



**THE SUPREME COURT OF APPEAL OF SOUTH AFRICA
JUDGMENT**

Reportable

Case no: 815/2023

In the matter between:

KIDROGEN RF (PTY) LTD

APPLICANT

and

ANDRE JACOBUS ERASMUS

FIRST RESPONDENT

BIG BOY NCUBE

SECOND RESPONDENT

LIONEL MURRAY SCHWORMSTEDT & LOUW

THIRD RESPONDENT

ADV R D MCCLARTY SC

FOURTH RESPONDENT

Neutral citation: *Kidrogen RF (Pty) Ltd v Erasmus and Others* (815/2023) [2025]
ZASCA 03 (17 January 2025)

Coram: MAKGOKA, MEYER and KGOELE JJA and COPPIN and CHILI AJJA

Heard: 11 November 2024

Delivered: This judgment was handed down electronically by circulation to the parties' representatives by email, publication on the Supreme Court of Appeal website, and released to SAFLII. The date for hand down is deemed to be 17 January 2025 at 11h00.

Summary: Arbitration – extension of time in terms of section 8 of the Arbitration Act 42 of 1965 – applicability, proper approach and relevant considerations – delay in bringing section 8 application – application only brought after award issued in respect of time-bar.

Leave to appeal – requirements for grant of leave to appeal in application in terms of section 17(2)(d) of Superior Courts Act 10 of 2013.

ORDER

On appeal from: Western Cape Division of the High Court, Cape Town (Wille J, sitting as court of first instance):

- 1 The application for leave to appeal is granted.
 - 2 The appeal is dismissed with costs, including the costs of two counsel.
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JUDGMENT

Coppin AJA (Makgoka, Meyer and Kgoele JJA and Chili AJA concurring):

[1] The High Court of the Western Cape Division, Cape Town (the high court) dismissed an application by the applicant in terms of s 8 of the Arbitration Act (the Act)¹ to extend the period within which it was obliged to commence an arbitration in terms of two similar arbitration agreements it entered into with the first and the second respondents, respectively. The high court refused Kidrogen leave to appeal, but on application to this Court, the application for leave to appeal was referred to oral argument in terms of s 17(2)(d) of the Superior Courts Act (the Superior Courts Act)². The parties were warned to be prepared to address the merits of the appeal, should they be called upon to do so.

Background facts

[2] The applicant, Kidrogen RF (Pty) Ltd (Kidrogen) negotiated with the City of Cape Town, on behalf of certain taxi associations, concerning the conclusion of an operating agreement in respect of an improved and extended public transport system in the Cape Metropol. Kidrogen also operated the transport system. The system was

¹ The Arbitration Act 42 of 1965.

² The Superior Courts Act 10 of 2013.

initially referred to as the Integrated Rapid Transit System (IRT system) and eventually as the MyCiti bus service (MyCiti). The first respondent, Mr Andre Jacobus Erasmus (Mr Erasmus) and the second respondent, Mr Big Boy Ncube (Mr Ncube) (the respondents, where convenient) were taxi operators belonging to the taxi associations which participated in this venture. Kidrogen concluded a vehicle operator agreement with the city in August 2013 in terms of which participating taxi operators could subscribe for shares in Kidrogen subject to certain conditions. In October 2013 Mr Erasmus acquired 20 shares in Kidrogen and Mr Ncube acquired 12 shares.

[3] In 2015, a dispute arose between Kidrogen, on the one hand, and Mr Erasmus and Mr Ncube, on the other, concerning shares acquired by the latter (the disputed shares). About five years later the respective parties agreed to resolve their differences regarding the acquisition of the disputed shares as follows: on 13 February 2020 Kidrogen concluded a written 'share sale agreement' with Mr Erasmus in terms of which he sold to Kidrogen his entire shareholding (twenty shares) for an agreed price and Kidrogen agreed to repay his loan account in Kidrogen (the Erasmus agreement). A similar agreement was concluded between Kidrogen and Ncube, in terms of which Mr Ncube sold his entire shareholding (twelve shares) to Kidrogen and the latter agreed to repay Mr Ncube's loan account in Kidrogen (the Ncube agreement).

[4] In the Erasmus agreement it is recorded that Kidrogen has declared a dispute with Mr Erasmus concerning four of the twenty shares that were the subject of the sale. And, similarly, in the Ncube agreement it was recorded that Kidrogen has declared a dispute with Mr Ncube in respect of eight of the shares that formed the subject of the agreement. Of significance, in both the agreements it is recorded that the respective parties had agreed that the issue regarding the disputed shares was to be determined by means of an arbitration (clause 9 of the respective agreements). And it is common cause that the arbitration contemplated in those agreements was in terms of the Act.

[5] In both agreements the parties agreed, amongst other things, that they would agree on an arbitrator within 15 days of signature of the particular agreement and that within 30 days from the date of the particular agreement the parties would meet with

the arbitrator to obtain directions concerning the exchange of pleadings, discovery and the hearing of the matter. In clause 9.2 of each of the agreements it is specifically recorded that should Kidrogen 'fail to pursue the arbitration within 30 (thirty) days of the signature [of the agreement] the failure shall be deemed to be a determination in favour of the Seller and the portion of the purchase price together with the interest thereon held by the attorneys shall be paid to the Seller'.

[6] The 30-day period envisaged in respect of both agreements ended on 15 March 2020. The arbitrations were consolidated before the fourth respondent (the arbitrator). On 18 November 2020 Kidrogen delivered its statement of claim in the arbitration in which Mr Erasmus was cited as the first respondent and Mr Ncube as the second respondent. In essence, Kidrogen sought an award declaring that it was not obliged to pay the purchase price of the disputed shares (held by the respondents, respectively). It alleged that they were not entitled to the disputed shares and sought repayment of the dividends that were paid to them, respectively, for those shares.

[7] On 25 January 2021, the respondents delivered their statement of defence. They raised a special plea and dealt with the merits of Kidrogen's claims against them. Their special plea was to the following effect: Kidrogen failed to pursue the arbitration against them (respectively) as agreed and more particularly 'within 30 (thirty) days of signature' of their (respective) agreements, ie before the deadline of 15 March 2020; consequently, as envisaged in their respective agreements, that failure was deemed to be a determination of the arbitration in their respective favour and that the purchase price relating to the disputed shares, which was being held in trust by Kidrogen's attorneys, was to be paid to them together with interest thereon.

[8] On 25 February 2021, Kidrogen delivered a replication in response to the respondents' plea and special plea. On 6 January 2022, Kidrogen delivered an amendment to its replication in terms of which it, in essence, requested the arbitration to be stayed pending an application it intended bringing in the high court in terms of s 8 of the Act for the extension of the deadline. However, such an application was never launched. After this exchange of pleadings, the arbitration hearing commenced on 24 October 2022, before the arbitrator. The arbitrator determined that the special plea was to be dealt with first and separately from the merits of Kidrogen's claim.

[9] On 26 October 2022, the arbitrator issued an award in terms of which he, among other things, upheld the special plea. He found in respect of both respondents, that Kidrogen's failure to pursue the arbitration within 30 days of signature of the respective share sale agreements, was, as agreed by them in the Erasmus and Ncube agreements, deemed to be determination in favour of the respondents on the merits. Consequently, the arbitrator ordered that the respective purchase prices held in trust by the third respondent, a firm of attorneys, be paid over to the respondents, respectively. The arbitrator and the third respondent have not participated in the court proceedings in this matter.

[10] Subsequent to the award, and in response to a demand for payment in terms of the award from the respondents' attorneys, Kidrogen brought an application in the high court seeking an extension of the period for commencement of the arbitration from 30 days to 6 months. It relied on s 8 of the Act, which reads as follows:

'8 Power of court to extend time fixed in arbitration agreement for commencing arbitration proceedings –

Where an arbitration agreement to refer future disputes to arbitration provides that any claim to which the agreement applies shall be barred unless some step to commence arbitration proceedings is taken within a time fixed by the agreement, and a dispute arises to which the agreement applies, the court, if it is of the opinion that in the circumstances of the case undue hardship would otherwise be caused, may extend the time for such period as it considers proper, whether the time so fixed has expired or not, on such terms and conditions as it may consider just but subject to the provisions of any law limiting the time for commencing arbitration proceedings.'

[11] In the context of the present appeal, s 8 should be read with s 28, which provides:

'28 Award to be binding

Unless the arbitration agreement provides otherwise, an award shall, subject to the provisions of this Act, be final and not subject to appeal and each party to the reference shall abide by and comply with the award in accordance with its terms.'

[12] The high court held that s 8 of the Act only applied to future disputes. It held that because a final arbitral award had been made it was no longer open to Kidrogen to pursue any relief under s 8 since s 28 of the Act 'rendered the award final and not

subject to interference', other than in circumstances contemplated in ss 30, 32 and 33 of the Act.³ The high court reasoned that '[p]ermitting [Kidrogen] to rely on s 8 of the Act at this late stage would directly conflict with section 28, read together with the fundamental principle of the finality of arbitral awards'. Even though the high court opined that the question of 'undue hardship' did not arise in light of that conclusion, it went on to consider that aspect in the alternative and held that Kidrogen did not suffer 'undue hardship' as envisaged in s 8 of the Act.

[13] In respect of its main finding regarding the applicability of s 8, the high court considered two conflicting decisions in the Gauteng Division (Johannesburg), namely, *Genet v Van der Merwe N O (Genet)*,⁴ and an unreported judgment, *King Civil v Enviroserve Waste Management (King Civil)*.⁵ In *Genet* it was held that s 8 does not give the court the power to extend the time under a time-bar after an arbitrator has made an award upholding a time-bar defence. The court there had regard to the final and binding effect of arbitration awards provided in s 28 of the Act. It reasoned that if the Legislature intended for s 8 to reverse the final and binding effect of a time-bar award, it would have been expressly stated so in s 8, or elsewhere in the Act. The court held that the absence of such a provision and the lack of an apparent link between s 8 and s 28 means that s 8 is not one of those 'provisions' to which s 28 is 'subject'. The court pointed out that even in terms of s 33, an arbitration award in terms of the Act may only be set aside on limited grounds. It concluded that a power in s 8 to interfere with, or reverse, an award upholding a time-bar defence, cannot be implied,⁶ and accordingly declined to grant the extension.

[14] In *King Civil* the court took the opposite view, and granted an extension of the time-bar after a final arbitral award had been made. That court was of the view that *Genet* conflicted with *Samancor Holdings v Samancor Chrome (Samancor)*⁷, because

³ Section 30 of the Act deals with the power of an arbitration tribunal to correct errors in an award. Section 32 deals with the remission of awards to the arbitration tribunal for reconsideration and section 33 deals with the rescission of arbitration awards.

⁴ *Genet Mineral Processing (Pty) Ltd v Van der Merwe N O and Others* [2021] ZAGPJHC 760 (2 December 2021) (*Genet*).

⁵ *King Civil Contracts (Pty) Ltd v Enviroserve Waste Management (Pty) Ltd and Another* (45747/2021) (10 June 2022) (*King Civil*).

⁶ *Genet* paras 31- 40.

⁷ *Samancor Holdings (Pty) Ltd and Others v Samancor Chrome Holdings (Pty) Ltd and Another* [2021] ZASCA 60; [2021] 3 All SA 342 (SCA); 2021 (6) SA 380 (SCA) (*Samancor*).

in the latter matter this Court held that in extending the time-bar in terms of s 8, the Court was in effect ‘changing the contract’ between the parties. The court in *King Civil* understood this to mean that, in granting an extension in terms of s 8, a court would not be interfering with the award of the arbitrator but would merely be amending the arbitration agreement. So that, at the ‘continuation of the arbitration proceedings on the merits’, the arbitrator would merely be presented with an amended arbitration agreement. Thus, reasoned the court, an application in terms of s 8 ‘constitutes an entirely separate procedure’, something which, it said, *Genet* did not appreciate. The court in *King Civil* further concluded that in *Genet* the s 8 procedure ‘was conflated with the award, which led to the finding of “interference” with the finality thereof.’⁸ On those bases, the court in *King Civil* considered *Genet* to be clearly wrong and thus declined to follow it.

[15] The first issue for determination in this Court is whether Kidrogen should be granted leave to appeal the decision of the high court. The test applicable when considering an application for leave to appeal is stated in s 17(1) of the Superior Courts Act. It is whether: (a)(i) the proposed appeal has a reasonable prospect of success; or (ii) whether there is some other compelling reason why the appeal should be heard, including whether there are conflicting judgments on the subject under consideration. In the present case, there are the conflicting decisions on the applicability of s 8, which has caused uncertainty about the legal position, as is apparent from *Genet*, *King Civil* and the high court’s decision. Thus, the granting of leave to appeal to this Court is justified, and it is accordingly granted.

[16] As to the merits of the appeal, Kidrogen submitted in this Court that the high court’s interpretation of s 8 was too restrictive and resulted in an absurdity. The absurdity, contended Kidrogen, was that the interpretation resulted in differentiation between a time-bar: (a) applicable to an obligation to pursue an arbitration in respect of an existing dispute; and (b) to take some step to commence arbitration proceedings in respect of future disputes. Kidrogen submitted that there was no reason in logic why the Legislature would have made that differentiation, because in both scenarios, undue hardship to a claimant as envisaged in s 8, can be caused because of the time-

⁸ *King Civil* para 23.

bar. The high court's interpretation, so submitted Kidrogen, was contrary to this Court's observation in *Samancor* that a restrictive interpretation of s 8 would be antithetical to s 34 of the Constitution.⁹ On the other hand, the respondents supported the judgment of the high court and the reasoning underpinning it.

[17] The correct approach to statutory interpretation is now trite. It is a 'unitary' exercise involving a simultaneous consideration of the text, context and purpose, as laid down by this Court in *Endumeni*.¹⁰ The language of s 8 of the Act is indeed plain and unambiguous.¹¹ It proceeds from the premise that at the time the parties conclude the arbitration agreement there are no disputes and that those only arise after the conclusion of the agreement. That is the most common position. In this matter the parties concluded their arbitration agreements in respect of pre-existing share disputes to which the section did not apply. In any event, Kidrogen did not utilise s 8 to extend the time-bar before the time-bar issue was finally determined by the arbitrator and an award in that respect was issued.

[18] It was accepted that the mischief which the section, like its English counterpart, was intended to remedy, is the undue, or unreasonable, hardship suffered by a party to an arbitration agreement who has been deprived of an opportunity to pursue its claim because of a restrictive time-bar, in circumstances in which it ought to be excused for its failure to comply with that time-bar.¹² In *Samancor*, this Court also pointed out the following:

'There is nothing in s 8 to indicate that the power of extension should only be exercised rarely or in exceptional circumstances. There is no reason to add a gloss to the plain language of the section. A restrictive interpretation would be antithetical to s 34 of the Constitution which guarantees access to courts or other independent and impartial tribunals in order to have justiciable disputes adjudicated.'¹³

Parties to an existing dispute evidently do not require the same protection.

⁹ Constitution of the Republic of South Africa, 1996.

¹⁰ *Natal Joint Municipal Pension Fund v Endumeni Municipality* [2012] ZASCA 13; [2012] 2 All SA 262; 2012(4) SA 593 (SCA) para 18, and affirmed by the Constitutional Court in, among others, *Airports Company South Africa v Big Five Duty Free (Pty) Limited and Others* [2018] ZACC 33; 2019 (2) BCLR 165 (CC); 2019 (5) SA 1 (CC) para 29 and *University of Johannesburg v Auckland Park Theological Seminary and Another* [2021] ZACC 13; 2021 (8) BCLR 807 (CC); 2021 (6) SA 1 (CC) para 24.

¹¹ *Samancor* para 32.

¹² *Ibid* para 34.

¹³ *Ibid* para 33.

[19] In *Samancor*, this Court explained that delay in these kinds of matters occurs in two ways. First, from the time the claimant is time-barred until the commencement of the arbitration, when the extension of time relief is sought. Second, from the time the claimant becomes aware of the need to seek an extension of time until the bringing of proceedings to obtain the extension.¹⁴ This Court held that both these kinds of delay are relevant factors in the exercise of the discretion that the court has in terms of s 8 of the Act. It rejected the argument that a delay in seeking a s 8 remedy is a threshold requirement 'which could result in a claimant being non-suited without regard to other factors'.¹⁵

[20] *Samancor* held that a delay of that kind 'is simply another factor which the court will take into account in deciding whether or not non-extension will cause the claimant undue hardship'¹⁶. It held further that an unreasonable delay may be outweighed by the importance of the claim, the absence of prejudice to the defendant and other relevant circumstances of the case.¹⁷ These views are salient, even though *obiter*, because in that matter the s 8 relief was not sought after the time-bar award had been made.

[21] It is necessary to comment briefly on the two conflicting judgments, ie *Genet* and *King Civil*. In *Genet* the court distinguished *Samancor* and in *King Civil* the court purportedly applied it - but both the decisions have flaws. In *Genet*, the court effectively held that the s 8 relief was not available to the claimant after the time-bar award had been issued. In other words, if the claimant delayed in applying for the relief and only did so after the time-bar award was issued by the arbitrator, the claimant would be 'non-suited' purely for that reason, because the award was final in terms of the Act. This seems to be the view which this Court was not amenable to accepting in *Samancor*.

[22] While I agree with some of what was held in *Genet*, namely, that instituting proceedings seeking the s 8 relief only after a time-bar award has been issued may

¹⁴ Ibid para 37.

¹⁵ Ibid para 38.

¹⁶ Ibid para 38.

¹⁷ Ibid para 38.

be fatal to the outcome of those proceedings, because of the finality of the award, the fact of the delay, on its own, should not be decisive of the s 8 proceedings in every instance. There might be instances when the time-bar award itself is susceptible to review by a court. And there is no reason for denying the claimant s 8 relief where, for example, it also successfully reviews and sets aside such award. If there are legitimate grounds for doing so, the claimant may seek a review and setting aside of the award in the same proceedings in which it seeks the s 8 relief, or in separate proceedings, which of course precede the application for the s 8 relief.

[23] The *Genet* approach seems to suggest that in every case where the application for s 8 relief is made after the time-bar award, the claimant would be non-suited, irrespective of the fact that those proceedings also include a review of the award, or irrespective of the reviewability of the award. Whereas the approach favoured by this Court in *Samancor*, and seemingly followed in *King Civil*, caters for different scenarios and requires that all relevant factors be considered in determining the question of 'undue hardship', even though some may ultimately be found to outweigh others.

[24] As to *King Civil*, the court there failed to recognise that a legitimate difficulty arises when s 8 relief is sought after a final time-bar award is issued, especially if the award remains intact. Counsel for Kidrogen was constrained to concede that fact. It is correct that the purpose of s 8 is to empower the court, in a proper case, to extend the time-bar that the parties had agreed to, but that power is not exercised in a vacuum, or without a consideration of the relevant facts. It would be senseless to amend or extend the time-bar in an agreement if it is not going to have any practical effect. If the time-bar award, which is final, remains extant, the logical consequence is that an amendment after that award is not going to have any sensible or practical effect.

[25] An amendment in terms of s 8 will only have the opposite effect if the time-bar award is either not final or is to be set aside, on legitimate grounds, at the same time as such an amendment or extension, or if it was set aside before that. Section 8 itself, properly construed, does not empower the court that is approached for the extension relief, to set aside the time-bar arbitral award, which, as stated, is final. That power, in respect of arbitrations conducted in terms of the Act, is only found in s 33 of the Act, and is subject to the strictures of the provisions of that section. A proper case would

have to be made out for the review and setting aside of the award. In *Samancor* a time-bar award did not precede the application for relief in terms of s 8.

[26] Even though Kidrogen's counsel criticised the high court's exercise of its discretion, the high court did weigh different relevant factors in considering the question of undue hardship and whether to grant the extension sought by Kidrogen. In terms of s 8, a court seized with such an application has a discretion whether to extend the time fixed for commencement of the arbitration proceedings. It must exercise that discretion judicially. If it concludes that in the circumstances of the case 'undue hardship' would otherwise be caused, it may extend the time for such period as it considers proper, whether the time so fixed has expired or not, on such terms and conditions as it may consider just, but subject to the provisions of any law relating to the time for commencing arbitration proceedings.

[27] In *Samancor*, this Court with approval cited and summarised the guidelines laid down in the majority judgments in *Liberian Shipping Corporation v A King and & Sons Ltd (The Pegasus)*¹⁸ concerning the issue of 'undue hardship' in s 27 of the English Arbitration Act.¹⁹ Section 8 of the Act is modelled on that section and the guidelines have been applied in this country.²⁰ They are the following: the words must not be construed too narrowly, the words mean 'excessive hardship and, where the hardship is due to the fault of the claimant, it means hardship the consequences of which are not out of proportion to such fault'. In considering whether to extend or not, the court should take into account all the relevant circumstances of the case including (a) the length of the delay; (b) the amount at stake; (c) whether the delay was due to the fault of the claimant or to circumstances outside his control; (d) if it was due to the fault of the claimant, the degree of such fault; (e) whether the claimant was misled by the other party; (f) whether the other party has been prejudiced by the delay, and, if so, the degree of such prejudice.²¹ The list is not closed.²²

¹⁸ *Liberian Shipping Corporation v A King and & Sons Ltd (The 'Pegasus')* [1967] 1 All ER 934 (CA).

¹⁹ *Ibid* para 35.

²⁰ *Ibid* para 36.

²¹ *Ibid* para 35.

²² *Ibid*.

[28] Thus, in respect of the consideration under s 8 of the Act, factors such as whether the relief was being sought after a time-bar award has been issued, and whether that time-bar award is susceptible to being set aside, or is to remain extant, which are relevant, should also be considered.

[29] In *Genet*, the court appropriately referred to the s 8 relief as being akin to condonation. The claimant at least has some duty or onus to place all the relevant circumstances before the court and to show that it is entitled to the relief it seeks. There is nothing that indicates that the high court did not take all relevant factors into account, or that it did not exercise its discretion judicially. Kidrogen ultimately argued that the high court was incorrect in its conclusions concerning its delay and the other factors. But the test is not correctness.²³ To succeed Kidrogen was to show that the high court exercised its discretion unjudicially, or capriciously, or did not act for substantial reasons.²⁴ It has not done so. In its alternative basis for dismissing Kidrogen's application the high court weighed the relevant factors and found that Kidrogen did not suffer 'undue hardship' that would justify the grant of the extension it sought.

[30] After the award was issued by the arbitrator the matter was finally determined, as envisaged in the arbitration agreements of both Mr Erasmus and Mr Ncube, and as contemplated in s 28 of the Act. The extension of the time-bar after the issue of the award by the arbitrator in this matter would have been meaningless, unless the award itself was set aside. As stated above there is no basis for implying such a power, or effect, in s 8 of the Act.²⁵ In any event, Kidrogen did not seek to review and set aside the award. Nor did it suggest that it was susceptible to impugment. Instead, it accepted the award as final.

[31] Kidrogen freely agreed to the time-bar and was aware of it all along. Even after Messrs Erasmus and Ncube had raised the time-bar issue in their special plea,

²³ See *Shepstone & Wylie and Others v Geyser NO 1998 (3) SA 1036 (SCA) at 1044J-1045B; Giddey N O v JC Barnard and Partners [2006] ZACC 13; 2007 (5) SA 525 (CC); 2007 (2) BCLR 125 (CC) para 19.*

²⁴ *Ibid.*

²⁵ See *Lufuno Mphaphuli & Associates (Pty) Ltd v Andrews and Another [2009] ZACC 6; 2009 (4) SA 529 (CC) para 235.*

Kidrogen seems to have taken the matter for granted. It did not deal with the issue of extension at all in its first response to that special plea and only pleaded its intended reliance on s 8 in an amendment to that document. It had ample opportunity to bring an application for an extension in terms of s 8, before the arbitration commenced, but elected not to do so. It did not even pursue the stay of the arbitration proceedings foreshadowed in its amended replication. That Kidrogen had failed to meet the agreed time-bar was without question. The award could almost be said to have been a foregone conclusion. All indications are that Kidrogen proceeded headlong and recklessly to meet its fate in that regard. None of the respondents had a hand in any of that. And that would be sufficient to find that Kidrogen's hardship was self-created and that it was not undue. Its hardship is in proportion to its fault. Both the respondents have an award in their favour, and have been subjected by Kidrogen to lengthy, unexplained delays in the finalisation of their disputes.

[32] Section 8 was not available to Kidrogen because it only applies to 'future disputes'. The disputes in this matter were pre-existing and not 'future disputes' as envisaged in that section. In any event, no case for the relief envisaged in that section had been made out. The arbitrator's time-bar award is indeed final and was not impugned or shown to be susceptible to review. On the contrary, in argument, Kidrogen's counsel made it clear that 'for the purposes of the s 8 relief, it accepted the arbitral award'. Those factors clearly outweigh all other factors, because extending the time-bar as requested in those circumstances would be futile and serve no legitimate purpose at all.

[33] The appeal must fail on the merits for the reasons mentioned above. There is no reason why the costs should not follow the result.

[34] In the result:

- 1 The application for leave to appeal is granted.
- 2 The appeal is dismissed with costs, including the costs of two counsel.

P COPPIN
ACTING JUDGE OF APPEAL

Appearances

For the applicant:

P De B Vivier SC

Instructed by:

CK Attorneys, Cape Town

Honey Attorneys, Bloemfontein

For first and second respondents:

A R Sholto-Douglas SC (with him A M Price)

Instructed by:

Bowman Gilfillan, Cape Town

M M Hattingh Attorneys, Bloemfontein.