

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR) WEDNESDAY, THE 18TH DAY
)
JUSTICE NEWBOULD) OF MAY, 2016

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

AND IN THE MATTER OF URBANCORP INC.

APPLICATION OF GUY GISSIN, THE FOREIGN REPRESENTATIVE OF
URBANCORP INC., UNDER SECTION 46 OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

INITIAL RECOGNITION ORDER
(FOREIGN MAIN PROCEEDING)

THIS APPLICATION, made by Guy Gissin, the Functionary Officer and foreign representative of Urbancorp Inc. appointed by the District Court of Tel Aviv-Yafo, Israel (the "**Israeli Court**") by Order dated April 25, 2016 (the "**Israeli Court Order**"), in his capacity as foreign representative (the "**Foreign Representative**") of Urbancorp Inc. pursuant to Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an Order substantially in the form enclosed in the Application Record, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application, the affidavit of Guy Gissin sworn May 16, 2016 (the "**Gissin Affidavit**"), the report dated May 13, 2016 (the "**Report**") of KSV Kofman Inc. (the "**Proposed Information Officer**"), in its capacity as proposal trustee of Urbancorp Toronto Management Inc. *et al.* (Filed in Court File No. CV-16-11389-00CL), each filed, and upon being provided with copies of the documents required by section 46 of the CCAA,

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

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for KSV in its capacity as the proposed Information Officer, counsel for Urbancorp Inc., counsel for a number of direct or indirect subsidiaries of Urbancorp Inc. who are concurrently commencing proceedings under the CCAA, counsel for Alan Saskin, and those other parties present, no one else appearing, and upon reading the affidavit of service of Rebeca Burrows, sworn May 17, 2016, and on reading the consent of KSV to act as the information officer:

SERVICE

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

FOREIGN REPRESENTATIVE

2. THIS COURT ORDERS AND DECLARES that the Foreign Representative is the “foreign representative” as defined in section 45 of the CCAA of Urbancorp Inc. in respect of the proceedings commenced in the Israeli Court (the “**Foreign Proceeding**”).

CENTRE OF MAIN INTEREST AND RECOGNITION OF FOREIGN PROCEEDING

3. THIS COURT DECLARES that the centre of main interests for Urbancorp Inc. is the State of Israel, and that the Foreign Proceeding is hereby recognized as a “foreign main proceeding” as defined in section 45 of the CCAA.

STAY OF PROCEEDINGS

4. THIS COURT ORDERS that, until otherwise ordered by this Court:

- (a) all proceedings taken or that might be taken against Urbancorp Inc. under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act* are stayed;

- (b) further proceedings in any action, suit or proceeding against Urbancorp Inc. are restrained; and
- (c) the commencement of any action, suit or proceeding against Urbancorp Inc. is prohibited.

NO SALE OF PROPERTY

5. THIS COURT ORDERS that, except with leave of this Court, Urbancorp Inc. is prohibited from selling or otherwise disposing of:

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

GENERAL

6. THIS COURT ORDERS that within five (5) business days from the date of this Order, or as soon as practicable thereafter, the Foreign Representative shall, with the assistance of the Proposed Information Officer, cause to be published a notice substantially in the form attached to this Order as Schedule A, once a week for two consecutive weeks, in the Globe and Mail (National Edition).

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

8. THIS COURT ORDERS AND DECLARES that this Order shall be effective as of 7:01 a.m. Eastern Standard Time on the date of this Order.

9. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days' notice to Urbancorp Inc. and the Foreign Representative and their respective counsel, and to any other party or parties

likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 18 2016

PER / PAR: 

SCHEDULE A – NOTICE OF RECOGNITION ORDERS

Court File No.: CV-16-11392-00-CL

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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PLEASE BE ADVISED that this Notice is being published pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”), granted on May 18, 2016.

PLEASE TAKE NOTICE that, by Order made April 25, 2016 (the “**Israeli Court Order**”), the District Court for Tel Aviv-Yafo, in the State of Israel (the “**Israeli Court**”) appointed Adv. Guy Gissin (the “**Foreign Representative**”) as functionary officer and foreign representative of Urbancorp Inc. (“**UCI**”) in Israeli Court Liquidation File 44348-04-16 (the “**Israeli Proceeding**”).

PLEASE TAKE FURTHER NOTICE that an Initial Recognition Order (Foreign Main Proceeding) and a Supplemental Order (Foreign Main Proceeding) dated May 18, 2016 (together, the “**Recognition Orders**” and the proceedings commenced thereby, the “**Recognition Proceedings**”) have been granted by the Canadian Court under Section 47 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, that, among other things: (i) recognize the Israeli Proceeding as a foreign main proceeding; (ii) recognize Adv. Guy Gissin as the Foreign Representative of UCI; (iii) recognize the Israeli Court Order granted by the Israeli Court in the Israeli Proceeding; (iv) stay all proceedings against UCI and their directors and officers; and (v) appoint KSV Kofman Inc. as the Information Officer with respect to the Recognition Proceedings.

PLEASE TAKE FURTHER NOTICE that persons who wish to receive a copy of the Recognition Orders or obtain any further information in respect of the Recognition Proceedings or the matters set forth in this Notice, should contact the Information Officer at the address below:

KSV KOFMAN INC.
in its capacity as Information Officer of
Urbancorp Inc., and not in its personal capacity
150 King Street West, Suite 2308
Toronto, Ontario M5H 1J9
Attention: Noah Goldstein
Tel: 416.932.6207
Fax: 416.932.6266
E-mail: ngoldstein@ksvadvisory.ca

PLEASE FINALLY NOTE that the Recognition Orders, and any other orders that may be granted by the Canadian Court, can be viewed at: : <http://www.ksvadvisory.com/insolvency-cases-2/urbancorp/>

ADV. GUY GISSIN (the Foreign Representative)
c/o Gissin & Co., Advocates
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GOODMANS LLP (counsel to the Foreign Representative)
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Fax: 416.979.1234
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DATED AT TORONTO, ONTARIO, this 18th day of May, 2016.

KSV KOFMAN INC.
in its capacity as Information Officer of
Urbancorp Inc. and not in its personal capacity

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

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**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto, Ontario, Canada

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

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