

In the Tel Aviv District Court

LF 44348-04-16

Application no. _____

**In re: The Companies Law, 5759-1999
 The Companies Ordinance [Consolidated Version], 5743-1983**

The Companies Law

and in re: Urbancorp Inc., Canadian company no. 2471774

The Company

and in re: Adv. Guy Gissin, the Company's functionary

acting by Advs. Yael Hershkovich and/or Gilad Bergstein and/or Michael
Misul of Gissin & Co., Law Offices, 38B Habarzel Street, Tel Aviv 69710,
Tel. 03-7467777, Fax. 03-7467700

The Functionary

and in re: The Official Receiver

of 2 Hashlosha Street, Tel Aviv, Tel. 03-6899695, Fax. 02-6467558

The Official Receiver

Update Report No. 10

**on a hearing held in the Canadian court regarding a distribution to creditors
and regarding proceedings instituted by the Functionary against TCC Bay**

Further to update report no. 10 (application no. 45) on the hearing fixed in Canada regarding a distribution to creditors of most of the subsidiaries in the group (hereinafter - the "**general insolvency proceedings**") and regarding the proceedings instituted by the Functionary in the scope of the insolvency proceedings of TCC/Urbancorp (Bay) Limited Partnership (hereinafter - "**TCC Bay**" and "**TCC Bay insolvency proceedings**" respectively), which are being managed by KSV Kofman Inc. (hereinafter - the "**monitor**"), the Functionary of Urbancorp Inc. (hereinafter - the "**Functionary**" and the "**Company**") respectfully updates as follows:

1. On June 27, 2017 the Canadian court approved an interim distribution to creditors in the scope of the general insolvency proceedings and the TCC Bay insolvency proceedings, in accordance with the monitor's report annexed to update report no.

10 which was filed by the Functionary with the Court on June 25, 2017 (appendix 1 to the report).

- "1" The Canadian court's decision of June 27, 2017 regarding the general insolvency proceedings is annexed hereto as **appendix 1**.
- "2" The Canadian court's decision of June 27, 2017 regarding the TCC Bay insolvency proceedings is annexed hereto as **appendix 2**.
- 2. The Canadian court decided to postpone the hearing on the Functionary's application, to allow the filing of an amended debt claim against TCC Bay (in respect of the damages occasioned to the Company as a result of the lack of validity of the promissory notes that were assigned to the Company - see paragraph 6 of report no. 10), to a date that has not yet been fixed. The Functionary will continue to update the Honorable Court.

(Signed)

Adv. Yael Hershkovich
Attorney for the Functionary of Urbancorp Inc.

Today, June 28, 2017, Tel Aviv

Table of Contents

| Number | Name of Appendix | Page |
|---------------|---|-------------|
| 1 | The Canadian court's decision of June 27, 2017 regarding the general insolvency proceedings | 1 |
| 2 | The Canadian court's decision of June 27, 2017 regarding the TCC Bay insolvency proceedings | 6 |

[Emblem]

Tel Aviv-Jaffa District Court

LF 44348-04-16 Reznik Paz Nevo Trusts Ltd v. Urbancorp Inc., Canadian company
no. 2471774, *et al*

Wednesday, June 28, 2017

Application no. 45

Call Center: 077-2703333

Confirmation of Commencement of Application

Confirmation is given that on June 29, 2017 at 07:00 an application was filed of the general type, including an update notice on report no. 10 in LF 44348-04-16, Reznik Paz Nevo Trusts Ltd v. Urbancorp Inc., Canadian company no. 2471774, *et al*.

The application no. is 45.

The application no. must be stated in any communication to the Court regarding this application.