

## FRANCHISE DISCLOSURE DOCUMENT



RGN-USF, LLC  
a Delaware limited liability company  
15305 Dallas Parkway, 12th Floor  
Addison, TX 75001  
(972) 361-8100  
Email: [franchise.USA@iwgplc.com](mailto:franchise.USA@iwgplc.com)  
Website: [www.regus.com](http://www.regus.com)

The franchise offered by RGN-USF, LLC is for the establishment and operation of a Regus® Office business that provides flexible/virtual offices, co-working facilities, meeting and training facilities and commercial office alternatives.

The total investment necessary to begin operation of a single-unit Regus® Office is from \$720,500 to \$1,562,500. This includes \$20,000 that must be paid to the franchisor. If you sign a Multi-Site Development Agreement, you pay a Development Fee equal to the sum of the initial franchise fee for the first Regus® Office to be developed, plus 50% of the initial franchise fee for each additional Regus® Office you agree to develop. The total investment necessary to enter into a Multi-Site Development Agreement with the development rights of 2 to 5 Regus® Offices is from \$1,441,000 to ~~\$7,812,500~~[7,812,000](#). This includes between \$40,000 for 2 locations and \$100,000 for 5 locations that must be paid to the franchisor.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different forms, contact Franchise Department, at 15305 Dallas Parkway, 12th Floor, Addison, TX 75001; Telephone (972) 361-8100.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

					by us	
Additional Funds x2	\$100,000	Additional Funds x5	\$375,000	As Incurred	As Incurred	Third Parties
<b>Total</b>	<b>\$1,441,000</b>		<del>\$7,812,500</del> <u>7,812,500</u> <u>12,000</u>			

1. The balance of the initial Franchise Fee is paid when the Franchise Agreement is signed for each unit to be developed under the Multi-Site Development Agreement. The low-end of the range assumes that you sign the Franchise Agreement for both units during the pre-opening period, and the high-end of the range assumes that you sign the Franchise Agreement for all 5 units during the pre-opening period.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]*

## ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

### Purchases from Approved or Designated Suppliers

You must operate your Regus® Office according to our standards and specifications as we may establish from time to time in our confidential System Standards Manual or otherwise by written communication from us. You must use a real estate search consultant or broker that we have approved in advance to assist you in your real estate search, and we may receive a fee from such consultant or broker paid to us directly or by your landlord (if this fee is paid to you for any reason then you must pay that fee to us). You must use in the operation of your Office, and in the offer and sale of the services and products we approve, only those techniques, procedures, and supplies we specify. You must offer all, and only such, products and services as we approve from time to time. All products and items must conform to those standards and specifications we may periodically establish. You must obtain our written approval before making any changes to your Regus® Office and before modifications to or replacements of equipment, products, signs or other items. We may change any of our requirements periodically. We will notify you of any changes to the standards or the System Standards Manual.

All goods, services, supplies, furniture, fixtures, equipment, inventory, and computer hardware and software used at your Office must be purchased from suppliers we designate or approve. Requirements and specifications for products and other items and lists of approved suppliers may be listed in the System Standards Manual (the "System Standards Manual"). By written notice to you and/or through changes in the System Standards Manual, we may revise our requirements and specifications, add or delete approved suppliers, terminate existing purchase arrangements and suppliers and/or enter into new purchase arrangements with additional suppliers.

You must maintain at all times, the ability to receive and transmit communications from and to us over the Internet. You will be required to provide us independent access to the information and data in your computer systems via a broadband Internet connection. We reserve the right to require franchisees, at

California	2	0	1
Georgia	1	0	1
Illinois	1	0	2
<u>Kentucky</u>	<u>1</u>	<u>0</u>	<u>0</u>
Michigan	2	0	2
Nevada	2	0	1
Texas	3	0	2
Washington	1	0	1
Total	<del>12</del> <u>13</u>	0	10

Exhibit D to this Disclosure Document list the names of all of our operating franchisees and the addresses and telephone numbers of their REGUS® Offices as of the issuance date of this disclosure document, and also lists the franchisees who have signed Franchise Agreements for REGUS® Offices which were not yet operational as of the issuance date of this disclosure document. Exhibit E lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an Office terminated, cancelled, not renewed, or voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no franchisees who have signed a confidentiality agreement that restricts a current or former franchisee from discussing his or her experience as a franchisee in the REGUS® System during the last 3 years.

There are no trademark specific franchisee associations that we are aware of.

## ITEM 21 FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit G are our audited financial statements dated December 31, 2023, December 31, 2022 and December 31, 2021, and the unaudited balance sheet, statement of income, statement of member's equity and statement of cash flows for the period ended August 31, 2024. Our fiscal year ends December 31.

## ITEM 22 CONTRACTS

Franchise Agreement - Exhibit B

Franchise Office Premises (Schedule 4 to Franchise Agreement)

Guarantee (Schedule 6 to Franchise Agreement)

Template Operating Certificate (Schedule 8 to Franchise Agreement)

**EXHIBIT D TO THE FRANCHISE DISCLOSURE DOCUMENT  
LIST OF CURRENT FRANCHISEES AND AREA DEVELOPERS**

**LIST OF CURRENT FRANCHISEES AS OF THE DATE OF THIS DISCLOSURE DOCUMENT**

**\*RGS/CW of Puerto Rico, Inc.**  
1512 Fernandez Juncos Avenue  
San Juan, Puerto Rico 00909  
LCO2@aol.com  
833-441-1017

**Corporate Partners Network LLC**  
17475 Jovanna Drive  
Homewood, IL 60430  
312-340-8977

**Adatan Enterprises**  
2175 NW Raleigh St., Suite 110  
Portland, OR 97210  
5100-485-6428

**\*Megatron Workspaces of Michigan, LLC**  
601 Brickell Key Dr  
Suite 700  
Miami, FL 33131  
305-521-8692

**Cheng-Ching Lin**  
23119 Colonial Parkway, #A1  
Katy, Texas 77449  
713-630-8000

**Mohabbat Investments, LLC**  
28107 Dozier Rose Court  
Fulshear, TX 77441  
832-868-0631

**\*Arete & Associates, LLC (Signed 2023)**  
980 N. Michigan Avenue  
Suite 1400  
Chicago, IL 60611  
312-576-2026

**Highland Drive Offices LLC**  
26314 S. Western Avenue, #200  
Lomita, CA 90717  
562-716-7070

**Office 101, LLC**  
1816 Eagles Glen Cove  
Austin, TX 78732  
254-421-0517

[Paul Isenberg, individually](#)  
[4140 Smithsgrove Scottsville Rd](#)  
[Smithsgrove, KY 42171](#)  
[270-784-5223](#)

\*Denotes open locations

**LIST OF AREA DEVELOPERS AS OF THE DATE OF THIS DISCLOSURE DOCUMENT**

NONE

**ADDENDUM TO  
RGN-USF, LLC  
FRANCHISE DISCLOSURE DOCUMENT  
FOR THE STATE OF MINNESOTA**

Item 13 of the Franchise Disclosure Document is amended to state that we will protect your right to use the trademarks, service marks, trade names, logotypes of other commercial symbols (“Marks”) or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.

The following is added to Item 17 of the Franchise Disclosure Document:

Under Minnesota law and except in certain specified cases, RGN-USF, LLC must give you 90 days’ notice of termination with 60 days to cure. RGN-USF, LLC also must give you at least 180 days’ notice of its intention not to renew a franchise, and sufficient opportunity to recover the fair market value of the franchise as a going concern. To the extent that the Franchise Agreement is inconsistent with the Minnesota law, the Minnesota law will control.

To the extent that any condition, stipulation or provision contained in the Franchise Agreement (including any choice of law provision) purports to bind any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance with the Minnesota Franchises law, such condition, stipulation or provision may be void and unenforceable under the nonwaiver provision of the Minnesota Franchises Law.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J. prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Minn. Rule 2860.4400J. prohibits us from requiring you to consent to liquidated damages and prohibits waiver of a jury trial. If the Franchise Agreement contains a provision that is inconsistent with the Minn. Rule, the provisions of the Franchise Agreement will be superseded by the Minn. Rule’s requirements and will have no force or effect.

Minn. Rule 2860.4400J. prohibits us from requiring you to assent to a general release. To the extent that the Franchise Agreement requires you to sign a general release as a condition of renewal or transfer, the Franchise Agreement will be considered amended to the extent necessary to comply with Minnesota law.

Minn. Rule 2860.4400J. prohibits us from requiring you to pay a termination fee. To the extent that the Franchise Agreement requires you to pay a termination fee, the provisions of the Franchise Agreement will be superseded by the Minn. Rule’s requirements and will have no force or effect.

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[Minnesota Statute 80C.21 \[revisor.leg.state.mn.us\]](#) and [Minnesota Rule 2860.4400\(J\) \[revisor.leg.state.mn.us\]](#) prohibit the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise

Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C [revisor.leg.state.mn.us] or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5 [revisor.leg.state.mn.us], which require (except in certain specified cases)
  - that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180
  - = days notice for non-renewal of the franchise agreement and
  - that consent to the transfer of the franchise will not be unreasonably withheld.
  - =

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G) [revisor.mn.gov]. The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.
- Minnesota Rules 2860.4400(D) [revisor.leg.state.mn.us] prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) [revisor.leg.state.mn.us] also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.  
[revisor.leg.state.mn.us]
- NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.
- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other



person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

**ADDENDUM TO  
RGN-USF, LLC  
FRANCHISE AGREEMENT  
FOR THE STATE OF MINNESOTA**

The Franchise Agreement between RGN-USF, LLC, a Delaware limited liability company (“Franchisor”) and \_\_\_\_\_ (“Franchisee”) dated \_\_\_\_\_ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “State Addendum”):

**MINNESOTA LAW MODIFICATION**

1. The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be mended to be consistent with Minnesota Franchise Act. Minn. Stat. Section 80C.01 et. seq., and the Rules and Regulations promulgated under the Act (collectively the “Franchise Act”). To the extent that the Agreement and/or Franchise Disclosure Document contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. The Minnesota Department of Commerce requires that franchisors indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee’s use of the franchisor’s proprietary marks infringes trademark rights of the third party.

b. Minn. Stat. Sec. 80C.14. Subds. 3, 4, and 5 requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement. If the Agreement contains a provision that is inconsistent with the Franchise Act, the provisions of the Agreement shall be superseded by the Act’s requirements and shall have no force or effect.

c. If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Franchise Act, such release shall exclude claims arising under the Franchise Act, and such acknowledgments shall be void with respect to claims under the Franchise Act.

d. If the Agreement requires that it be governed by the law of a State other than the State of Minnesota or arbitration or mediation, those provisions shall not in any way abrogate or reduce any rights of the Franchisee as provided for in the Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.

e. Any provision that requires the Franchisee to consent to a claims period that differs from the applicable statute of limitations period under Minn. Stat. 80C.1, Subd. 5, may not be enforceable under Minnesota law.

2. Minn. Stat. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes Ch. 80C, including your rights to any procedure, forum, or remedies provided for in that law.

3. The Agreement and/or Franchise Disclosure Document is hereby amended to delete all referenced to Liquidated Damages (as defined) in violation of Minnesota law; provided, that no such deletion shall excuse Franchisee from liability for actual or other damages and the formula for Liquidated