



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: 19 March 2010

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.

*BLAKES MAPHANGA INCORPORATED v OUTSURANCE
INSURANCE COMPANY LTD*

The Supreme Court of Appeal today dismissed an appeal by Blakes Maphanga Inc, a firm of attorneys. The SCA confirmed a decision of the Pretoria Full court in terms of which it confirmed an order that Blakes Maphanga pay Outsurance Insurance Company Ltd monies it had collected on the latter's behalf with interest and costs.

The trouble between the parties began when Outsurance terminated its relationship with Blakes Maphanga and cancelled its

mandate to collect monies owing to it. A dispute arose concerning fees owing by Outsurance to Blakes Maphanga in respect of attorney's services rendered by the latter to the former. Blakes Maphanga contended that it was entitled to set off fees it alleged was owing by Outsurance.

The insurance company paid into its attorney's trust account an amount Blakes Maphanga claimed as fees. However, it approached the high court for an order that the monies collected on its behalf be paid to it. The high court granted the order, which was confirmed by the full court, and the SCA held that disputed fees could only be set off after taxation and concluded that Blakes Maphanga was not entitled to withhold the monies collected on Outsurance's behalf. It confirmed the full court's decision.