**ACKNOWLEDGEMENT OF DEBT**

1. I, the undersigned,

**[FULL NAME]**

(Identity Number: [ID NUMBER )

(hereinafter referred to as “the Debtor”)

 Do hereby acknowledge that I am truly and lawfully indebted unto and in favour of:

**[COMPANY NAME]**

(hereinafter referred to as “the Creditor”)

In an amount of [AMOUNT] ([AMOUNT IN WORDS)] (“the capital Amount”), being due *in re*spect of monies owing by the Debtor to the Creditor as at [DATE] *in re*spect of the Debtor’s loan from the Creditor.

 2 I acknowledge and agree that the above amount shall bear interest at the rate of [PERCENTAGE AMOUNT] per annum calculated with effect from the date that each amount of which it is constituted became payable by the Debtor to the Creditor

1. Should I default *in re*spect of our obligations set out herein, I then undertake to pay all legal costs on the attorney and own client scale from the date that the creditor instructed its attorneys to act until date of payment of all amounts stipulated in this Acknowledgement of Debt, including but not limited to collection commission and Sheriff’s charges.

4 I undertake to repay the capital amount stated in paragraph 1, by payment of an amount of [AMOUNT] per month to the Creditor commencing on the date of payment of my salary for [MONTH & YEAR] which will be deducted from my salary from the Creditor and monthly thereafter on or before the 28th day of each month subsequent month until the capital amount has been paid in full. Alternatively, should the Debtor leave the employ of the Creditor for whatever reason, the full capital amount will be deducted from the Debtor’s final payslip.

1. If applicable, the creditor’s Attorneys shall furnish the Debtor with a statement indicating the legal costs, collection commission, Sheriff’s charges and interest payable by the Debtor to the Creditor and the Debtor undertakes to pay such amount to the Creditor’s Attorneys within seven (7) days of dispatch of such statement by the Debtor from the Creditor’s Attorneys.
2. If applicable, all payments by the debtor to the creditor shall be appropriated by the Creditor firsts towards legal costs, then to collection commission, then to interest and thereafter to the Capital amount.
3. In the event of the Debtor:
	1. failing to pay punctually on due date any amount whatsoever stipulated for this acknowledgement of Debt; or
	2. generally without limitation from the aforegoing by committing any other breach of the stipulations or warranties contained in this Acknowledgment of Debt; then and in any such event the full balance of all amounts owing in terms of this Acknowledgment of Debt shall immediately become due and payable without notice (notwithstanding anything to the contrary herein contained) and notwithstanding that the Creditor or its Attorney had previously granted any indulgence to the Debtor.
4. Variation/s of this Acknowledgment of Debt shall not be valid, unless reduced to writing and signed by the authorised representatives of both parties.
5. No indulgence of whatsoever nature or any relaxation of any of the terms hereof, by the Creditor to the Debtor shall in any way constitute a novation or waiver of the Creditor’s rights hereunder.
6. I acknowledge that in the event of me being sequestrated, that the full outstanding amount in terms hereof shall become due, owing and payable.
7. I acknowledge that should I resign from the employ of the Creditor, or be dismissed, the full and final settlement of this debt will be due in full.
8. The debtor renounces the benefit of the following legal expressions and benefits with the full force, meaning and effect of which he declares himself to be fully acquainted:

*“revision of accounts”, “error of calculation”, “no value received”, “beneficium divisionis”, “excussion”* and any other exceptions which might or could be taken in law to the payment of the indebtedness fo the debtor to the Creditor.

1. The Debtor chooses *domicilium citandi et executandi* for all purposes as follows:

[EMPLOYEE FULL ADDRESS]

1. The parties consent to the Magistrate’s court having jurisdiction *in re*spect of the Debtor in terms of Section 28(1) of the Magistrate’s Court Act 1944, to which the Debtor hereby consents to in terms of Section 45 of the said Act.

Dated at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ on this the \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_ 2008

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **[EMPLOYEE SIGNATURE [EMPLOYEE FULL NAME]**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**EMPLOYER SIGNATURE**