



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: 29 May 2008

Status: Immediate

Kini Bay Village Association

And

Nelson Mandela Metropolitan Municipality; Chase Street Properties, Pierre Kolesky

The Supreme Court of Appeal today dismissed an appeal by the Kini Bay Village Association against an order made in the Port Elizabeth High Court directing it to furnish security for costs in its application against Chase Street Properties and Mr Kolesky.

The Supreme Court of Appeal rejected its argument that the judge in the in the High Court had not properly exercised his discretion by failing to give sufficient regard to the constitutional nature of the relief it sought.

The Supreme Court of Appeal, held that (i) its wealthy members were using it as a front to avoid an adverse costs order and that (ii) even though the litigation bore a constitutional character, principles of equity and fairness dictate that it provides the security to protect the respondents against irrecoverable costs.