

SUPREME COURT OF APPEAL OF SOUTH AFRICA

PRESS RELEASE

31 May 2007

STATUS: Immediate

Pretorius NO v Stanlib Wealth Management Ltd

Please note that the media summary is intended for the benefit of the media and does not form part of the judgment of the Supreme Court of Appeal.

The Supreme Court of Appeal today found that the trustees of two trusts that had invested R5m in Stanlib were entitled to claim return of the investments. When the trustees instituted action in the Cape High Court it held that they had made deposits of R2.5m for each trust into an investment account, which were repayable on demand, and that the trustees were entitled to repayment of the capital invested. That court found that the deposits were made pursuant to an oral agreement between the parties' respective representatives.

The full court of the Cape High Court reversed this decision on appeal. It found that the evidence had not established the terms of the oral contract relied on by the trustees.

The Supreme Court of Appeal in turn reversed the decision of the full court. It considered that the decision of the trial court, that the oral agreement on which the trustees relied had been established by the evidence, and that the trustees were entitled to recover the investments made, was correct.