

BANK LEUMI SUED FOR NIS MILLIONS

Company owners claim Bank Leumi lead them into unnecessary escapade in particularly risky financial market, provided unfit advice and profited from their loss

Brothers Sason, David and Herzel Yaacov form Moshav Sdei Trumot in the Beit She'an Vally, owners of the company Yaacov Yaacov and Sons, sued (Friday, May 9, 2014) Bank Leumi for NIS 40 million in damages, alleging faulty and fraudulent advice, conflict of interests, and carrying out extremely risky transactions without consent or disclosure.

In the preamble, the statement of claim submitted to the District Court in Lod says the claim is about heavy pecuniary damages suffered by the plaintiffs in the mutual account, and burnout of funds serving as guarantees for the company's activity, all due to dangerous and unreasonable forward transactions plagued with numerous material defects.

The plaintiffs, represented by counsel advocates Shaul Kotler and Moshe Ben David, argue that the bank, through investment advisers on its behalf, lured them into an unnecessary escapade in a sophisticated and most risky financial market that was unsuitable for both their private activity and their activity in the framework of the company, clearly knowing that the plaintiffs stand no chance of surviving in such market and that they are destined to lose all the funds serving as guarantees for the company.

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