

**Habima National Theater Ltd. (PBC)**

**By attorney Dorit Levy Tyller and CPA Chen Berdichev  
Temporary Trustees**

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April 30, 2020  
Our Ref.: 7205/6

Dear Creditor,

**Re: CL 30593-09-19 Tel Aviv District Court Application 56  
Habima National Theater Ltd. (Under a stay of proceedings order) (hereinafter: the  
"Company") - Composition with Creditors Proposal**

In our capacity as temporary trustees for the company in question, we, the undersigned, respectfully apply to you as follows:

1. Since our appointment on November 25, 2019, we have worked diligently to run Habima National Theater and to preserve and improve its activities. At the same time, we have been studying for months the operation conduct of the theater, the financial resources needed for its existence and the sources thereof, while looking for possible solutions to the many creditors of the theater.
2. As we have made clear to the court, the theater's self-income, along with state support, are not enough to allow for a balanced management of the theater. To this end, we have tried to recruit a public entity that will join the state and contribute to the management of the theater and provide financial support for its operation (hereafter: the "**Joint outline**"). This process is underway, and is a precondition for the continued existence of the theater.
3. In addition, the state announced that beyond the amount of 40% of the 2020 support funds due to the theater, which have been transferred so far, no additional funds shall be transferred to the theater, until the approval of a Composition with Creditors for the theater.
4. In view of these constraints, to which the Corona crisis should be added, we applied to hold an online creditors' meetings, and a vote by means of a form to be sent by email. The court has complied with our request.
5. Attached hereto are:
  - 5.1 The wording of the application for convening creditors' meetings, and the proposed creditors composition, attached to the application.
  - 5.2 A summary of the Creditors Composition.
  - 5.3 The court decision of April 17, 2020, approving the online voting and meeting summoning.
  - 5.4 Online voting form and POA form.

Delivery of the documents to you by email is done concurrently with the publication of the summons in the press. The documents can also be found on Habima website.

6. The proposed Composition with Creditors is not optimal and depends on challenging conditions: Formulation of the joint outline, and in particular the consent of the material creditors: The State and the Secured Creditor. However, without the approval of the proposed Composition with Creditors, it will not be possible to save the theater and Habima National Theater is doomed to be liquidated and eliminated, as specified by the Honorable Court in its response to the application.

7. **The creditors' meeting will be held by means of the ZOOM App, on June 2, 2020 at 2pm, the summon to the meeting will be sent to your email. A creditor that did not attach an email address to the debt claim, or did not receive an email notification of the Creditors' Composition, is requested to use the email of the Creditors' Composition: [hesder.noshim@habima.org.il](mailto:hesder.noshim@habima.org.il).**

8. **The complete voting form should be sent to this email, by June 9, 2020.**

**We urge you to join the campaign to save Habima National Theater and vote in support of the proposed Creditors' Composition.**

Trustees: Dorit Levy Tyller, Adv.

Chen Berdichev, CPA