

July 31, 2023

Motion for the certification of a class action against Tshuva and Delek: "A misrepresentation with respect to the hedging of the oil price in the subsidiary, Ithaca"

News

Our firm represented the Delek Group in a Motion for the certification of a class action that was filed with the Economic Department in Tel-Aviv District court against the company and officers of the company, in the midst of the COVID 19 crisis and the energy crisis, in the first half of 2020. At the heart of the motion for class certification lies the claim that the Delek Group failed to report material negative changes that had allegedly occurred in the hedging portfolio of its oil and gas assets, while misleading the company's bondholders. The damage claimed in the motion for class certification was based on the decrease in the bond value, and it was valued in the motion for class certification at many millions of shekels. After two pre-trial hearings, as well as a preliminary proceeding of a complex and complicated factual and economic clarification, the court appointed an expert on its behalf, who accepted the company's position, that contrary to the factual assumption that forms the basis of the motion for class certification – there had been no material change in the company's hedging portfolio at the times relevant to the motion. As a consequence, the petitioner withdrew the claim, with the court's approval (the Honorable Judge Sigal Yaakobi).

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