



COUNCIL FOR MEDICAL SCHEMES

Phone: +27 (0) 12 431-0500

Fax: +27 (0) 12 430-7644

Private Bag X34, HATFIELD, 0028

Hadefields Block E, 1267 Pretorius Street, HATFIELD

[Http://www.medicalschemes.com](http://www.medicalschemes.com)

## PRESS RELEASE

Press release 6 of 2008

20 May 2008

### **Johannesburg High Court places Renaissance under curatorship**

The Johannesburg High Court today placed Renaissance Medical Scheme under curatorship, following application by the Registrar of Medical Schemes, Mr Patrick Masobe, and the Council for Medical Schemes (CMS). This follows protracted interaction between the Office of the Registrar and the scheme in relation to its deteriorating solvency and the fact that the Board had for some time been unable to provide an accurate account of its true financial status. After initially electing to oppose the application, the trustees of Renaissance withdrew their opposition on 15 May 2008, allowing the CMS to go to court today unopposed.

On 29 April 2008, the scheme provided an actuarial report compiled by Deloitte to the Registrar, which showed the scheme to be in the red to the tune of approximately R36 million. Mr Masobe and the CMS immediately instituted steps to have the scheme placed under curatorship.

The curator is Mr Mzi Nkonki, chairperson of Nkonki, an accounting and audit firm. He will do a rapid assessment of the financial situation of the scheme, the causes of the financial difficulties, and the most appropriate course of action to protect members under the circumstances. The CMS will be in a better position to advise members and the public of the future of the scheme once this assessment has been done.

"We hope that the curator will be able to manage the scheme back to solvency," said Mr Masobe. "We have full confidence that member interests will be protected as optimally as possible under Mr Nkonki's management."

Brokers are advised to act with restraint and not to take undue advantage of the situation, but to ensure that all advice given to members of Renaissance is best advice based on a proper assessment of the situation and their individual circumstances.

Contacts: Aleksandra Serwa

012 431 0512