



PRESS RELEASE
FOR IMMEDIATE RELEASE

Reference : Protea Medical Aid Society placed under curatorship
To : Media
Contact : Council for Medical Schemes (CMS) Customer Care Centre
Telephone : 0861 123 267
E-mail : information@medicalschemes.com
Date : 11 November 2010

PRESS RELEASE 15 OF 2010: PROTEA UNDER CURATORSHIP

On 29 October 2010 the Western Cape High Court placed Protea Medical Aid Society under curatorship in terms of Section 56 of the Medical Schemes Act (Act 131 of 1998) following an urgent application by the Council for Medical Schemes (CMS). The case number is 22780/2010.

The CMS conducted an inspection into the scheme in September 2010. The inspection report alleges financial and governance irregularities. Protea has also been unable to maintain a solvency of 25% required by the Medical Schemes Act. The scheme had over 7 000 beneficiaries at the end of 2009.

“There is no reason to worry,” says the Registrar of Medical Schemes, Dr Monwabisi Gantsho. “The CMS believes that curatorship is the most appropriate option to ensure that the interests of members are protected. We are confident that the problems at Protea can be adequately addressed.”

The court-appointed curator is Mr Velaphi Petsana. His task is to restore the financial health of the scheme and institute a new Board of Trustees in consultation with the CMS. Mr Petsana is also responsible for conducting an investigation into the alleged irregularities and he will report to the CMS on a monthly basis. The findings of the investigation will be made public as soon as a report is completed.

Members of Protea are encouraged to contact Mr Petsana directly on 011 208 1000 or velaphi.petsana@universal.co.za.

Brokers are advised to act with restraint. Any advice they give must accord with the principles of best advice, have the best interests of their clients at heart, and be based on a proper assessment of the situation.