



Legal Track

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Reg nr 2002/083292/23

DEBT COLLECTION AGREEMENT

Memorandum of Agreement entered into by and between
Rapid Effects 112 cc T/A LEGAL TRACK (hereinafter referred to as the AGENT)

And herein represented by _____

AND _____ (hereinafter referred as the CLIENT)

And herein represented by _____

Both signatories to this agreement, on signature hereof, warrant that they are duly authorized hereto.

WHEREAS

The AGENT has agreed to collect the outstanding DEBT as owed to the CLIENT by its DEBTORS and as handed over to the AGENT by the CLIENT from time to time. Both parties hereto agree to the following:

1. The commission percentage on the successfully collected DEBT and INTEREST will be _____% (excluding VAT). The AGENT reserves the right to review the commission structure subject to 30 days written notice to the CLIENT.
2. The AGENT undertakes to pay to the client, on a monthly basis, all successful collections of the DEBT minus the commission, which shall be calculated as in 1 above and costs as calculated in 3 below.
3. The AGENT reserves the right to collect from the DEBTOR all expenses and fees as provided for, in the Debt Collectors Act, No. 114 of 1998 and these costs will be deducted from payments made to the agent on a pro-rata basis.
4. Interest collected, at the Mora rate, in addition to the capital debt will also be paid over to the client subject to the stipulations in 1 above.
5. The AGENT will request the debtors to make payments directly into the Trust account of the AGENT. The CLIENT undertakes to inform the AGENT, in writing, on a weekly basis, of all payments that are received directly at its branches / offices. In such an event the Agent will be entitled to an amount equal to the commission as determined in 1 above, on all payments made directly to the CLIENT.
6. The CLIENT reserves the right to withdraw the DEBT or any part thereof, only if the handover of the particular DEBT, or part thereof was due to an administrative error on the part of the CLIENT. The AGENT shall be entitled to collection commission on monies collected after date of handover as per clause 1 above.
7. The AGENT will take the necessary steps to recover the DEBT as per the CLIENTS instructions. Should it become necessary to make use of the services of an Attorney / Advocate or any professional person, the following will be applicable: (a) The CLIENT to be informed by the AGENT and the CLIENT must give written permission for the handover. (b) The CLIENT will be held liable, directly towards the Attorney / Advocate or any professional person, for the cost incurred. (c) It is however agreed that the AGENT will also have the sole discretion to make use of the services of an Attorney / Advocate or any professional person without a written permission by the CLIENT. In such event the AGENT will be liable for all costs towards the Attorney / Advocate or any professional person.
8. The CLIENT reserves the right to withdraw the DEBT or any part thereof other than those referred to in 6 above with 30 days written notice to the AGENT. The CLIENT shall be held liable for expenses incurred by the AGENT as in clause 3 above and commission due as per Clauses 1 & 6 above.

THUS DONE AND SIGNED BY THE CLIENT AT ON THIS DAY OF 20

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WITNESS

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ON BEHALF OF THE CLIENT

THUS DONE AND SIGNED BY THE AGENT AT ON THIS DAY OF 20

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WITNESS

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ON BEHALF OF THE AGENT