

ACKNOWLEDGEMENT OF DEBT | Pro Forma

Free Download: This downloadable AOD template may be copied for use as intended by the publishers i.e. as a guide in the drafting of an Acknowledgement of Debt agreement. It may not be sold or replicated for purposes of redistribution or for gain.

NB! PLEASE READ: For those who have a legal background or qualification with knowledge of AOD agreements, use the appropriate template to draft the required AOD. **However, before deciding to use this AOD template, it is imperative to ascertain whether or not the nature of the debt evidenced by the AOD is governed by the National Credit Act, in which case the plaintiff should comply with the procedural requirements of the act.**

For the rest of us, the ANC-templates will provide guidance and insight of what the AOD agreement entails and help you in the decision-making process regarding the options available to a creditor and to consider the legal consequences of the chosen action.

In broad terms, the AOD could provide a creditor with a form of security in respect of debt owed. If applied correctly, a creditor can sue for payment of an existing debt, evidenced by an AOD, without providing extrinsic evidence since it is a liquid document. It is therefore crucial for anyone contemplating to use an AOD agreement, to obtain professional guidance.

Who to contact:

There is a knowledgeable attorney dealing with debt recovery and civil claims near you:

http://www.graystonlegal.co.za/debt_collection.html

ACKNOWLEDGEMENT OF DEBT

I, the undersigned,

(Identity Number _____)

(hereinafter referred to as "the debtor")

1. I admit to having received the Letter of Demand as contemplated in section 58 of the Magistrate's Court Act 32 of 1944.
2. Admit liability to _____ (hereinafter referred to as "the Creditor") for the payment of the outstanding capital amount of R_____.
3. Offer to pay the aforementioned capital to the Creditor by means of _____ (___) equal monthly instalments in the amount of R_____ each, to commence on _____ **20**__.
4. And each subsequent instalment to be paid on or before the 1st day of each subsequent month until the capital, has been paid in full.
5. In the event of me failing to comply with my undertaking in terms of Section 57 of Act 32 of 1944 (as amended), I hereby consent to judgment being entered against me in terms of Section 58 of Act 32 of 1944 (as amended) without further notice to myself as follows:-
6. Judgment for the full outstanding balance of the capital and interest in terms of this admission, as stipulated in a certificate signed by Creditor and/or his attorney together with all legal costs as well as the costs for this Application for Judgment, on the Attorney and Client scale; and

7. The Creditor shall be entitled to issue a warrant of execution against my movable and/or immovable assets, for recovery of the full amount for which judgment was granted.
8. The Creditor shall be entitled to obtain an Emoluments attachment order against my earnings. I confirm that in the event of an emoluments attachment order being granted against my earnings in the amount of R_____ per month, I will have sufficient funds to maintain myself and my dependants.
9. Consent in terms of Section 45 of Act 32 of 1944 (as amended) to the jurisdiction of such Magistrate's Court that has jurisdiction over me in terms of Section 28 of the aforementioned Act, notwithstanding the fact that the amount claimed from me would otherwise have exceeded the jurisdiction of such Court. The Creditor nevertheless retains the right to elect to institute proceedings in the Supreme Court.
10. Consent in terms of Section 65J(1)(d) of Act 32 of 1944 (as amended) to the granting and issue of an emoluments attachment order immediately upon judgment being entered against me in terms of Section 58 of Act 32 of 1944 (as amended)
11. I acknowledge and accept that notwithstanding anything contained herein, the Creditor may at any time hand this matter over to their attorneys of record for collection in which event I undertake to pay all costs on the scale as between attorney and own client in respect of any legal action instituted by such attorneys for recovery of the balance of the monies owing by myself together with collection commission and any other related costs.
12. Undertake to notify the Creditor and its Attorneys in writing within 14 days after I have changed my residence or work or business address, of such new address and I furthermore accept liability for the payment of tracing costs should I fail to abide by the terms of this clause and cause the Creditor to incur costs in tracing me.
13. Notwithstanding the foregoing, I agree that the full amount outstanding shall immediately become due, owing and payable in any of the following events:-

14.1 Should I surrender or assign my Estate; or

14.2 In the event of me being placed under provisional or final sequestrated or declared insolvent: or

14.3 An order be granted for the administration of my Estate, or placed under curatorship; or

14.4 In the event of my death;

14.5 Should I depart temporarily or permanently from the Republic of South Africa;

14.6 In the event of any payment not being made on due date.

14. I choose as my domicilium citandi et executandi the following address:

15. Acknowledge that this document constitutes the whole agreement between myself and Creditor and that no amendment, addition, deletion or cancellation of this agreement or any of its provisions shall be of any force or effect unless reduced to writing and signed by or on behalf of the parties.

16. No indulgences granted by the Creditor shall be construed as a waiver of any of the Creditor's rights under this agreement or at law.

DATED AT _____ ON THIS THE _____ DAY OF _____ 20__.

As witnesses:-

1. _____
DEBTOR

2. _____

DEBTOR'S DETAILS

IDENTITY NUMBER:

RESIDENTIAL ADDRESS:

POSTAL ADDRESS:

EMPLOYER:

EMPLOYER'S ADDRESS:

TELEPHONE:

FAX:

E-MAIL:

REFERENCE NUMBER: