

The Court: Clients of the Organization for the Implementation of the Social Security Agreement are liable to pay service charges.

Justice Shenhav: The insured clients, who purchased rights in Germany, were not able to prove allegations of extortion and fraud.

By Hadas Magen and Yitzhak Danon

Tel Aviv Magistrates Court Justice Meir Shenhav accepted the claim of the Organization for the Implementation of the Social Security Agreement against clients who purchased social security rights in Germany, to pay service charges.

The clients who sued the Organization, which is headed by Advocate Israel Perry, assert that the agreement was made as a result of misrepresentations, fraud and extortion. It was further asserted that the Organization charged them considerable sums unlawfully and in contradiction to what was agreed upon.

The judge said that the clients failed completely to prove their allegations as to fraud, extortion, robbery and misrepresentation. They did not bear the increased burden incumbent upon them to prove them, and it appears on the face of it that these allegations were made insincerely and were almost abandoned in their summations.

He also said that these allegations were not sufficient in a situation where a foundation was laid to prove a valid contractual relationship that was honored for many years.

He also said that it appears that the counter-claims were filed by the clients indiscriminately, for tactical purposes only, in order to try and bait the Organization or to hamper the discussion and extended with no basis.

According to the Judge, "at the end of the day of battle it became apparent that the Defendants' and counter-claimants' armory is empty of any substantial weaponry and in fact they did not have any real defence against the claims."

Organization.

At the end of the day, he said, there was no justification to the legal discussion of these claims.

He also said that there is a suspicion that the clients acted from short-term tactical motives in order to wear down the Organization, waste valuable time, and exploit a legal proceeding for invalid purposes. He therefore ordered them to pay the full legal costs of the Organization. (110742/98 A.)