

Signed today: May 21, 2023

**In the Tel Aviv-Jaffa District Court**

LF 44348-04-16

Application no. \_\_\_\_\_

**Before His Honor Judge H. Brenner**

**In re: The Companies Law, 1999**

**Companies Law**

**and in re: The Companies Ordinance [New Version], 1983**

**Companies Ordinance**

**and in re: Urbancorp Inc., Canadian Company No. 2471774**

**Company**

**and in re: Adv. Guy Gissin - Functionary - Trustee for the Execution of the Company's Creditors Arrangement**

acting by his attorneys Advs. Yael Hershkovitz and/or Idan Danino and/or Simon Keidar, of Gissin & Co., Law Offices, 38B Habarzel Street, Tel Aviv 6971054, Tel. 03-7467777, Fax. 03-7467700

**Functionary**

**and in re: The Official Receiver**

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

**Official Receiver**

**Update Report No. 38 on behalf of the Functionary**

The Functionary hereby respectfully files an update report on the proceedings that are being conducted vis-à-vis Mattamy:

1. As noted in Update Report No. 37 of December 27, 2023 (application no. 124), Mattamy filed an application to set aside the arbitrator's award, pursuant whereto the Company's subsidiary (Urbancorp Toronto Management Inc.) is entitled to the full amount claimed - CAD 5.9 million.

2. At Mattamy's request, the hearing on the award's setting aside took place as full civil legal proceedings including affidavits and examinations, during the first quarter of 2023, and on March 20, 2023 a hearing was held in the Canadian court (in the presence of the Functionary).
3. On May 19, 2023 the Canadian court gave its judgment through Her Honor Judge Kimmel.
4. The judgment rejected Mattamy's claim that the arbitrator was not authorized to decide on the plea that was raised, a new claim that was outside the scope of the arbitration proceedings, but held that there had been a procedural defect deriving from the arbitrator's refusal of the inclusion of certain information requested by Mattamy in relation to that plea, that should have been reviewed.
5. Accordingly, it was held that the arbitrator's award will be set aside and that the parties will apply to a new agreed arbitrator and in the absence of agreement to an arbitrator appointed by the Canadian court, in the scope of a new arbitration the rules of which will be determined by the new arbitrator. In addition, Mattamy was awarded costs in a sum of CAD 30,000.

A copy of the full judgment is annexed hereto as **appendix "A"**.

6. The Functionary will continue to update the Court on the proceedings' progress.

(Signed)

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**Adv. Yael HersHKovitz**