBAN: [REDACTED]

AED ACCOUNT

Acct Name: CFX LTD AED CLIENT ACCT
Bank: Barclays Bank Plc
Address: 1 Churchill Place
London
E14 5HP
Sort: [REDACTED]
Swift Code: [REDACTED]
Acct: [REDACTED]
IBAN: [REDACTED]

USD ACCOUNT

Acct Name: CFX USD CLIENT ACCT
Bank: Barclays Bank Plc
Address: 1 Churchill Place
London
E14 5HP
Sort: [REDACTED]
Swift Code: [REDACTED]
Acct No: [REDACTED]
IBAN: [REDACTED]

AUD ACCOUNT

Acct Name: CFX LTD AUD CLT ACCT
Bank: Barclays Bank Plc
Address: 1 Churchill Place
London
E14 5HP
Sort: [REDACTED]
Swift Code: [REDACTED]
Acct: [REDACTED]
IBAN: [REDACTED]

CNY/CNH ACCOUNT

Acct Name: CFX LTD CNY CLIENT ACCT
Bank: Barclays Bank Plc
Address: 1 Churchill Place
London
E14 5HP
Sort: [REDACTED]
Swift Code: [REDACTED]
Acct No: [REDACTED]
IBAN: [REDACTED]

EUR ACCOUNT

Acct Name: CFX EUR CLIENT ACCT
Bank: Barclays Bank Plc
Address: 1 Churchill Place
London
E14 5HP
Sort: [REDACTED]
Swift Code: [REDACTED]
Acct: [REDACTED]
IBAN: [REDACTED]

Please review the latest exchange rates and currency amounts on www.BarWorksPartners.com/FXRates or speak to your Broker/Agent for the latest rates

BAR WORKS INC. – PURCHASE SUMMARY

Wealthbuilder Program options:

Wealth Starter \$50,000

Wealth Accelerator \$75,000

Wealth Builder \$125,000

Total \$ amount to be remitted:

INCOME PAYMENT DETAILS – payments direct to:

.....

.....

Bank:

Sort Code/SWIFT:

Account Number/IBAN:

Routing No (US):

Or by check to:

CLIENT INFORMATION

Name:

Address:

.....

.....

Telephone:

Email:

Signature:

Please let us know which agent introduced this investment to you:

.....

Also please let us know the consultant's name:

.....

I have sent the funds with the express intention of investing with Bar Works (London) Ltd / Bar Works Services Inc. I understand that the nature of the my investment is property (office space) and I hereby authorize central FX to release the funds into Bar Works (London) Ltd

Bar Works in the Media

Eater SF

Historic Jack's to Become Another Coworking Space Called Bar Works

by Stefanie Tuder Aug 9, 2016, 12:34p @stefanietuder

It will be converted to 400 work areas



The Jack's space

Hot on the heels of coworking space Covo's opening this week, another similar business is entering the market. Called Bar Works, the New York City-based venue is expanding to San Francisco in the historic Jack's (615 Sacramento St.). The three-story space has been through many owners and incarnations, originally opening as Jack's in 1864, then becoming Jeanty at Jack's after it was purchased by Philippe Jeanty in 2002. After sitting vacant for the past seven years, Bar Works has bought the 6,000-square-foot space (for a cool \$3.55 million), transitioning it to 400 work areas for freelancers, travelers, and telecommuting employees. The company aims to open by the end of the year.

There will also be food and drink services in the space, but details are still being worked out. Regardless, Bar Works sees the space less as a restaurant and more as a work space. "In our case, the bar is more an aesthetic than a functional thing," Bar Works managing director Franklin Kinard told The Chronicle.

Whether San Franciscans enjoy just looking at a bar, or actually working at one, remains to be seen. There are already plenty of alternatives in the city, including the newly-opened Covo, WeWork (in six locations), Galvanize, Workshop Cafe, and more.

- Jack's restaurant gets new life as Bar Works co-working space [The Chron]
- Late-Breaking EaterWire: Jeanty at Jack's Bids Adieu [ESF]
- Covo, Mid-Market's Newest Restaurant and Coworking Space, Arrives [ESF]

San Francisco Chronicle

Bar Works at Jacks Takes San Francisco By Storm



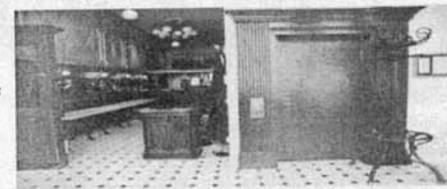
"It's one of the most beautiful restaurants in the city," said John Konstin, owner of John's Grill. Konstin owned Jack's in the late 1990s, and gave it a significant remodel prior to selling it for \$2.6 million to Bay Area chef Philippe Jeanty. "Jack's is special. It's part of the city."

Jeanty reopened it in 2002 as a French bistro named Jeanty at Jack's. That restaurant closed in 2009, and has been dark for seven years while Jeanty looked for a buyer — a delay that he chalks up to the funky, nontraditional restaurant layout of three floors and a mezzanine.

"It certainly is not an easy layout to operate," said Jeanty. "We used to have food runners and literally that's all they did — go up and down the stairs."

Now, it will live again — but for the first time in its 152-year history, it will not be a restaurant. Instead, it will house a different sort of jacks.

Bar Works purchased the 6,000-square-foot building for \$3.55 million. The company plans to reopen the building by the end of the year, with 400 work spaces designed for freelancers, travelers and telecommuting employees. Bar Works hopes to open more spots in the Bay Area within 18 months.



"For what Bar Works does, which is efficiently serve the individual or small team, San Francisco is really tight as a market right now," said Mark Gilbreath, CEO of LiquidSpace, a company that connects available office space — including at Bar Works, one of its partners — with itinerant workers. "In San Francisco, just as in New York, the co-working movement has absolutely gone mainstream and is enjoying tremendous demand."

FORTUNE

There's also free coffee involved.

A former venture capitalist is planning to restore the former glory of Britain's famous red telephone boxes by turning some of them into mini-offices for on-the-go workers.

Jonathan Black, chief executive of New York City-based Bar Works, said his company was refitting phone booths in five British cities with 25-inch screens, scanners, printers, a wireless mouse, and Wi-Fi connection—as well as free coffee.

"It's an alternative to, say, Starbucks but obviously it provides you with total privacy," said Black, a Brit who lives in New York.

Privately-owned Bar Works launched in Manhattan last year, offering bar-themed workspaces in popular locations. Users pay a monthly subscription in return for access to the premises and unlimited use of office facilities.



Telephone boxes outside the General Post Office in Blackpool Lancashire

This U.S. Firm Is Revamping Britain's Iconic Red Phone Booths Into Mini-Offices

REUTERS PW

U.S. firm to turn Britain's red phone boxes into mini-offices

A former venture capitalist is planning to restore the former glory of Britain's famous red telephone boxes by turning some of them into mini-offices for on-the-go workers.

Jonathan Black, chief executive of New York City-based Bar Works Inc, said his company was refitting phone booths in five British cities with 25-inch screens, scanners, printers, a wireless mouse and WiFi connection - as well as free coffee.

"It's an alternative to, say, Starbucks but obviously it provides you with total privacy," said Black, a Brit who lives in New York.



MailOnline

Welcome to the office – it's a bit of a squeeze: New York firm to transform iconic red phone boxes into mini work stations

Some of Britain's iconic red phone boxes are set to be given an unusual makeover by a New York co-working space firm.

Bar Works is to launch Pod Works in locations including London, Leeds and Edinburgh using old BT phone boxes as mini-work stations for those on the move.



Call centre: The phone boxes will have a screen, printer and wi-fi



**BAR
WORKS**
WORK SPACE WITH VIBE

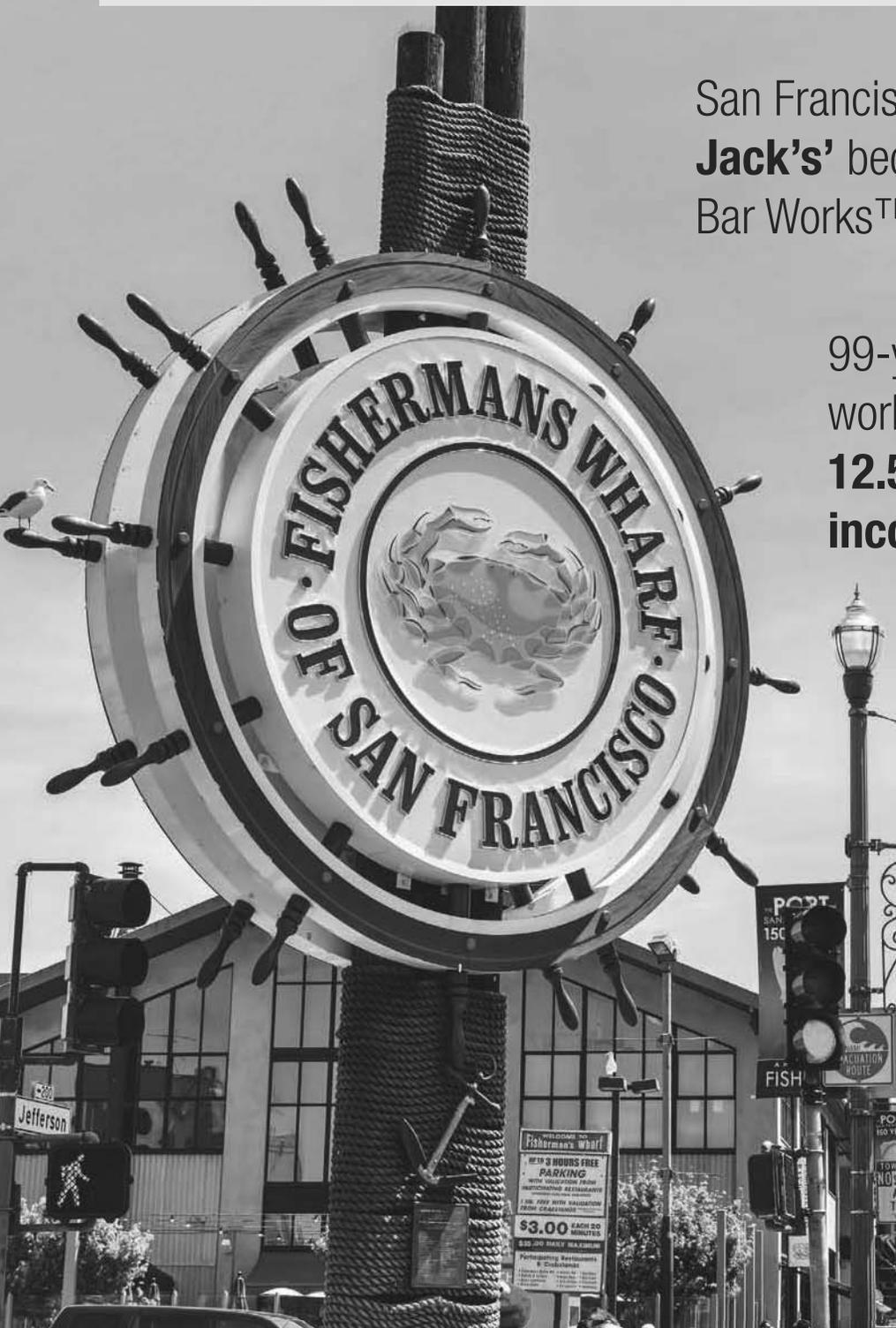
Bar Works™, Inc
47W 39th Street
New York
10018
USA
www.barworks.nyc

BAR WORKS at Jack's

New Lease of Life for San Francisco's 6,000 sq ft Historic Eaterie

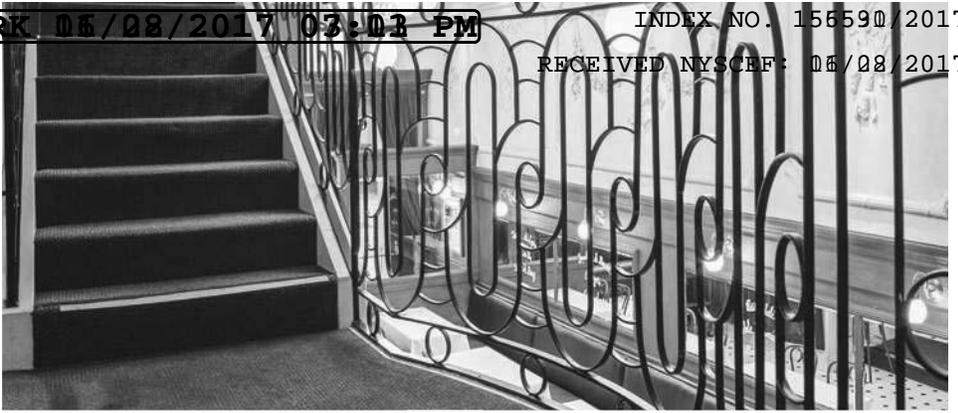
San Francisco's 'Jeanty at Jack's' becomes the City's first Bar Works™ Venue

99-year leases on co-working spaces **yielding 12.5% a year rental income + growth**



Bar Works™ at Jack's, 615 Sacramento Street

Bar Works™ Inc. – the growing co-working space provider



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LETTER FROM THE DIRECTORS

DEAR INVESTOR,

We are pleased to announce that Bar Works™ Inc. is now the proud owner of one of San Francisco's Designated Landmarks – the historic Jack's Restaurant on Sacramento Street and at the heart of the City's financial and commercial districts.

Jack's has been one of San Francisco's best-known and best-loved restaurants since the current building opened in 1864, and is one of the few buildings to survive the City's 1906 earthquake and fire. Still in excellent condition, and already considerably updated for modern usage, Jack's is a 3-storey freehold building with mezzanine and basement, and sitting on what is now one of the busiest and wealthiest streets on the West Coast.

Former owner Philippe Jeanty, who led the renowned 'Jeanty's at Jack's' as one of San Francisco's top restaurants in the last decade, has selected Bar Works™ Inc. as offering the best option for taking this historic venue into a useful and fulfilling future.

Many have tried to buy this well-known site, but it is Bar Works™ that has succeeded.

Our plan for up to 500 co-working spaces alongside bar, dining and meeting facilities fits Philippe's criteria for the right kind of future for the City's oldest surviving restaurant building – Tadich Grill is technically the oldest restaurant in San Francisco, but has moved more than once, while Jack's has stayed put at its original address.

We at Bar Works™ Inc. see this acquisition as a major step change in our growth, and one that will put our unique co-working concept on the world business map. We offer you now the opportunity to participate in the venture going forward. We offer 99-year leases, on a limited number of permanent work stations planned for the building, as a source of high level income for your future.

Full details of the lease offer and the rationale behind investing in Bar Works™' vibrant co-working venues are given in this document. We hope to hear from you – or at the very least see you at Jack's for a drink!



Jonathan Black
Chief Executive, Bar Works™ Inc.

KEY PARTIES I

Group Company Name: Bar Works™, Inc
47W 39th Street
New York
10018
USA

Group Company Name: Bar Works™ Inc.
47W 39th Street
New York 10018 USA

Leasehold Company Name: Bar Works™ San Francisco 1 LLC,
615 Sacramento
San Francisco
California

Freehold Company Name: Bar Works™ Capital LLC
615 Sacramento
San Francisco
California

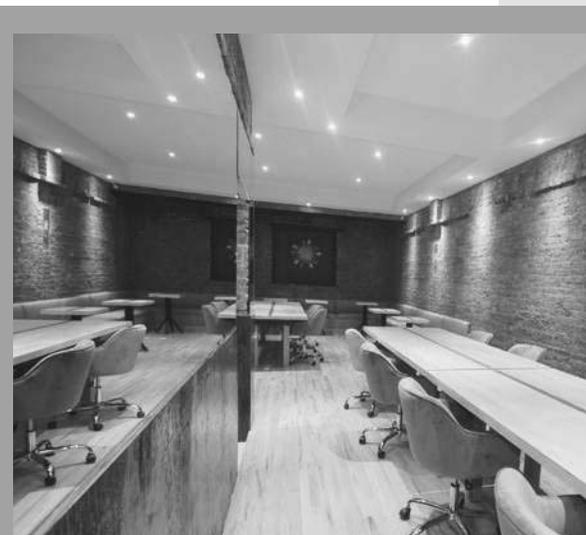
Website of the Company: www.barworks.nyc
www.barworks.us

Management Corporation: Bar Works™ Management Inc.
41W 46th Street
New York 10036 USA

Property Attorney: Weller Partners LLP
2330 Marinship Way
Sausalito
California

Bankers: Mechanics Bank
Hercules
California

Auditor to the Company: ProTax Center 1312 Kings Highway
New York 11229 USA



I DETAILS OF THE OFFER

The Wealth Builder Program from Bar Works Inc.

As the next step forward in the rapid roll-out of the Bar Works™ Inc. model, the group is pleased to announce its first venue on the West Coast – at the historic Jack’s Restaurant on Sacramento Street, San Francisco. With three NYC sites already up and running, and a forthcoming opening in London, Bar Works™ is growing strongly in the right places and continues to offer selective investment participation in that growth.

The Bar Works™ Wealth Builder Program allows investors who are seeking income combined with capital appreciation the chance to purchase a 99-year lease on workspace units at Bar Works™ at Jack’s on a fixed rental including the benefit of any rent increases derived from the lease. That means your income will grow over the years and exceed the initial 12.5% yield over time.

The units available will be amongst those set aside for full-time and long-term members of Bar Works™ Inc. who will pay US\$600 per month all-inclusive for their use.

The cost of each work space is US\$30,000, plus you receive a free lifetime worldwide membership to Bar Works™.

The Wealth Builder Program has been structured to maximize your income and capital.

	Premium	Monthly Rent	% return per year
Based on a Single Workspace	\$30,000	\$312	12.5%

All income payments will be paid monthly from the point of investment – so you start receiving income just 14 days after taking up this offer. You will see a steady flow of income for the whole time you hold your lease.

As full 99-year leases, there is no ‘end of term’ buy back offer from Bar Works™ Inc. for these assets. However, Bar Works™ Inc. will retain the right to buy back your lease at a minimum 125% of initial cost - i.e., US\$37,500 - at any point after the second year anniversary of investment and in the event of a change in group ownership or status.

Bar Works™ Inc. offers a ‘matched bargain’ facility where leaseholders can sell their leased units at any time if required – and perhaps buy more too!

“

A trendy building or beautiful architecture doesn’t make the atmosphere. The people do. The best way to encourage that energy is through our bar environment

INTRODUCTION: I**1. The business model for Bar Works™ Inc.**

The founders of Bar Works™ Inc. believe they have identified three key flaws in the current inner city work space model – accessibility, flexibility and price.

Few, if any, of the current work space providers' offers an easy access facility, their premises usually requiring pre-booking. In major city centers, and particularly in New York, facilities are almost always booked up for at least a month or more in advance.

In contrast, Bar Works™ is predominantly membership based, and can cope with a more ad hoc working lifestyle – you can walk in off the street, tune into our wi-fi and carry out work tasks from a dining table or a desk as a full member or just for an hour.

Costs of using space with all other operators are also not limited to a monthly rent. Phone, internet and other services are generally extra costs, and can raise the monthly bill by as much as 50% or more. But Bar Works™ offers a fixed-price, all-inclusive deal to members (whether full or part-time) and to 'passing trade'.

In addition, competing work space locations do not have full catering and alcohol licenses, so that users are forced to eat and entertain elsewhere. The Bar Works™ model means that members can use the premises for all their business-related needs, and network much more effectively in comfort and in contact with their data and resources.

Bar Works™ work spaces have a unique vibrancy, based on people rather than simply on architecture or décor, making these venues ideal for events and networking. Bar Works™ has already held a number of successful Meet Ups (www.meetup.com) at their

Manhattan venues, which, even though charging a fee, ensure a regular flow of new people to our venues who subsequently take up membership.

This inviting 'open door' style will be replicated wherever Bar Works™ operates in the world, and most especially in our new San Francisco location. Jack's will be a real hotspot in Frisco's business district.

Additionally, Bar Works™ aims at all commercial/creative/entrepreneurial activity rather than purely at the Tech Startup market, thus opening up the target membership to a bigger broader spectrum, and offering a bigger, broader network for members.

Services available for each monthly or daily membership payment include the following:

- Free internet
- Free photocopying
- Free phone connection and national calls
- Free meeting room use (subject to pre-booking and availability)
- Free networking
- No notice period

- No deposit
- Free coffee
- Discounted alcoholic drinks (beer and wine licenses)
- Free subscription to The Search tech scene quarterly
- Free technical support
- Free fax

Bar Works™ offers Limited or Full Membership, and a Virtual Office option.

Capacity at this new Sacramento Street venue will be very much greater than at any of our New York venues, and we are making 300 work stations available for the Wealth Builder Program at this site. We estimate overall capacity will be for approximately 500 fixed desks, and up to 1,500 members.

This compares to our NYC West 39th Street facility where there is capacity for approximately 200 members, with 64 permanent work spaces (usually for full members), 134 flexible spaces (for part-time and temporary members) and 50 additional spaces for virtual office/ad hoc/per day usage.

Our whole philosophy at Bar Works™ Inc. is to facilitate an energized and progressive environment for entrepreneurs, freelancers and travelling business people in the 21st Century world of work at all our venues, large and small.

“An energizing environment is rare to find in a co-working space. A trendy building or beautiful architecture doesn't make the atmosphere. The people do. The best way to encourage that energy is through our bar environment. You will get a real opportunity to network with your fellow entrepreneurs. Many of the good ideas are generated in such surroundings and this atmosphere is present 24/7.”



I INTRODUCTION:

2. Background to Jack's

The current building first opened in 1864, with Jack's Restaurant having operated from 1863, and is situated in the western section of San Francisco's main financial district. It offers roughly 6,000 sq ft of space on several levels.

At 615 Sacramento, Jack's is just one block away from the City's most recognizable building, the Transamerica Pyramid. A full US\$2m refit of the building was carried out in 1996, adding an elevator and yet retaining the retro features of each floor. Whilst needing some new work to suit Bar Works™ membership facilities the building is sound and provided with the requisite cabling for full communications access.

Jack's has survived earthquake, fire and many recessions, and holds a special place in the history of San Francisco, hence its Designated Landmark status in the City. Amongst the many famous names to have been regular visitors to Jack's is British film director Alfred Hitchcock. He was such a fond regular of the place that one upstairs room was named after him. He is also credited with introducing Jack's 'mimosa' cocktail to the venue and to America!

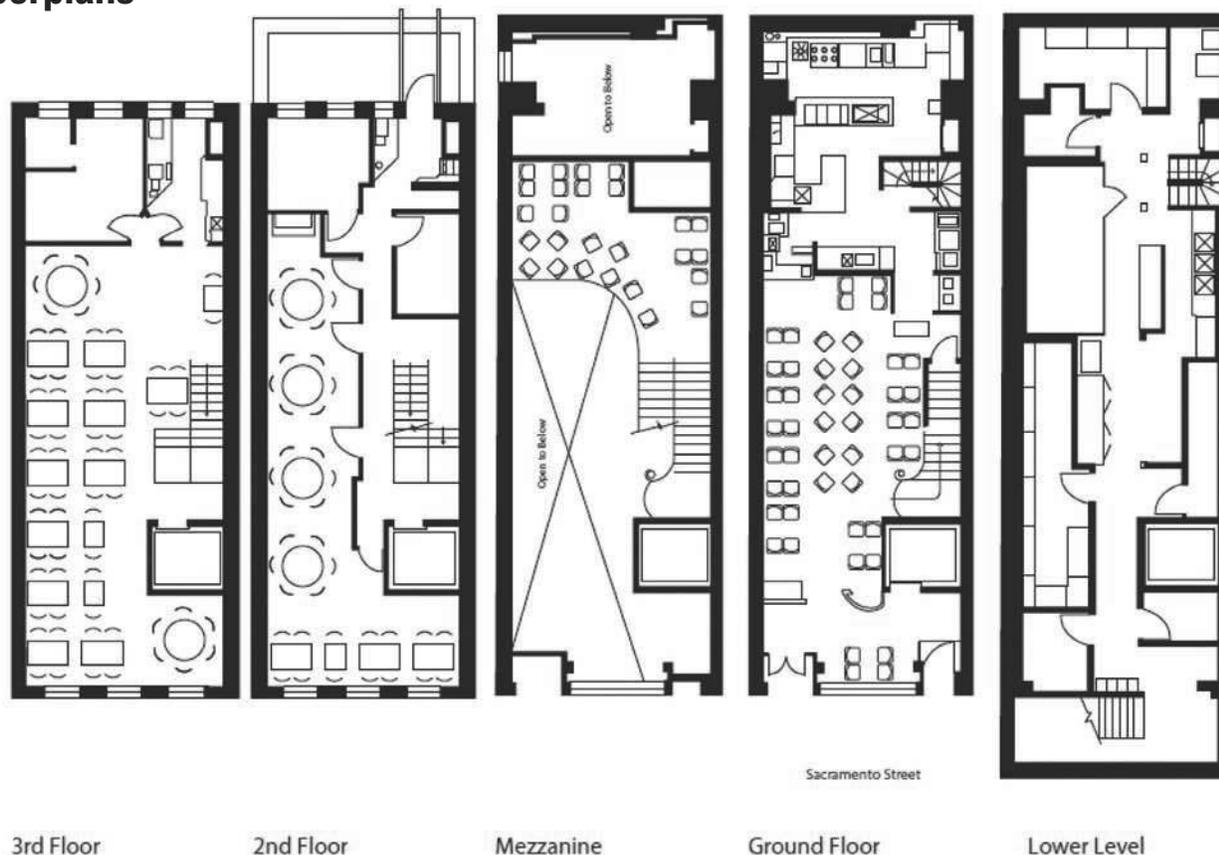
There is a very long list of famous people who have enjoyed Jack's in the past, including the likes of Ernest Hemingway and Ingrid Bergman alongside many leading politicians and businessmen. The venue retains a 'belle epoque' atmosphere and many

iconic late 19th and early 20th Century photographs and posters on its walls.

Nowadays, its position is also on one of the busiest and wealthiest streets for shoppers in San Francisco, thus combining easy access to the business center and retail/tourist district.

"From Bar Works™ Inc.'s perspective, we could not have hoped for a better, more easily accessed or more recognizable venue for our members as the starting point for our growth on the West Coast. And it is an honor to be the new owner of this much loved building, which we will keep open to the public on a controlled basis, i.e., ticketed and guided so as not to be intrusive or insecure for our members." – Jonathan Black

Floorplans



INTRODUCTION: I**3. Proposals for Landmark Venue**

Bar Works™ Inc. expects to install up to 500 fixed work stations, as well as retain bar, dining and meeting room facilities throughout the five available floor levels.

Approximately one third of all work stations will be reserved for Full and Permanent Members, with the rest allocated for use by Part-time and ad hoc users.

Services available for each monthly or daily membership payment include the following:

- Free internet
- Free photocopying
- Free phone connection and national calls
- Free meeting room use (subject to pre-booking and availability)
- Free networking
- No notice period
- No deposit
- Free coffee
- Discounted alcoholic drinks (beer and wine licenses)
- Free subscription to The Search tech scene quarterly
- Free technical support
- Free fax

Bar and dining facilities will also be available, and Jack's will be the hub for further planned expansion in the San Francisco area, to include top level networking and information events.

At the same time and in keeping with the building's Designated Landmark status, Jack's will retain its unique décor and style and be open to public visits on a ticketed and guided basis. Public visits will also be at fixed times to enable proper and secure management of all visitors. The management company has an obligation to assist in preserving yet making accessible such a significant building in San Francisco's heritage.

615 Sacramento Street, San Francisco



I BACKGROUND INFORMATION –

Changing Work Patterns and Global ‘Hot Workspace

In 2014 the US Bureau of Labor Statistics said that by 2020 some “65 million Americans will be freelancers, temps, independent contractors and solopreneurs, making up about 40% of the workforce”. Similar trends can be seen in other developed and developing economies, and this suggests that demand for work spaces will continue to rise in the coming years around the world.

In addition, last November’s issue of the Harvard Business Review (HBR) reported that large corporates had also begun encouraging their employees to use remote co-working spaces because of the benefits all companies and workers can derive from the co-working model.

HBR said: “There seems to be something special about co-working spaces. As researchers who have, for years, studied how employees thrive, we were surprised to discover that people who belong to them report levels of thriving that approach an average of 6 on a 7-point scale. This is at least a point higher than the average for employees who do their jobs in regular offices, and something so unheard of that we had to look at the data again.

It checked out. So we were curious: What makes co-working spaces – defined as membership-based workspaces where diverse groups of freelancers, remote workers, and other independent professionals work together in a shared, communal setting – so effective? And are there lessons for more traditional offices?”

HBR cited several examples of how employees of large corporates are using the co-working model, including using actual remote work spaces, and the journal concluded that co-working spaces enhance success for three main reasons: people who use co-working

spaces see their work as meaningful; they have more job control; they feel part of a community.

Thus, the work space model is now also serving a growing number of major corporates as they realize the benefits it brings in terms of worker wellbeing and productivity. And whilst many big corporations may decide to refit their own offices to copy the model, they also seem to be active in co-working memberships for their staff.

The work-life balance appears to be shifting for employees as well as the self-employed.

The Global ‘Hot’ Work Space

At the end of last year **WeWork** – arguably the US’s leading provider of co-working space – announced that it

expected to expand its number of locations from 23 to 60 in the course of 2016. This came alongside news of another funding round for the group, a funding that, reportedly, put a US\$5 billion valuation on the business.

Since then, **WeWork** has actually already exceeded that “60 locations” target, and the company is now valued at more than US\$10 billion - and all this in the space of not much more than five years since the business began.

Whilst the rapid expansion and high valuation of **WeWork** has raised concerns from some established commercial property experts and landlords, this corporate phenomenon reflects the huge changes in ways of working and styles of employment that have taken place in the past decade. And these changes are not confined to North America.



“ Jack’s has survived earthquake, fire and many recessions, and holds a special place in the history of San Francisco, hence its Designated Landmark status in the City ”

Right across the world, the last 10 years have seen a major upsurge in the numbers of entrepreneurs, freelancers and contract workers in developed and developing economies. According to industry tracker Deskmag.com, flexible working spaces grew five times just in the three years to 2013.

There are now more than 50 co-working sites in New York City alone.

Deskmag’s most recent (2015) survey



says, “This year’s forecast and trends of the co-working market doesn’t differ strongly from past years according to new results of the Global Co-working Survey. While the co-working industry might have had some stormy and less than desirable market conditions in 2015, with increased real estate prices and challenges in growing awareness, those phenomena don’t have a negative impact on the global development in general, at least not more than in the past. This is the year we’ll see over 10,000 co-working spaces open by the end of 2016.”

“The number of co-working spaces has grown by 36% worldwide at around 7,800. The survey also showed that current spaces serve, on average, a third more members than they did just two years ago.”

However, there are signs that the co-working/temporary office space market is changing again – towards ‘collaborative spaces’, where workers in a variety of fields/sectors can meet to discuss and display ideas. No-one wants to be locked away in ‘tech city’ anymore.

And – as East London space provider The Brew shows – the ‘serviced office’ model is no longer enough. Space providers these days need to offer “social and networking events”. However, as with so many competitors to Bar Works™ Inc., The Brew does not offer full bar and food services that Bar Works’ members value.

Regus – considered the doyen of serviced office providers – has a stock market valuation of around £2.8 billion (US\$4 billion), yet looks to be on a downward trend in terms of cash generation. And at the current share price, Regus trades on a rather rich 30 times annual earnings. That is a high price-earnings ratio for what is looking more and more like a traditional property group.

Nevertheless, Regus has continued to grow over recent years and now provides more than 2,300 sites in 120 countries around the world. The demand for work space is certainly still strong, but exactly what the customer wants is shifting quite markedly in our view – shifting further away from serviced towards real collaborative co-working space.

Deskmag pointed out some time ago – as a result of earlier survey responses – that:

“One in two members access their workspace around the clock. Only 30% like to work during traditional business hours (9am to 5pm, or 10am to 6pm in most countries). It’s interesting to note the difference between the desired access times and the actual current access – 38% use business hours (meaning there’s a slight demand on more flexible plans). Half-day access is rare, and one in ten members has a limited number of days per month. The monthly 24-7 plan is emerging as the co-working industry standard.”

I Summary of

Bar Works™ at Jack's

The Group (Bar Works™ Inc.) now owns the freehold building at 615 Sacramento Street, San Francisco, known for over 150 years as Jack's Restaurant. A Designated Landmark in the City, the building has five floor levels and approximately 6,000 square feet of space.

The venue is located in the financial district – just a block away from the Transamerica Pyramid – and within one of San Francisco's most vibrant and high value shopping areas.

Still a beacon for tourists – and especially for fans of Alfred Hitchcock –

Jack's is set to become a key venue for co-workers, with Bar Works™ Inc. offering full service work stations at fixed inclusive prices and with full bar and dining facilities.

Bar Works Inc. plans to provide roughly 500 work stations within the building, as well as retain full bar and dining facilities in an historic ambience. The Company expects to attract up to 1,500 members for the venue, as well as many paying visitors and tourists.

Office rental costs in the area have rocketed in recent years, fuelled partly

by the tech boom and companies such as Uber Technologies and Pinterest Inc. snapping up space in a limited market, according to analysts at CBRE Group Inc. and Green Street Advisors.

Recently published surveys put office rental space in San Francisco's financial district at close to US\$70 per square foot a year, almost on a par with rates in Manhattan and back at previous boom levels.

According to a report from Cassidy Turley, a commercial real estate firm, just six companies have dominated the bulk of leasing activity in recent years. Google, Salesforce, LinkedIn, Twitter, Dropbox, and Uber have signed up millions of additional square feet of space—offices that could house many thousands of new employees.

Co-working space providers have also moved into downtown San Francisco big time, with WeWork currently offering desks at four locations at a minimum price of US\$500 per month – before cost of services. Regus is also active in the area, offering short and long-term office space. Neither, however, offers social networking facilities. Nor do they offer all-inclusive prices for services such as printing, photo-copying, phones etc.

For contract workers, self-employed and small businesses, the rents+costs and space squeeze is clearly on. Even if the tech boom starts to fade, it will be sometime before surplus space of the right kind – and at the right price – becomes available for the current and next generation of entrepreneurs and freelance workers.

The Bar Works™ Inc. fixed-price, full service model offers an attractive and workable option to anyone needing work space in the City. And at a location that provides atmosphere, history and real collaborative work space.



Summary of this offer

Bar Works™ Capital LLC owns the freehold of 615 Sacramento Street, known as Bar Works™ at Jack's. It has granted a lease for 99 years 5 months to the operating company Bar Works™ San Francisco 1 LLC.

Investors are invited to purchase 99-year leases from the latter for individual work stations within the new San Francisco venue, Bar Works™ at Jack's, an historic Designated Landmark in the City's financial district.

Income returns from the leases are fixed and offer annual returns of 12.5%. The leases are tradable and subject to a fixed 125% minimum buyback price on or after the second anniversary of investment at the discretion of the Company. The fixed initial purchase price of each work station lease is US\$30,000, and there is limited availability.

Returns are based of the Bar Works Wealth Builder Program.

	Premium	Monthly Rent	% return per year
Based on a Single Workspace	\$30,000	\$312	12.5%

Key Points:

- Guaranteed returns, payable monthly from point of investment – i.e., first income payments received 14 days from start of investment
- Rents payable to investors will rise in line with increased gross rentals achieved for Full and Permanent Members at the venue
- If Company's buyout clause is activated, a minimum capital price of US\$37,500 is payable
- No automatic end of lease buyout
- Matched bargain facility available via Company for investors wishing to trade leases
- Free lifetime worldwide membership to Bar Works™
- All legal and administrative costs included in the purchase price
- Participation in and income from one of the world's fastest growing real estate sub sectors
- High quality, historic location in the financial district of San Francisco
- Investors may sell their lease on the open market

**JOIN US AT JACK'S – STILL AN ICON FOR SAN FRANCISCO'S FINANCIAL DISTRICT
MAXIMUM OF 300 WORK STATIONS AVAILABLE**



Application form

HOW TO APPLY

You are required to complete the application form. In addition you will also be sent two agreements which will require signing once there are cleared funds. The first is the Lease Purchase Agreement which is your purchase of a sublease from Bar Works San Francisco 1 LLC. The second is the lease agreement you have with Bar Works Management, Inc. (a wholly owned subsidiary of Bar Works, Inc.) which is the company that will enter a lease with the investor and manage the workspace and pay the rentals.

PLEASE RETURN COMPLETED DOCUMENTS TO:
Bar Works Services Inc.
47W 39th St
New York
10018
USA

PLEASE SEND YOUR WIRE TRANSFER TO:

Bank Name: JPMorgan Chase Bank
Bank Address: Broadway and 61st, New York, New York, 10023, USA
Account Name: Bar Works Inc
Account Number: [REDACTED]
SWIFT: CHASUS33
Routing Number: 021000021
Address: Lincoln Center, New York, New York, 10023, USA.

BAR WORKS INC. – PURCHASE SUMMARY

Wealthbuilder Program options:

Based on a Single Workspace - \$30,000

Total \$ amount to be remitted:

INCOME PAYMENT DETAILS – payments direct to:

.....
.....

Bank:

Sort Code/SWIFT:

Account Number/IBAN:

Routing No (US):

Or by check to:

CLIENT INFORMATION

Name:

Address:

.....

.....

Telephone:

Email:

Signature:

Please let us know which agent introduced this investment to you:

.....

Also please let us know the consultant's name:

.....

Bar Works in the Media

FORTUNE

There's also free coffee involved. A former venture capitalist is planning to restore the former glory of Britain's famous red telephone boxes by turning some of them into mini-offices for on-the-go workers.

Jonathan Black, chief executive of New York City-based Bar Works, said his company was refitting phone booths in five British cities with 25-inch screens, scanners, printers, a wireless mouse, and Wi-Fi connection—as well as free coffee. "It's an alternative to, say, Starbucks but obviously it provides you with total privacy," said Black, a Brit who lives in New York. Privately-owned Bar Works launched in Manhattan last year, offering bar-themed workspaces in popular locations. Users pay a monthly subscription in return for access to the premises and unlimited use of office facilities.



Telephone boxes outside the General Post Office in Blackpool Lancashire

This U.S. Firm Is Revamping Britain's Iconic Red Phone Booths Into Mini-Offices

REUTERS PW U.S. firm to turn Britain's red phone boxes into mini-offices

A former venture capitalist is planning to restore the former glory of Britain's famous red telephone boxes by turning some of them into mini-offices for on-the-go workers.



Jonathan Black, chief executive of New York City-based Bar Works Inc, said his company was refitting phone booths in five British cities with 25-inch screens, scanners, printers, a wireless mouse and WiFi connection - as well as free coffee. "It's an alternative to, say, Starbucks but obviously it provides you with total privacy," said Black, a Brit who lives in New York.

MailOnline

Welcome to the office – it's a bit of a squeeze: New York firm to transform iconic red phone boxes into mini work stations



Call centre: The phone boxes will have a screen, printer and wi-fi

Some of Britain's iconic red phone boxes are set to be given an unusual makeover by a New York co-working space firm.

Bar Works is to launch Pod Works in locations including London, Leeds and Edinburgh using old BT phone boxes as mini-work stations for those on the move.

Lancashire Evening Post 21st century twist for iconic red box



Phone boxes on Market Street, Preston

AN iconic Preston phone box is about to be brought into the 21st century with plans to turn it into a quirky work station.

The transformation will see it include Wifi, a printer and scanner, a wireless mouse, a 25 inch screen, a hot drinks machine and a powerbank of plugs.

The scheme is the brainchild of New York-based company Bar Works Inc which plan to convert several unused phone boxes around the UK.

'Pod Works' will be launched in many places including London, Edinburgh and Norwich but a box in Preston has also been targeted.

International Business Times

Britain's red telephone boxes to be turned into mini-offices for workers on the go



Red telephone booths across Britain to be revived as mini-offices Getty Images With advanced communication technologies making the iconic British red telephone boxes expendable, a US firm is all set to bring them back to use. Call boxes would be converted into min-offices for workers on-the-go.

Bar Works Inc's chief executive Jonathan Black, a Briton living in New York, said that his company will refurbish telephone kiosks with fully functional printers, scanners, 25-inch screens and Wi-Fi.

Eastern Daily Press

Box office: The phone booth which could become Norwich's newest - and smallest - workplace



The Norwich phone box in Tombland which could so be converted into a miniature office for travelling businessmen.

In a telephone-box transformation worthy of Superman himself, one of Tombland's red phone booths is to become Norwich's newest shared office.

The project is the idea of New York-based Bar Works Inc, which has snapped up more than a dozen of the boxes across the country and wants to refurbish them for the use of entrepreneurs.

It says the location of the boxes makes them ideal for business people looking for affordable workspace in attractive locations.

Bold News/Media Website

Bar Works and Bold, a Part of the Rising World of Co-Working Spaces



Co-working spaces are a fast-growing part of New York City real estate, and Bar Works, headquarters of Bold Media, is part of that growth. The space is a former Italian restaurant turned office space that (hence the name) kept the bar. The spot is located in Midtown and led by Jonathan Black and Zoe Miller. The atmosphere of the space is more relaxed than your typical office, with long tables and benches and comfortable seating in the former dining area instead of standard desks with swivel chairs.

HAPPY HOURS: Zoe Miller repurposed an old restaurant to give her co-working space Bar Works a shot



**BAR
WORKS**
WORK SPACE WITH VIBE

Bar Works™, Inc
47W 39th Street
New York
10018
USA

www.barworks.nyc

Exhibit C

BAR WORKS INC.

FAQ'S – SHARED OFFICE SPACE

My guaranteed income for Wealthstarter (2 leases) is 15% - is that guaranteed for the entire lease period – i.e. 10 years?

Yes, your return is guaranteed for the entire term regardless of occupancy levels etc.

Can the guaranteed rent get paid to anywhere in the world? How often is it paid?

It's paid every month to any account in the world however most clients set up an online US dollar account with Central FX or similar and keep the money in US dollars until such time as it's beneficial to transfer it into their own currency, this also saves paying bank charges every month per transfer.

Can Barworks buy my lease back at any time after 2 years for the 125% buy back price without notice?

More or less. This is in the event that another company or pension fund buys Bar works and wants to remove any sub tenants from the deal. It's effectively a penalty charge and investors who get bought out after 3 years for example will earn 42% in rental income plus 25% on top totaling 67% in 3 years!

Can I easily resell my lease?

Apart from the possibility of Barworks buying back the lease for a guaranteed 125% after years 1 and 2 as well as offering a guaranteed buy back at cost price after 10 years they are also in the process of establishing a trading platform for investors to sell buy and sell their leases should they require between years 3 and 9.

What are the US tax considerations?

The US tax allowance allows you to earn 9,500 USD per annum tax free. Any income above this threshold is taxed at the rate of 20% as a general rule. So if an investor were to be able to secure one sublease, their total net return would be 3,500 USD per annum. This puts the individual well under the threshold, and is therefore tax free.

The same would apply for 2 subleases as that would total 7,500 USD income (at 15% return per year on the original investment amount). Again under the threshold, therefore tax free. If they were to procure 3 subleases, the income would be 11,625 USD per year (at 15.5% return per year on the original investment).

The US tax liability on 3 leases would therefore be 20% of 2,125 USD (the excess income over the 9,500 threshold) = 425 USD per year.

NB* However, the above related to returns received in the US. We pay our overseas investors from our Bar Works Management inc, based in the Bahamas so there is no withholding tax to pay – however, revenue tax may be applicable in the domicile country of the investor.

Are there any other running costs or fees associated with this?

No. The serviced office space is available to the public for a monthly membership fee which is why your monthly return in advance net of any costs.

What costs do I incur if my lease is not rented?

There are no costs, you will still receive your guaranteed monthly returns.

What happens after 10 years?

The lease ownership effectively ends and at this point it is expected that the lease will be renewed if not then the buy-back clause will automatically be triggered.

What if there's a fire/flood/act of god that renders the premises unusable, do I still get my returns?

Yes, your returns are guaranteed which means no matter what happens you will still receive your money into your account every month regardless. It may be important to consider that Barworks are committed to opening numerous premises which will be used to re-locate tenants in any unfortunate eventuality.

Can I visit the shared office space premises and see the investment in action?

Of course, Barworks welcome walk in visitors. Plus, you are able to use the work space as an investor. There will be installing a webcam shortly so you can even view the comings and goings live.

When do I get my first shared office space rental payment?

You will receive your first return within 14 days of completing the investment (application form and payment). Members of Bar Works pay in advance, hence why Bar Works is able to pay your return on advance.

What happens if the rent charged for tenants in Barworks shared office space goes down?

We do not believe this will happen. The demand for shared office space is currently booming, coupled with limited supply resulting in increasing rates. High levels of demand are being fueled by the increase in 'solo-preneurs'

"By 2020 some '65 million Americans will be freelancers, temps, independent contractors and entrepreneurs, making up 40% of the workforce."

A publication in Deskman.com stated that *"Seven out of ten co-working facilitators report that the availability of desk space in co-working spaces can't keep up with the public's demand in general."*

However, if at any time the levels of rent charged to clients does drop then this will not affect your returns as they are guaranteed for the entire 10 year period of the lease. It is worth noting that if the levels of rent charged to clients goes up then 50% of this increase will be passed onto you meaning the guaranteed rent you are being offered is a minimum guaranteed return!!

What documentation do I receive when I purchase an office works space unit?

You will receive a countersigned leasehold agreement (contract / spa) and a certificate of ownership for your Bar Works unit(s) signed by the CEO of the company and bound by the New York State Legal System.

How protected am I?

All contracts are legally binding under US law, all lease agreements are direct with Barworks USA and you are fully protected under New York State & Federal Law, the certificate of ownership is signed by the CEO and therefore also falls under the legal obligation of New York State legal system. Department of State <http://www.dos.ny.gov/> USA property law is extremely regulated and we comply with all legal requirements

Barworks are fully licensed and legally compliant in all their activities, they are registered in the US, there are no offshore companies involved, it is a fully transparent and compliant company.

Investors lease workstations at our individual sites however they sublease to Bar Works Inc which means that the company as a whole is guarantying the investment returns.

Bar Works Inc has recently acquired the freehold purchase of our San Francisco site on 615 Sacramento Street for 4.5MM USD and London Victoria, for 3.5MM GBP. These two sites are wholly owned increasing the asset value – both sites are in prime locations and subject to healthy appreciation which further asset backs our investment opportunities as a whole.

Exhibit D

Wealth Builder Sub-Lease Agreement

The following Sub-Lease Agreement ("Agreement") is effective as of September 1, 2016

BETWEEN: Wang JinMei,
located at: Room 607, Building 320
Huizhong Lane, Chao Yang District
Beijing
China
hereinafter referred to as the "**Landlord**"

-AND-

BAR WORKS MANAGEMENT INC.,
located at: 47 West 39th Street, New York, New York, 10018
USA hereinafter referred to as "**Sub-Lease Holder**"

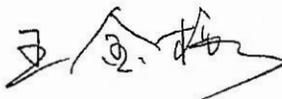
each occasionally referred to as a "Party" and collectively referred to as the "Parties".

WHEREAS, Lease Holder seeks to sub-lease five workspaces in the Landlord's co-working space located at **70 White Street New York New York 10013 USA**, workspace numbers 9437, 7797, 8412, 8939, 7320 to the Sub-Lease Holder for a fixed monthly rent.

WHEREAS, the Sub-Lease Holder seeks to purchase a sub-lease on five workspaces, workspace numbers 9437, 7797, 8412, 8939, 7320 for a fixed monthly rent.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties agree as follows:

12. **Sub-Lease Granted to Sub-Lease Holder** - This Agreement will grant the Sub-Lease Holder a lease for five workspaces, workspace numbers 9437, 7797, 8412, 8939, 7320 (the "Property").
13. **Rent** - The Sub-Lease Holder agrees to pay the Lease Holder a monthly rent of \$1667 per month, with payments beginning upon execution of this Agreement.
14. **Term of Lease** - The Lease will begin on the date both this Agreement as well as the Lease Agreement attached herein are duly executed by both Parties (the "Effective Date") and will remain in effect for 10 years from the Effective Date.



15. **Payment to Lease Holder At End of Term** – The Sub-Lease Holder agrees to pay a one-time rent of \$125,000 to the Lease Holder on the tenth annual anniversary from the Effective Date.
16. **Lease Holder's Rights to Increases in Revenue Generated by Sub-Lease Holder** – Beginning on the second yearly anniversary from the Effective Date, if the Sub-Lease Holder increases the price it chooses to charge third-party tenants for use of the Property, with increases in price charged to third party tenants coming into effect every two years, the Lease Holder will be entitled to monthly payments equaling fifty percent (50%) of the amount of the increase in price charged to third-party tenants.
17. **Utilities** – The Sub-Lease Holder will be solely responsible for payment of all utilities associated with the Property including, but not limited to, water, electricity, gas and heating.
18. **Taxes** – The Sub-Lease Holder will be solely responsible for payment of all taxes associated with the Property.
19. **Insurance** - The Sub-Lease Holder will be solely responsible for retaining insurance on the Property including, but not limited to, general liability insurance, fire insurance, construction insurance and all other insurance required by government authorities or through any other legal agreement or relationship entered to by the Landlord with third parties.
20. **Regulations Affecting Property** – The Sub-Lease Holder will be solely responsible for maintaining the Property in a condition that satisfies all requirements imposed by government bodies and legal agreements entered to with third parties.
21. **Alterations** – The Sub-Lease Holder will retain the sole right to alter the Property in any way it sees fit, as long as the Property remains in existence as a workspace space suitable for office rental.
22. **Miscellaneous**
- 22.1. **Binding Agreement** - The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties. Nothing in this Agreement, expressed or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.
- 22.2. **Governing Law** - This Agreement shall be governed by and construed under the laws of the State of New York, without giving effect to conflicts of laws principles.
- 22.3. **Counterparts** - This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.



22.4. Titles and Subtitles - The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

22.5. Modification and Waiver - Any modification or waiver of any provision of this Agreement shall be effective only upon the written consent of the Parties.

22.6. Expenses - The Parties shall each bear its respective expenses and legal fees incurred with respect to this Agreement and the transactions contemplated herein unless otherwise agreed to by the Parties.

22.7. Entire Agreement. This Agreement and the Exhibits hereto constitute the full and entire understanding and agreement between the Parties.

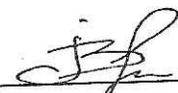
IN WITNESS WHEREOF, the parties have executed this Service Agreement as of the date first written above.

LANDLORD:

Signed: 
Wang JinMei

SUB-LEASE HOLDER

BAR WORKS MANAGEMENT INC.

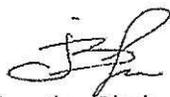
Signed: 
Jonathan Black
Chief Executive Officer

Supplement to Sub-Lease Agreement

Further to the contract signed between BAR WORKS MANAGEMENT INC. and Wang JinMei.

The payments will be quarterly in arrears. This is done on a calendar quarter and if you have joined the investment half way through a quarter, you will be paid pro rata for his period and then fall in line with all other payments made as above.

The payment will be made on or before the last working day of March, June, September and December. If these payments are not made there will be a penalty charges applied to the *sub-lease holder* at 6% above the standard bank rate.



Jonathan Black

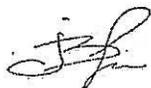
CEO



Supplement to the Lease Agreement

Further to the contract signed between BAR WORKS MANAGEMENT INC. and Wang JinMei.

As stated on clause four (4), at any time after the second year from the start of this lease agreement, the Lease Holder has the option to exit this investment and terminate said contract at 125% of the purchased price which Bar Works has to complete within 180 days.



Jonathan Black
CEO



Wealth Builder Lease Agreement

The following Lease Agreement ("Agreement") is effective as of September 1, 2016

BETWEEN: **BAR WORKS TRIBECA INC.**,
located at: 47 West 39th Street New York, NY, 10018
USA hereinafter referred to as "**Landlord**"

-AND- Wang JinMei,
located at: Room 607, Building 320
Huizhong Lane, Chao Yang District
Beijing
China
hereinafter referred to as the "**Lease
Holder**"

each occasionally referred to as a "Party" and collectively referred to as the "Parties".

WHEREAS, Landlord seeks to lease five workspaces in the Landlord's co-working space located at **70 White Street New York New York 10013 USA**, workspace numbers 9437, 7797, 8412, 8939, 7320 to the Lease Holder for a rent.

WHEREAS, the Lease Holder seeks to purchase a lease on five workspaces, workspace numbers 9437, 7797, 8412, 8939, 7320 in Landlord's co-working space, for a rent.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties agree as follows:

- 1. Lease Granted to Lease Holder** - This Agreement will grant the Lease Holder a lease for five workspaces, workspace numbers 9437, 7797, 8412, 8939, 7320 (the "Property").
- 2. Rent** - The Lease Holder agrees to pay the Landlord a single rent of \$125,000 for the Lease upon execution of this Agreement.
- 3. Term of Lease** - The Lease will begin on the date both this Agreement as well as the Sub-Lease Agreement attached herein are duly executed by both Parties (the "Effective Date") and will remain in effect for 10 years from the Effective Date.
- 4. Termination** - The Landlord will retain the right to terminate this Lease after the second



yearly anniversary from the Effective Date only upon the payment of \$156,250 to the Lease Holder. The Landlord will also offer a matched trading facility where the lease holder can sell their leases at any time if required

5. **Utilities** – The Landlord will be solely responsible for payment of all utilities associated with the Property including, but not limited to, water, electricity, gas and heating.
6. **Taxes** - The Landlord will be solely responsible for payment of all taxes associated with the Property.
7. **Insurance** - The Landlord will be solely responsible for retaining insurance on the Property including, but not limited to, general liability insurance, fire insurance, construction insurance and all other insurance required by government authorities or through any other legal agreement or relationship entered to by the Landlord with third parties.
8. **Regulations Affecting Property** – The Landlord will be solely responsible for maintaining the Property in a condition that satisfies all requirements imposed by government bodies and legal agreements entered to with third parties.
9. **Alterations** – The Landlord will retain the sole right to alter the Property in any way it sees fit; as long as the Property remains in existence as a workspace space suitable for office rental.
10. **Assignment** – Lease Holder agrees not to transfer, assign or sublet the Property or any part thereof without the Landlord's approval.

11. Miscellaneous

- 11.1. **Binding Agreement** - The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties. Nothing in this Agreement, expressed or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.
- 11.2. **Governing Law** - This Agreement shall be governed by and construed under the laws of the State of New York, without giving effect to conflicts of laws principles.
- 11.3. **Counterparts** - This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 11.4. **Titles and Subtitles** - The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

11.5. Modification and Waiver - Any modification or waiver of any provision of this Agreement shall be effective only upon the written consent of the Parties.

11.6. Expenses - The Parties shall each bear its respective expenses and legal fees incurred with respect to this Agreement and the transactions contemplated herein unless otherwise agreed to by the Parties.

11.7. Entire Agreement. This Agreement and the Exhibits hereto constitute the full and entire understanding and agreement between the Parties.

IN WITNESS WHEREOF, the parties have executed this Service Agreement as of the date first written above.

BAR WORKS TRIBECA INC.

Signed: 
Jonathan Black
Chief Executive Officer

INVESTOR:

Signed: 
Wang JinMei

Exhibit E

Certificate of Ownership

BAR WORKS, INC.

The company is registered
In Delaware,
Company Number 47-4647049
47W 39 St,
New York,
10018, NY,
USA



THIS CERTIFICATE CONFIRMS THE PURCHASE OF 5 10 YEAR LEASE/S ON WORK SPACE
LOCATED AT BAR WORKS INC. 70 WHITE STREET, NEW YORK, NY, 10013, USA

Wang JinMei
Room 607, Building 320 Huizhong Lane
OF Chao Yang District, Beijing
China

CERTIFICATE NUMBER: 1423

DATE OF ISSUE: September 1, 2016

WO

* The terms relating to your workspace are attached to this Certificate

Exhibit F

BAR WORKS TRIBECA INC.

(Landlord)

located at: 47 West 39th Street New York, NY, 10018 USA

-and-

BAR WORKS™ MANAGEMENT INC.

(Sub-Lease Holder)

located at: 41 West 46 Street, New York, New York 10036

To: Co-working Space Investors/Lease Holders

Workspace Location: 70 White Street, New York, New York 10013

Nov. 10th, 2016

Dear Sirs/Madam,

WHEREAS, landlord is leasing workspaces in the Landlord's co-working space located at 70 White Street, New York, New York 10013 to Investors/Lease Holders for a rent. Investors/Lease Holders sub-lease the above-mentioned workspaces to the Sub-Lease Holder for a fixed monthly rent plus a one-time payment of rent on the tenth annual anniversary from the Effective Date, which the Sub-Lease Holder agrees to pay under the sublease agreement.

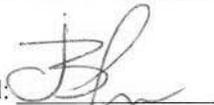
In addition to the Wealth Starter Lease Agreement and Sub-Lease Agreement, the Landlord and Sublease Holder agree and confirm as follows:

1. The Landlord designates any of its affiliates, the Bar Works, Inc., to receive any payments from Investors/Lease Holders under the Lease Agreement.
2. The Landlord is guarantying to the Investors/Lease Holders that if the Sub-Lease Holder does not make the one-time payment of the rent to the Lease Holders on the tenth annual anniversary from the Effective Date, the Landlord will make the payment instead to ensure the Investors/Lease Holders get fully paid under the relevant agreements.

Investors have the cognitive ability to invest in the economic and risk of this project. The project's expected benefits and legal relations have been fully and truthfully informed to investors, investors know and agree to accept it.

Investor Confirmation Signature

BAR WORKS TRIBECA INC.

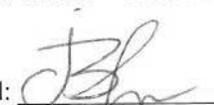
Signed: 

Jonathan Black

Chief Executive Officer

(Landlord)

BAR WORKS™ MANAGEMENT INC.

Signed: 

Jonathan Black

Chief Executive Officer

(Sub-Lease Holder)

Exhibit G

Application form

HOW TO APPLY

You are required to complete the application form. In addition you will also be sent two agreements which will require signing once there are cleared funds. The first is the Lease Purchase Agreement which is your purchase of a sublease from Bar Works Tribeca, Inc. The second is the lease agreement you have with Bar Works Management, Inc. (a wholly owned subsidiary of Bar Works, Inc.) which is the company that will enter a lease with the investor and manage the workspace and pay the rentals.

PLEASE RETURN COMPLETED DOCUMENTS TO:

Bar Works Inc.
47W 39th St
New York
10018
USA

PLEASE SEND YOUR WIRE TRANSFER TO:

Bank Name: JPMorgan Chase Bank
Bank Address:
Broadway and 61st, New York, New York, 10023, USA
Account Name: Bar Works Tribeca Inc
Account Number: [REDACTED]
Swift: CHASUS33
Routing Number: 021000021
Address: Lincoln Center, New York, New York, 10023, USA.

BAR WORKS INC. – PURCHASE SUMMARY

Wealthbuilder Program options:

Wealth Starter – 2 units - \$50,000

Wealth Accelerator – 3 units - \$75,000

Wealth Builder – 5 units - \$125,000

Select Option:

Total \$ amount to be remitted:

INCOME PAYMENT DETAILS – payments direct to:

.....
.....

Bank:

Sort Code/SWIFT:

Account Number/IBAN:

Routing No (US):

Or by check to:

CLIENT INFORMATION

Name:

Address:

.....
.....

Telephone:

Email:

Signature:

Exhibit H

打印此页 关闭此页

楼下崔钱函

Re:BW租金

发件人: 高紫临 Mia_Gao <mia@yimin.la> 时间: 2017-04-24 17:17

收件人: Ying Zhan <ying@barworks.nyc>; jean <jean@yimin.la>;

抄送人: Samuel Barworks <samuel@barworks.nyc>;Jessica Fisher <jessica@barworks.nyc>;

您好, Ying
Hello, Ying

请问延迟的租金已经付出了么?
Has the rental Payment been Processed?

我们的客户能不能在本周内收到租金?
Can the clients received their payment within this week?

Regards,
Mia.Gao高紫临

AP. 总裁助理
手机/**Mobile No.:** +86-18513998755
办公室/**OfficeLine:** +86-10-65515980/+86-10-65918118转703
邮件/**E-Mail:** mia@yimin.la
地址/**Add:** Rm22A,Block A, Citic Building, No.19 JianGuoMenWai Ave.,ChaoYang District, P.R China 100004

北京太平洋加达出国顾问股份有限公司
地址: 北京市朝阳区建国门外大街19号中信国际大厦A座22层
电话: 400-610-8118 010-6591-8118
传真: 010-65918638
网址: www.pacificimmi.cn
邮箱: bj@pacificimmi.com

From: "Ying Zhan <ying@barworks.nyc>"
To: "jean <jean@yimin.la>"
CC: "高紫临 Mia_Gao <mia@yimin.la>","Samuel Barworks <samuel@barworks.nyc>","Jessica Fisher <jessica@barworks.nyc>"
Sent: 2017-04-20 02:35
Subject: BW租金

Jean

您好,

Ying Zhan
Client Relations
Bar Works, Inc.
www.barworks.nyc

[Faint, mostly illegible text, likely a document or form with bleed-through from the reverse side.]

BEIJING GLOBALFANG-BARWORKS RENTAL PAYMENT DELAY

发件人: 高紫临 Mia_Gao <mia@yimin.la> 时间: 2017-04-07 18:13

收件人: jessica <jessica@barworks.nyc>; yuna@barworks.nyc <yuna@barworks.nyc>; Samuel Barworks <samuel@barworks.nyc>; franklin <franklin@barworks.nyc>;

抄送人: Jean@yimin.la <jean@yimin.la>; 郗琳 Lynn_Gao <lynn@yimin.la>;

Hi, all

It has already been a week delay for all the clients' payment.

Has the bank problem been solved?

How's everything going? Any update?

Can it be solved within next week?

Regards,

Mia.Gao 高紫临

AP. 总裁助理

手机/**Mobile No.:** +86-18513998755

办公室/**OfficeLine:** +86-10-65515980/+86-10-65918118转703

邮件/**E-Mail:** mia@yimin.la

地址/**Add:** Rm22A, Block A, Citic Building, No.19 JianGuoMenWai Ave., ChaoYang District, P.R China 100004

北京太平洋加达出国顾问股份有限公司

地址: 北京市朝阳区建国门外大街19号中信国际大厦A座22层

电话: 400-610-8118 010-6591-8118

传真: 010-65918638

网址: www.pacificimmi.cn

邮箱: bj@pacificimmi.com

Re:Bar Works Inc. - ROI

发件人: 高紫临 Mia_Gao <mia@yimin.la> 时间: 2017-04-06 09:56

收件人: Jessica Mayo <jessica@barworks.nyc>; Samuel Barworks <samuel@barworks.nyc>; yuna@barworks.nyc <yuna@barworks.nyc>; franklin <franklin@barworks.nyc>;

抄送人: Jean@yimin.la <jean@yimin.la>; 郅琳 Lynn_Gao <lynn@yimin.la>;

Hi Jessica

As Sam mention with me the bank problem should be bounded with the overseas transfer.

ZHANGMINGMING hold an US account, wont be a problem to transfer the funds. Plz follow up this issue, and pay the payment.

Regards,

Mia.Gao高紫临

AP. 总裁助理

手机/Mobile No.: +86-18513998755

办公室/OfficeLine: +86-10-65515980/+86-10-65918118转703

邮件/E-Mail: mia@yimin.la

地址/Add: Rm22A, Block A, Citic Building, No.19 JianGuoMenWai Ave., ChaoYang District, P. R China 100004

北京太平洋加达出国顾问股份有限公司

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电话: 400-610-8118 010-6591-8118

传真: 010-65918638

网址: www.pacificimmi.cn

邮箱: bj@pacificimmi.com

From: "Jessica Mayo <jessica@barworks.nyc>"

To: "高紫临 Mia_Gao <mia@yimin.la>", "Samuel Barworks <samuel@barworks.nyc>", "yuna@barworks.nyc <yuna@barworks.nyc>", "franklin <franklin@barworks.nyc>"

CC: "Jean@yimin.la <jean@yimin.la>", "郅琳 Lynn_Gao <lynn@yimin.la>"

Sent: 2017-04-06 01:10

Subject: Bar Works Inc. - ROI

Hi Mia,

Bar Works apologizes for the delay. There has been some issues with the bank and it is being looked into. Please bear with me while it is looked into by the accounts team.

Thank you for your patience.

05.04.2017, 02:12, "高紫临 Mia_Gao" <mia@yimin.la>:

Hi, ALL

The Monthly Payment for ZHANGMINGMING and LUQIAN are already reach the

Please send the payment to their account, send us the POP.

Also, ZHANGMINGMING hold with a Bank of America account, should have no problems to pay the funds.

Regards,
Mia.Gao 高紫临

AP. 总裁助理

手机 / Mobile No.: +86-18513998755

办公室 / Office Line: +86-10-65515980 / +86-10-65918118 转 703

邮件 / E-Mail: mia@yimin.la

地址 / Add: Rm22A, Block A, Citic Building, No.19 JianGuoMenWai Ave., ChaoYang District, P.R China 100004

北京太平洋加达出国顾问股份有限公司

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电话: 400-610-8118 010-6591-8118

传真: 010-65918638

网址: www.pacificimmi.cn

邮箱: bj@pacificimmi.com

Kind Regards,

JMA
Bar Works Inc.
www.barworks.nyc



A: 47W 39th street, New York, 10018, USA

T: +1 646 829 1564

M: +1 646 331 3535

Twitter- @bar_works

IG- @bar_works

Facebook.com/barworks.nyc

Disclaimer: This is an email from Bar works, Inc. It is confidential and intended solely for the use of the intended recipient. It (or any attachments to it) may contain legally privileged information which should not be disclosed to anyone else.

This email and any attachments have been scanned for viruses, but it is the responsibility of recipients to conduct their own security measures. No responsibility is accepted by Bar Works, Inc. For loss or damage arising from the receipt or use of this email, nor for personal emails, or emails unconnected with the company's business.

Please note: The services offered by Bar Works, Inc. Are not designated investments for the purposes of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 and as such are not subject to regulation by the Financial Conduct Authority or the Securities Exchange Commission or any

We recommend that you carefully consider your decision before submitting an Application Form based on your own personal financial circumstances. The information provided by Bar Works, Inc. is general information only and does not take into account your financial situation or needs and does not constitute financial advice. Bar works, Inc. is not licensed under the laws of the United Kingdom or the United States of America to provide financial advice and you should seek your own financial (legal and taxation) advice prior to making any decision.

Bar Works, Inc. is a registered company in the U.S state of Delaware it's Tax Identification Number is 47 - 4647049.

Please Consider The Environment Before Printing This Email

Beijing Globalfang-Monthly Payment Due

发件人: 高紫临 Mia_Gao <mia@yimin.la> 时间: 2017-04-05 14:12

收件人: jessica <jessica@barworks.nyc>; Samuel Barworks <samuel@barworks.nyc>; yuna@barworks.nyc <yuna@barworks.nyc>; franklin <franklin@barworks.nyc>;

抄送人: Jean@yimin.la <jean@yimin.la>; 郇琳 Lynn_Gao <lynn@yimin.la>;

Hi, ALL

The Monthly Payment for ZHANGMINGMING and LUQIAN are already reach the due date.

Plz send the payment to their account, sedn us the POP.

Also, ZHANGMINGMING hold with a Bank of America account, should have no problems to pay the funds.

Regards,

Mia.Gao高紫临

AP. 总裁助理

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办公室/**OfficeLine:** +86-10-65515980/+86-10-65918118转703

邮件/**E-Mail:** mia@yimin.la

地址/**Add:** Rm22A, Block A, Citic Building, No.19 JianGuoMenWai Ave., ChaoYang District, P.R China 100004

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传真: 010-65918638

网址: www.pacificimmi.cn

邮箱: bj@pacificimmi.com

打印此页 关闭此页

2017 Mar. Rental Payment Banking Problem - Beijing Globalfang

发件人: 高紫临 Mia_Gao <mia@yimin.la> 时间: 2017-03-30 21:47

收件人: Samuel Barworks <samuel@barworks.nyc>; franklin <franklin@barworks.nyc>; jessica <jessica@barworks.nyc>;

抄送人: Jean@yimin.la <jean@yimin.la>; 郇琳 Lynn_Gao <lynn@yimin.la>;

Dear Sam & Frank:

We can understand that BW is trying hard to solve the banking problem, and we agree that this situation is unforeseen and unexpected. However, please understand that we are under growing pressure from our clients. Plus the negative report from TRD, some clients are very worried about the business, since some Chinese investors are pretty sensitive about it. A lot of our clients are friends of own, or have long-term trust with us. We also need something more than words to explain and clam them down.

Here is what we need: in addition to the list we sent you couple days ago. Few of the documents we have received from Sam have no legal effect, for example the decoration contract was uncompleted. The seal or signature from decoration party was missing. Plz re-perpared for us the below document and plz make sure all the documents have already been completed.

1. Legal Files of bar works inc, bar works capital, bar works management, bar works San Francisco founded, which including but not limited articles of association, business license, stock transfer books, CEO's ID and profile, relevant Legal files which prove CEO's change.
2. Consignment agreements signed between bar works inc and bar works management or bar works capital or any other party.
3. Leasing agreements or any purchase contracts signed with landlord for bar works project of the fourth to eighth's phase(Tribeca, San Fransico, Chambers, Metropliton, 8th Avenue)
4. All contracts and receipts of bar works' decoration between the fourth to eighth's phase.(Tribeca, San Fransico, Chambers, Metropliton, 8th Avenue)
5. Lawyer's letter which approves relevant company has the right to lease bar works of the fourth to eighth's phase.(Tribeca, San Fransico, Chambers, Metropliton, 8th Avenue)
6. Cooperation agreements signed with legal firm and certificate of the legal firm
7. Letter of guarantee that the bar works inc provided to subsidiary corporation
8. Supplemental agreement of sales and marketing agreement we will reach for our further corporation as CEO's change.
9. Financial Statements and bank statements of bar works' project

showed telling that they have problem wiring the money. And something that can explain how BW can wire the money through a Turkish bank account. So that we can make better explanation to clients.

We appreciate your understanding and we hope the problem can be fixed asap.

Thank you!

Regards,
Mia.Gao 高紫临

AP. 总裁助理

手机 / **Mobile No.:** +86-18513998755

办公室 / **OfficeLine:** +86-10-65515980 / +86-10-65918118 转703

邮件 / **E-Mail:** mia@yimin.la

地址 / **Add:** Rm22A, Block A, Citic Building, No.19 JianGuoMenWai Ave., ChaoYang District, P.R China 100004

北京太平洋加达出国顾问股份有限公司

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Beijing Globalfang & Barworks

发件人: 高紫临 Mia_Gao <mia@yimin.la> 时间: 2017-03-28 17:42

收件人: franklin <franklin@barworks.nyc>; Samuel Barworks <samuel@barworks.nyc>;

抄送人: jessica <jessica@barworks.nyc>; Jean@yimin.la <jean@yimin.la>; 郗琳 Lynn_Gao <lynn@yimin.la>;

Hi, all

It was a great pleasure to meet both of Frank and Sam in American.

We are really happy to see few of the Barworks projects located in NYC have been operated really well. Frank really did a great job on that. After we left NYC, we also were been to Miami and San Francisco projects; we think both of the project locations are selected well. Due to the great location we do believe that both projects will be running successfully in the future, we also hope each of the projects can be operated really great and gaining well in the future.

In fact, Barworks has been becoming a very popular small amount investment project in China, all of our clients can be afford more in the future. But, unfortunately after that CEO report has been released it do occurred few negative effect abt. this project. As we discuss in NYC before, we believed in you but we also have to make our clients believe in you as well.

To help both of us, we will list few documents on tomorrow which are need to proof with the clients. We would really appreciated u can provided to us.

Also, as we mention before when will the Mar rental payment can be processed for our clients??

Regards,

Mia.Gao 高紫临

AP. 总裁助理

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BEIJING GLOBALFANG- MAR RENTAL PAYMENT DUE

发件人: 高紫临 Mia_Gao <mia@yimin.la> 时间: 2017-03-27 14:20

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<julian@barworks.nyc>; Jean@yimin.la <jean@yimin.la>; 郜琳 Lynn_Gao <lynn@yimin.la>;

Hi, all

Just wondering has the Mar. rental payment been processed for our clients???

Regards,
Mia.Gao 高紫临

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Exhibit I



Mike Kapin <mikekapin@gmail.com>

转发: Bar Works is moving forward with new leadership

Jean@yimin.la <Jean@yimin.la>
To: "adam.birnbaum" <adam.birnbaum@kapinlaw.com>

Tue, May 23, 2017 at 5:51 PM

发自我的华为手机

—— 原始邮件 ——

主题: Bar Works is moving forward with new leadership

发件人: Bar Works Client Relations

收件人: jean@yimin.la

抄送:



Bar Works is moving forward with new leadership

I was retained to execute a difficult restructuring at Bar Works. I had two objectives: (1) End the construction and government compliance issues that kept Bar Works locations from opening; and (2) Launch a succession of newly-formatted Bar Works that have multiple revenue streams, instead of relying solely on membership fees. Achieving those two goals would improve liquidity, thus enabling Bar Works to resume payments. I have completed my reorganization, and I am leaving the company. Immediately, Bar Works shifts to management that will focus on producing income from the revised company footprint.

There's nothing disruptive here. A few months ago, I was put in charge of Bar Works USA to fix how locations are built in the U.S., because that was by far the company's biggest weakness. Always, the plan was to activate a more

robust sales agenda once construction systems were repaired. In other words, the transfer of leadership to our current sales director is expected, healthy and essential.

I projected before those payments could resume after all the new Bar Works locations are operational in June. My assessment hasn't changed. Now that expensive construction is ending, the company will have sharply reduced expenses at the same time it sees new revenue from the juice bars, coffee bars, and restaurant that are paying to be in Bar Works locations.

The precise timetable for payments will be set by Bar Works' new management.

In the course of my restructuring, some Bar Works locations have been closed or abandoned. But stakeholders in those sites will be shifted to locations that have stronger revenue foundations.

I am proud of how I solved serious operational problems at Bar Works. I'm optimistic that the new team leading Bar Works will take the company even further.

If you have further questions please email clientservices@barworks.nyc or call 646 829 1564.

Thank you.



Frank Kinard

Managing Director

Bar Works