

SUPREME COURT OF APPEAL OF SOUTH AFRICA

PRESS RELEASE

20 March 2007

STATUS: Immediate

Propfokus 49 (Pty) Ltd and Others v Wenhandel 4 (Pty) Ltd

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

The Supreme Court of Appeal today upheld an appeal against a judgment of the Cape High Court granting, on application, an order for rectification of a written agreement for the sale of land.

An agreement was entered into between the first appellant and the respondent. The essence of the dispute related to the interpretation of the purchase price clause contained in the agreement and whether the method of payment reflected the true intention of the parties.

The Supreme Court of Appeal held that the clause containing the method of payment, if given its grammatical and ordinary meaning, did not result in any ambiguity, absurdity or inconsistency. The wording of the clause clearly reflected the intention of the parties as it was when the agreement was concluded and subsequently amended. The court went on to say that, as the respondent could not establish that the parties' common intention was different to that reflected in the written agreement as amended, it had failed to establish the essential requirements for rectification.