

AT THE DISTRICT COURT
TEL-AVIV

CD 44348 – 04 – 16
Application no.5
before the Vice President
His Honor Judge Eitan Orenstein

Concerning: Companies Law, 5759 – 1999
Companies Regulations (Request for a Settlement or Arrangement), 5762-
2002

And Concerning: Urbancorp Inc.
Canadian Company no. -

5/11/2016 Ruling
Application no. 5 case no 44348 – 04 – 16
Judge Eitan Orenstein

W

And Concerning: Adv. Guy Gissin
by Representatives Adv.
And/or Evgenia Glukhman
of GISSIN & CO. LAW OFFICE
of 38B Habarzel St. Tel Aviv
Tel: 03-7467777; Fax: 03-7467700.

I have reviewed the OR position. And the Reasoning as detailed in the application and the Position of OR. Including the position in the second paragraph which I share, I Hereby approve the Urgent and Confidential Request as specified.

NY

And Concerning:

The Official Receiver position on the confidential urgent request for instruction
The OR office do not object to the request in light of its reasons, and in view of the cooperation agreement with the Canadian trustee and in light of its importance and the consent of the bond holders to finance the required.
It should be noted that the law firm Aired & Berlis LLP as presented in the request, may end up being cheaper than the Goodmans LLP that the court officer seeks to approve. However, and in light of the already knowledge gained by Goodman's LLP. (Will naturally lead to considerable costs to re-purchase this knowledge). Having regard to the discretion afforded to the court officer, the OR does not see fit to reject this requested.

Officeholder

OR

- Urgent and Confidential Request – Order for instruction by the Officer of the Court

(In the matter of hiring legal advisers in Canada; receiving funds from the debenture holders and to approve the protocol prepared with the Canadian trustee, for the recognition (Recognition) in the Canadian court, the authority of the officer of the court in Canada, and order of operations to realize the assets of the group).

Further to the preliminary update report dated 02.05.2016, which was submitted by Mr. Guy Gissin to the honorable court, the officer of the court to Urbancorp Inc. (and, respectively, "**The Court Officer**" and - "**Company**") is pleased to update the honorable Court that during his first visit to Canada, last week, Which the court officer Intended: explorer all the group's assets in his role as the Court Officer, where the Court Officer had a long series of meetings with the appointed Canadian trustee in order to receive updated information about the group situation ,as a whole, and the legal and economic possibilities available to him. In order to protect the interests of the company creditors, as well as legal and financial advisers who are necessary and potential to the procedures, regarding the assets located in Canada. In this context, among others, the Court Officer conducted

intensive negotiations in order to reach an agreement for recognition in the Canadian courts of his authority, by virtue in the Israeli court, and to formulate a Strategic and practical plan that could optimize the court officer to achieve an optimal solution for the creditors.

the Court Officer, among other things (with the assistance of lawyers from Goodmans, whose services were hired by the debenture trustee few weeks ago), Met with Mr. Bobby Kofman from KSV Inc. who was appointed as the proposed trustee (Proposed Trustee) of the Group companies with bankruptcy proceedings taken by the independent subsidiaries in Canada (the "**Canadian trustee**" and/or "**Mr. Kofman**").

The Court Officer is honored to update the Court that he managed to consolidate with the Canadian trustee in a principle agreement to the Cooperation and changing information, which may allow the Court Officer, also receive recognition in his role and recognition of the court proceedings held in Israel as well as in Canada. effectively monitor the insolvency proceedings of its subsidiaries in Canada, to have information available, to investigate circumstances which led the company to collapse and also to examine the possibility of offering the best solution to creditors of the company, which may yield a maximum return in the circumstances and to reach agreement in principle on funding procedures funds presently available to the Canadian trustee.

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