



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: 30 November 2012  
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.*

***Transnet Limited v Tatise Tebeka & others***

Today the Supreme Court of Appeal (SCA) dismissed an appeal by the appellant with costs and upheld the order of the Eastern Cape High Court, Port Elizabeth in favour of the respondents.

The issue before the SCA was whether the cancellation of an agreement of sale by the appellant, thus terminating any right in law that the respondents had to occupy a residential property, rendered them unlawful occupiers for the purposes of the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998 (PIE).

The first respondent had been an employee of the appellant. In 1989, as part of the appellant's house ownership scheme for its personnel, it had acquired the property and sold it to the first respondent.

It was common cause that the appellant is the registered owner of the house in which the respondents, together with their unemployed son and daughter and her minor child, lived. The respondents have resided in the home since July 1989. The proceedings to evict

them were instituted in February 2010, after they had lived in the home for over 20 years

In 1999, the first respondent was dismissed by the appellant and his pension was allocated towards settlement of what was owed on his home. It was the appellant's case that this allocation was insufficient to discharge the full amount outstanding. The appellant alleged that two letters were then sent to the first respondent demanding that he settle his indebtedness failing which the agreement of sale would be cancelled. The respondents denied receiving either of these letters.

The SCA held that the appellant had not established that the notice of rescission was ever communicated to the first respondent. The appellant was consequently not in a position to cancel the agreement of sale, and consequently never did so.

The SCA held further that, this being so, it had not been established that the first and third respondents did not have a right in law to occupy the house, and that therefore they were not unlawful occupiers for purposes of PIE and were not liable to be evicted.