



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 26 March 2015

STATUS Immediate

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

Cloete Murray NO & another v FirstRand Bank Ltd (20104/2014) [2015] ZASCA 39 (26 March 2015)

The SCA has today delivered judgment in an appeal which concerned the interpretation of the provisions of the Companies Act 71 of 2008 relating to business rescue proceedings. In interpreting s 133(1) of Act 71 of 2008, the SCA held that the term 'enforcement action' does not include the cancellation of an agreement concluded prior to the commencement of business rescue proceedings. It accordingly held that a creditor of a company under business rescue had lawfully cancelled a contract concluded with the company prior to the commencement of business rescue proceedings.

The appeal against the judgment of the North Gauteng High Court, Pretoria, was accordingly dismissed with costs.

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