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## A precedent-setting decision in analyzing the existence of a “business opportunity”

### News

Our firm represented the directors and controlling shareholders of the **Hagag real-estate** company in an application for approval of a derivative claim filed against them, in which it was alleged that real-estate transactions abroad that were conducted personally by the controlling shareholders (who also serve as officers and directors in the same company) constitute a “business opportunity” of the company.

In a comprehensive and precedent-setting decision, Honorable Judge Ronen determined the tests that must be undertaken in a hearing on the question of the existence of a “business opportunity”, as well as the required mechanism of approvals. Honorable Judge Ronen dismissed the application for approval of a derivative claim, in view of the existence of an unilateral commitment in which the controlling shareholders were only obligated to offer to the company business opportunities in Israel.

The directors and controlling shareholders were represented by partner **Maya Sabari** and intern **Almog Alush**.

### Key Contacts



**Maya Sabari**  
Partner