

CASE SYNOPSIS

The Supreme Court of Appeal handed down its judgment in the case *Registrar of Medical Schemes v Genesis Medical Scheme**, on 27 May 2016.

In the majority judgment, Willis JA [Seriti JA and Tsoka AJA concurring] preferred the judgment of du Plessis J in *Registrar of Medical Schemes v Ledwaba NO & others*** (the "Omnihealth" case) to the finding in the court a quo*** and held that the contributions that members of a medical scheme make towards their savings accounts do not form part of the assets belonging to the relevant scheme. These "asset funds" are held as trust property (as per the Financial Institutions (Protection of Funds) Act 28 of 2001) belonging to those members and should be allocated as such in the balance sheet of the relevant medical scheme. This would protect the funds in the savings accounts from being claimed by the general body of creditors where a medical scheme has been placed in liquidation.

This case may be accessed at:

link <http://www.saflii.org/za/cases/ZASCA/2016/75.html>

Adv. Lucille Bütow-Dûtoit

* *Registrar of Medical Schemes v Genesis Medical Scheme* (SCA 238/2015), not yet reported in law journals. [Neutral citation: (238/2015) [2016] ZASCA 75 (27 May 2016)]

** *Registrar of Medical Schemes v Ledwaba NO & others* (18545/06)(unreported)[Neutral citation: (18545/06) [2007] ZAGPHC 24 (30 January 2007)]

*** *Genesis Medical Scheme v Registrar of Medical Schemes and Another* (18755/2013) (reported) [Neutral citation: (18755/2013) [2014] ZAWCHC 206 (24 December 2014)]