**ACKNOWLEDGEMENT OF DEBT**

I, the undersigned,

………………………………………..

(name of employee)

do hereby acknowledge myself to be truly and lawfully indebted unto and in favour of

# THE COMPANY

in the sum of R……………… being in respect of monies lent and advanced by The Company to me for the purpose of ……………………………………………………..

1. I undertake to pay interest on the said sum at the rate of ………% (being pa above Nedbank’s prime overdraft rate) calculated weekly / monthly in advance from ……………………… 20……. and thereafter on the last day of each succeeding week / month until such time as the aforesaid capital has been repaid to The Company. The above rate will be varied as Nedbank’s prime overdraft rate varies.
2. I undertake to repay the said sum to The Company by no later than ……………… 20…..
3. All payments made by me to The Company shall be calculated firstly in reduction of interest then due and thereafter in reduction of the capital amount owed by me to The Company.
4. I hereby renounce the benefits of the legal exceptions “non numeratae pecuniae”, “errore calculi”, “non causa debiti” and “revision of accounts”, the meaning and effect of which I acknowledge myself to be fully acquainted.
5. No act of relaxation, indulgence or grace on the part of The Company shall in any way operate or be deemed to be a waiver by The Company of any of its rights against me under this agreement or a novation of this agreement.
6. In the event of my not making payment of any one instalment in respect of interest or capital on the due date, then the full amount owed by me to The Company as at that date, including the interest for the unexpired period of the loan, shall forthwith become due and payable by me to The Company and The Company shall have the right to institute legal proceedings against me for the recovery thereof without notice.
7. Notwithstanding the provisions of paragraph 2 and 6 above, I hereby agree that in the event of my employment with The Company being terminated for any reason whatsoever, the balance owing by me to The Company as at the date of such termination shall immediately become due and payable.
8. As security for the due fulfilment of my obligations unto and in favour of The Company in terms hereof:
	1. I hereby cede, assign, transfer and make over unto and in favour of The Company all of my rights, title and interest in and to:
		1. All remuneration currently due or which may in the future become due to me from The Company including but not limited to my wages, salary, leave pay, notice pay and bonus pay.
9. I undertake to make payment of all stamp duty in respect of this agreement and any other documents executed pursuant hereto or pursuant to the implementation of the securities recorded in paragraph 8 above.
10. I undertake to pay all or any costs incurred by The Company enforcing any of its rights against me in terms hereof on the scale as between The Company and its own attorney, including collection commission and notwithstanding that proceedings may not have been instituted against me by The Company out of any court.
11. I hereby consent to the jurisdiction of the Magistrate’s Court having territorial jurisdiction in terms of Section 45 of the Magistrate’s Court Act notwithstanding that the cause of action against me may otherwise be outside of the jurisdiction of such court. I nevertheless acknowledge that The Company shall be entitled to institute proceedings against me in its discretion out of any other court of competent jurisdiction.
12. The parties do hereby choose domicillium et executandi as set out hereunder:

12.1 The Creditor : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

12.2 The Debtor : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

* 1. Any notice sent to a party’s domicillium citandi et executandi as selected above by prepaid registered post shall be deemed to have been received by such party on the fourth day after posting same, or if delivered by hand, on the date of such delivery by hand.
	2. Either party shall be entitled to alter its domicillium citandi et executandi in terms hereof by furnishing to the other of them in written notice of such alteration provided that such altered domicillium citandi et executandi shall be within the Republic of South Africa and such alterations shall only be effective 3 (three) days after receipt by the other party of such notice.
1. This agreement constitutes the whole agreement between the parties and no representations or warranties not contained herein shall be of any force or effect unless in writing and signed by both the parties hereto. No consensual termination of this agreement shall be of any force or effect unless in writing and signed by both parties hereto.
	1. The parties acknowledge that they have not been induced or coerced to enter into this contract by virtue of any representations, statements or warranties made by the other of them or persons acting on their behalf, which are not included herein. The Company shall not be responsible for any representations which may be made from time to time by its representatives, servants or agents, save as may be contained herein.
2. A certificate issued by the auditors or a director of The Company recording the amount from time to time due and owing by me to The Company and stating that the said sum is then due and payable shall constitute full and sufficient proof that the said sum is so due and payable and shall not be open to question and shall be sufficient to render this document liquid for the purpose of enabling The Company to obtain provisional sentence against me.

Dated at ……………..…………. this ………… day of ……………………………. 20………….

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Witness |  | For The Company |
|  |  | duly authorised hereto |

Dated at ……………..…………. this ………… day of ………………………………. 20…………

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Witness |  | Debtor |