



THE SUPREME COURT OF APPEAL OF SOUTH AFRICA
MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF
APPEAL

From: The Registrar, Supreme Court of Appeal

Date: 13 April 2021

Status: Immediate

The following summary is for the benefit of the media in the reporting of this case and does not form part of the judgments of the Supreme Court of Appeal

King Price Insurance Company Ltd v Concise Consulting Services (Pty) Ltd (1067/2019) [2021] ZASCA 42 (13 April 2021)

Today the Supreme Court of Appeal (SCA) dismissed with costs, the appellant's appeal against an order of the full bench of the High Court, Gauteng Division, Pretoria.

The order of the full bench of the high court held the insurer (the appellant) liable to indemnify the insured (the respondent) in terms of a contract of insurance between the parties, for damages sustained to the insured's motor vehicle during a collision with a wall. This contract was in full force and effect from June 2013 until 17 January 2014, where upon the appellant repudiated the respondent's claim and cancelled the contract retrospectively with effect from 1 January 2014, being the date of the incident. The driver at the time of the collision was an employee of the respondent who was also registered in terms of the contract, as being the regular driver of the vehicle. The appellant's ground for repudiating the claim and cancelling the contract was that during the validation of the claim it had come to the appellant's attention that the respondent's employee had supplied the appellant with dishonest information.

The issues argued before the SCA focused mainly on the materiality of the untruthfulness of the statements made by the respondent's employee, and whether or not the respondent's employee was acting on behalf of the respondent when he gave the information to the appellant's investigator.

The SCA held that the evidence and facts of this matter, viewed holistically, show conclusively that when the respondent's employee told the appellant's investigator how the incident occurred, he was not acting on behalf of the respondent, therefore no fault or culpability of any sort could be attributed to the respondent. The SCA held further that the statements by the respondent's employee were given during the validation process, which was well after the claim had been duly lodged. The validation exercise was not a requirement for the institution or lodgement of a claim in terms of the contract. The appellant's election to conduct the validation exercise, did not constitute the lodging of a claim on the part of the respondent. The SCA made an order that the appeal is dismissed with costs, which costs shall include the costs of two counsel, where employed.