

7 February 2011

### **Liberty Health responds to recent media coverage**

There have recently been media reports highlighting a dispute between two of the trustees of the Liberty Medical Scheme and V-med. Note that Liberty Medical Scheme, although utilising the Liberty brand name, is a separate legal entity managed by the trustees on behalf of the members. V-med, owned by Liberty Health, is the appointed administrator of the scheme.

Liberty Health's approach is to try and resolve the issues through the appropriate legal and regulatory forums to arrive at a fair and impartial outcome based on the facts. To date, this approach has led to the Council for Medical Schemes suspending the two Liberty Medical Scheme trustees for unfit and improper conduct ([click here for a copy of the statement](#) )

The most recent media reports allege fraudulent activity on the part of Patrick Masobe, MD of V-med. Liberty Health and V-med deny the allegation of fraud, misappropriation or corruption. The issue referred to by scheme trustee Christine Kinsman, relates to a contractual dispute which has been tabled for discussion and resolution between the parties concerned. Resolution of disputes is specifically provided for in the contracts by way of arbitration. In addition these agreements require confidentiality clauses which Liberty Health will continue to observe irrespective of the approach adopted by certain Liberty Medical Scheme trustees and the principal officer.

We believe that there are deliberate attempts to discredit V-med publicly. However, Liberty Health has, and will continue to resolve the issues through the appropriate channels so that an appropriate outcome can be achieved based on facts. We believe this will be to the benefit of members, whose best interests should be placed first by the Scheme, its trustees and the Administrator.

We would like to assure members that this debate does not impact the day to day operations of Liberty Health or V-med.

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