



THE SUPREME COURT OF APPEAL  
REPUBLIC OF SOUTH AFRICA

**MEDIA SUMMARY – JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL**

From: The Registrar, Supreme Court of Appeal

Date: 27 May 2009

Status: Immediate

*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*

ST PAUL INSURANCE CO SA LTD v EAGLE INK SYSTEMS (CAPE) (PTY) LTD

The respondent, Eagle Ink, supplied ink to Nampak Polyfoil for printing on plastic bags destined for WalMart in the USA. It was a term of the contract that the ink should be free from heavy metals, including lead. An employee of Eagle Ink negligently mixed ink containing lead with the lead-free ink supplied for the plastic bags, and the plastic bags were rejected. Eagle Ink claimed against the appellant, St Paul Insurance Company, under the insurance policy issued to it by the appellant. The claim succeeded in the Cape High Court. But the Supreme Court of Appeal upheld the insurance company's appeal and found that the ink was 'contaminated' as contemplated in a clause of the policy which excluded liability in such an event.

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