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43 Claims against the Organisation for the German Pension Brought by their Clients to the Magistrates Court Dismissed.

by Ben-Tziyon Zitrin

The Tel Aviv Magistrates Court last week dismissed 43 counter-claims against the Organization for the German Pension, of clients insured in the Organization. The Court accepted the Organization's claim against clients who stopped repayment of the loans that they received from the financing companies operating alongside the Organization. Justice Meir Shenhav directed very harsh criticism against the claimants, ordering them to repay the Organization the full amount of their debt, amounting to hundreds of thousands of German Marks. He also ordered them to bear the full amount of the Organization's court expenses.

The Plaintiff is B.G.A. which, in participation with B.G.F., handled the purchasing of social security rights in Germany, and the granting of credit to finance individuals' investments in a retroactive premium in the German National Insurance Institution. The Plaintiff separately demanded the 43 members of the Organization to pay its service fees and other payments as they had undertaken to do, after they stopped paying them. The claims were amalgamated due to their being identical.

The Defendants, represented by Adv. Shmuel Zang, admitted in their Statement of Defence to their contractual relationship with the financing company, but asserted that the agreement was entered into as a result of misrepresentation, fraud and extortion. The Defendants asserted that the company charged them considerable sums unlawfully and in contravention to what was agreed upon. The Defendants also filed a counter-claim, in which they demanded to return them the amounts which they asserted were charged them unlawfully and contrary to what was agreed upon.

Justice Shenhav ruled that, from the foundation of proof presented to him, it emerged that the financing company, represented by Adv. Eitan Segal, succeeded in carrying the burden of proof, while the Defendants failed in their burden of persuasion and were unable to refute the Plaintiff's proofs. The judge said that "the intolerable facility with which the Defendants chose not to honor a valid agreement between them and the Plaintiff, without any justifiable lawful

reason, and without lawful notice of its cancellation, violating the agreement forcibly and one-sidedly, is in very poor taste, and cannot be sanctioned by any court".

The Court: No Fraud or Misrepresentation was Proven