

March 15, 2016

SDS liquidators sued the controlling shareholder and board members of SDS in the sum of 72 Million NIS

News

The liquidators of SDS, Adv. Yaron Elhawi (partner) and Amir Palmer, represented by Adv. Harel Shaham (partner) and Shani Weiss from Gornitzky & Co., filed a motion to order the controlling shareholder and board members of SDS to bear the Company's debts to its creditors in the amount of over NIS 72 million.

Such debt, arose , among other things, due to the distribution of a dividend in the amount of NIS 27 million, that was made to serve the urgent liquidity needs of the controlling shareholder, in violation of the duty of care of the Company's directors and despite the existence of reasonable doubt as to the Company's solvency, and due to amateurish and adventurous investments of tens of millions of shekels in product development and purchasing activities devoid of even elementary business logic and lacking even the most basic inquiries of the Company's directors,who failed to take action and demonstrated complete passivity to the Company's cash flow limitations.

Key Contacts



Yaron Elhawi
Mediator, Partner



Harel Shaham
Partner



Shani Weiss
Partner