

Security for claim and costs in action of incola against peregrinus

In a recently published judgment of the High Court of South Africa, Cape Provincial Division (*Silvercraft Helicopters (Switzerland) v Zonnekus Mansions* 2009 (5) SA 602)), the Court had to deal with the question whether, in terms of the common law, an order for security for the claim, or only for costs, was to be made when an action (either in convention or in reconvention) is brought by an incola against a peregrinus. Citing a long passage in an article by Prof. Christian Schulze “Should a peregrine plaintiff furnish security for costs for the counterclaim of an incola defendant” , (2007) 19 South African Mercantile Law Journal 393-399, the Court adopted Schulze’s view and held “that there is indeed a practice operating in this division that would permit the court to grant an order directing the plaintiffs to give security for the potential value, and costs, of the second defendant’s claim in reconvention, but that all the circumstances should be considered before a plaintiff is compelled to provide security in full for a claim in reconvention”.