

Supreme Court of Appeal of South Africa

MEDIA SUMMARY – JUDGMENT DELIVERED IN SUPREME COURT OF APPEAL

From: The Registrar, Supreme Court of Appeal

Date: 02 June 2008

Status: Immediate

OVATION PRESERVATION v EXECUTIVE OFFICER OF THE FINANCIAL SERVICES BOARD

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

In June 2007, the Cape High Court granted an order under s 5(2) of the Financial Institutions (Protection of Funds) Act 28 of 2001 placing Ovation Global Investment Services and its subsidiary, Ovation Global Investment Nominees, under curatorship. The appellants, three pension funds, contended that certain conditions of that order interfered with their rights in their investments in those companies. To that extent they appealed against these conditions which restricted both disinvestment from the companies and the payment of pension benefits to their members. They also appealed against an order that the costs of the curatorship could, if necessary, be defrayed from their investments.

The Supreme Court Of Appeal dismissed the appellants' contentions. It held that the High Court had wide powers under s 5 and that the conditions appealed against had been within its powers to impose. The appeal was therefore dismissed.