

**Application by Consumer for Debt Review (FORM 16)
In terms of section 86(1) of the National Credit Act No. 34 of 2005**

Applicant details: If you are married in community of property, both spouses must apply jointly

PERSONAL DETAILS	MAIN (1 ST) APPLICANT	2 ND APPLICANT (SPOUSE)
Why is this application brought jointly?		
Title		
Initials		
First Names		
Surname		
South African Citizen? (Yes/No)		
Identity Number		
Gender		
Ethnic Group (Asian / Black / Coloured / White)		
Marital Status (Ante Nuptial Contract / Civil Union / Community of Property / Single / Traditional)		
Telephone Number (Home)		
Telephone Number (Work)		
Fax Number		
Mobile Number		
Email Address		
Physical Address		
City		
Province		
Postal Code		
Period At Address		
Postal Address		
City		
Postal Code		
Do you own a fixed property (Yes/No)?		
How many bonds do you have?		

Please Sign: _____

*I/We herewith consent to service of my/our Debt Review Court Application and/or all other debt review related documentation on the above email address.

EMPLOYMENT DETAILS	MAIN (1 ST) APPLICANT	2 ND APPLICANT (SPOUSE)
Name Of Employer		
Is employment permanent / contract / periodic / self-employed?		
Start Date		
Personnel Number		
Pay Day		
Occupation / Job Description		
Employer Address		
Province		
City		
Postal Code		
Employer Telephone Number		
DEPENDANT DETAILS		
Number of Dependants		
Ages of Dependants		
Gender of Dependants		
If your dependants are not minors, to what extent are you supporting them?		
IF YOU ARE MARRIED OUT OF COMMUNITY OF PROPERTY AND YOUR SPOUSE IS NOT INCLUDED IN THIS APPLICATION, PLEASE COMPLETE		
Is your spouse employed?		
If yes, what amount does your spouse contribute to the joint household?		

Please Sign: _____

INCOME	MAIN (1ST) APPLICANT	2ND APPLICANT (SPOUSE)
Gross Salary (Before Deductions)	R	R
Bonus	R	R
Commissions (if irregular, average for last 6 months)	R	R
Dividends	R	R
Grants	R	R
Interest Income	R	R
Investment Income	R	R
Leave Paid Out	R	R
Overtime (if irregular, average for last 6 months)	R	R
Pension Income	R	R
Property Rental Income	R	R
Other Income (specify)	R	R
TOTAL INCOME	R	R
PAY SLIP DEDUCTIONS	MAIN (1ST) APPLICANT	2ND APPLICANT (SPOUSE)
Funeral Policies	R	R
Garnishees / Admin Orders	R	R
Group Life	R	R
Insurance	R	R
Loans	R	R
Medical Aid	R	R
Loans	R	R
Pension Fund	R	R
Union Subscription	R	R
RAs / Endowment	R	R
Tax	R	R
UIF	R	R
Other Deduction (specify)	R	R
Other Deduction (specify)	R	R
TOTAL PAY SLIP DEDUCTIONS	R	R

Please Sign: _____

LIVING EXPENSES		MAIN (1 ST) APPLICANT	
Assurance Expenses	R		R
Credit Insurance	R		R
Credit Life Insurance	R		R
Domestic / Cleaning Service	R		R
Educational Fees	R		R
Entertainment	R		R
Family Expenses	R		R
Groceries	R		R
Home Ownership Costs / Rent	R		R
Medical Expense	R		R
Pension Expense	R		R
Petrol / Travel	R		R
Security	R		R
Telephone	R		R
Water & Electricity	R		R
Bank Charges	R		R
Clothing	R		R
Funeral Cover	R		R
Contingency	R		R
Household Insurance	R		R
Household Maintenance	R		R
Mobile Phone	R		R
Municipal Rates and Taxes	R		R
Retirement Annuity Fund Contributions	R		R
Tithes	R		R
Vehicle Insurance	R		R
Vehicle Maintenance	R		R
Other (please specify)	R		R
Other (please specify)	R		R
Other (please specify)	R		R
Other (please specify)	R		R
Other (please specify)	R		R
Other (please specify)	R		R
TOTAL LIVING EXPENSES	R		R
BALANCE AVAILABLE TO SERVICE DEBT (TOTAL INCOME LESS TOTAL PAY SLIP DEDUCTIONS LESS TOTAL LIVING EXPENSES)	R		R

Please Sign: _____

DEBT OBLIGATIONS

Please include ALL debts of both applicants: Home Loans, Vehicle Finance, Credit Cards, Bank Overdrafts, Personal Loans, Micro Loans, Furniture Accounts, Clothing Accounts, Money owed to Attorneys or Debt Collectors, etc.

It is important to list ALL your debts IN FULL AND CORRECTLY. Failure to do so may result in delays in processing your application and/or problems during the legal process.

CREDITOR NAME	ACCOUNT TYPE	ACCOUNT NUMBER	INSTALLMENT AMOUNT	INTEREST RATE (%)	OUTSTANDING AMOUNT
			R	%	R
			R	%	R
			R	%	R
			R	%	R
			R	%	R
			R	%	R
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			R	%	R
			R	%	R
TOTALS			R		R

I/We hereby confirm that it is my/our responsibility to disclose all our debt obligations to my/our debt counsellor. By signing this document I/we confirm that we have disclosed all our obligations under all our credit agreements with our creditors as listed and confirm that we understand that an omission to disclose an account may lead to that account being excluded from the debt review process.

Please Sign: _____

REASONS FOR OVER-INDEBTEDNESS

1	Death	
2	Funeral	
3	Medical (Illness)	
4	Retrenchment	
5	Divorce	
6	Family Responsibility (Birth of a child, etc)	
7	Accidents	
8	Economic factors (Recession, interest rates, etc)	
9	Substance Abuse	
10	Lack of Education	
11	Lifestyle	
12	Aggressive Marketing	
13	Cost of Housing	
14	Accommodation (Rental)	
15	Self-Employed – Non-payment by Debtors	
16	Contract Loss / Tender loss	
17	Dissolving Business Partnership	
18	Other	

PLEASE MOTIVATE REASONS:

Please Sign: _____

Declaration

I declare as follows:

- 1) I undertake to comply with all requests from the debt counsellor to assist him/her to evaluate my state of indebtedness and to investigate the prospects for responsible debt restructuring. I consent to DebtCare obtaining my credit record from any/all registered credit bureaus and any other registers which may contain any of my credit information.
- 2) I undertake not to enter into any further credit agreements other than a consolidation agreement, with any credit provider until one of the following events have occurred:
 - The Debt Counsellor rejects my application; or
 - The Court determines that I am not over indebted; or
 - All my obligations under credit agreements as re-arranged are fulfilled.
- 3) I understand that I **MUST NOT SIGN ANY DOCUMENTS** whatsoever that I receive from any credit provider and shall make no promises, either verbally or in writing, to any of my credit providers.
- 4) I undertake not to hand over any of my assets to debt collectors unless I have first discussed the matter with DebtCare.
- 5) I confirm that the information contained in this document is to the best of my knowledge true and correct.
- 6) I declare that the debt review process has been explained to me and I understand that:
 - The debt remains my responsibility and that I must continue making payments to all my credit providers every month notwithstanding the fact that I have applied for debt review. Accounts from service providers and accounts in which legal action has commenced cannot form part of the debt review process and that I am personally responsible for paying them.
 - I must open a new banking account (savings) and I must arrange for my salary to be paid into the new account. I understand that if I fail to do so, the banks may deduct monies from my account and DebtCare will not be able to assist in obtaining a refund of monies taken. I must provide proof of insurance on motor vehicle(s). The initial repayment amount calculated by DebtCare may not be sufficient for my credit providers and they may request a higher amount. DebtCare may, therefore, contact me with a request for an increase in the repayment amount.
 - I understand and accept the Debt Counselling Fee Structure and understand that my first installment of the debt re-arrangement plan (or part thereof) will be payable to DebtCare for services rendered.
 - I understand my debt review application must be finalized with a court order and I authorize DebtCare to instruct an attorney to appear in court on my behalf and I accept full responsibility for the settlement of the legal fees as set out below.
 - I understand that if I default on any obligation in terms of the debt re-arrangement plan agreed upon with credit providers, such credit providers may terminate the debt review process and then enforce, by litigation or other judicial process, any right or security they may have under my credit agreements. I also understand that DebtCare may withdraw from my debt review in the event that I default on payments or fail to comply with any reasonable requests. I understand that I will then be required to pay the original installments and interest rates; reduced installments and interest rates will be cancelled and credit providers can then proceed with legal action against me that may result in judgment being taken and repossession of my assets.
- 7) I understand that a clearance certificate will only be issued after DebtCare is satisfied that I have fulfilled all debt obligations under debtreview.
- 8) I understand that there is a duty on me to inform DebtCare of any changes in my residential address, telephone numbers, employer and income.
- 9) I indemnify all employees and nominees of DebtCare against any claim that may be instituted against it or them arising from any act or omission by such person appointed by DebtCare or its nominee in the lawful execution of the terms and conditions of this agreement entered into by myself, and confirm that DebtCare shall not be liable for any damages suffered by me resulting from any act or omission of whatsoever nature, however arising. I hereby acknowledge that all lawful actions taken by DebtCare under its powers under this agreement are tacitly ratified by me, and I will be bound by such agreements as principal debtor.

Debt Counselling Fee Structure

All fees are regulated by the National Credit Regulator (NCR). We subscribe to the fee guidelines as prescribed by the NCR. Fees payable are as follows (all amounts and percentages quoted exclude VAT):

- 1) An Administration Fee of R300 per debt counselling consultation.
- 2) A Restructuring Fee of an amount equivalent to the first installment of the debt re-arrangement plan to a maximum amount of R8,000 (excl VAT) per single application. Should you wish to withdraw from the debt review process, there will be a cancellation fee as set out in the NCR guidelines payable by you.
- 3) A Restructuring Fee of an amount equivalent to the first installment of the debt re-arrangement plan to a maximum amount of R9,000 (excl VAT) per joint application. Should you wish to withdraw from the debt review process, there will be a cancellation fee as set out in the NCR fee guidelines payable by you.
- 4) A monthly Aftercare Fee of 5% (excl VAT) of the monthly installment of the debt re-arrangement plan up to a maximum of R450 (excl VAT) payable in every month after month 2 in which aftercare services are rendered.
- 5) To the Payment Distribution Agency (PDA): A monthly Payment Distribution Fee for each amount distributed in respect of each credit agreement included in the consumer's debt re-arrangement plan.
- 6) To Attorneys firm: A legal fee of an amount equivalent to the first installment to a maximum of R8,000 (excl VAT) per single application and R9 000 (excl VAT) per joint application to start the process to obtain a court order forcing your credit providers to abide by the terms of the debt re-arrangement plan. The deposit is payable in the 2nd month of the application.
- 7) DebtCare will instruct our specialist attorneys to complete a court application in order to obtain a court order. The Consumer is liable for the legal fees of obtaining same.
 - a. The amount payable is calculated in tiers. I understand that I will be informed which Tier is applicable to me/us after my interim debt review premium has been calculated. I further understand that since the legal fees payable are dependent on my affordability amount, the legal fee tier might change in the event that my affordability amount changes:
 - i. Tier 1: R 7000 (excl VAT)
 - ii. Tier 2: R 7500 (excl VAT)
 - iii. Tier 3: R 8000 (excl VAT)
 - b. 35 days after my application for debt review, the specialist attorney will be instructed to proceed to court. This is subject to me having made the required debt review payment/s, on time.
 - c. The legal fees as per point (a) will cover inter alia, but is not limited to:
 - i. Drafting Founding affidavit
 - ii. Drafting Supporting affidavit(s)
 - iii. Annexures relating to 7(i) and 7(ii)
 - iv. Court Appearance(s) relating to the Debt Review Court Order
 - v. Debt Review Magistrates Court Order
 - vi. Serving above-mentioned documentation on all necessary parties
 - vii. All other administrative tasks as required relating to the above
- 8) DebtCare has, as a gesture of goodwill agreed that the said amounts will be paid in the following manner:
 - a. The full amount of my first two monthly debt restructuring payments will be allocated to DebtCare in respect of the restructuring fee and the balance of the first monthly payment, as well as the second month's payment will be allocated to pay DebtCare in order to apply for a debt review court order.
 - b. Should the aforementioned payments be sufficient to cover the costs, the balance thereof will be distributed amongst my credit providers.
 - c. Should the aforementioned payments not be sufficient to cover the amount for the court application, DebtCare will be listed as an obligation in my debt restructuring plan to collect same.

Signed at _____ (place) on _____ (day) of _____ (month) of _____ (year)

Name of Main Applicant: _____ Signature of Main Applicant _____

Name of 2nd Applicant: _____ Signature of 2nd Applicant: _____

Please Sign: _____

TERMS AND CONDITIONS

The Consumer agrees that the terms and conditions hereunder shall apply.

1. The terms and conditions as set out hereunder are governed by the National Credit Act and Regulations (the "NCA) and National Credit Regulator (NCR). The NCR has the authority to issue NCR Guidelines which can be amended from time to time. The Consumer indemnifies the Debt Counsellor (its directors, shareholders, employees and consultants) against any damages of whatsoever nature and howsoever arising from changes in the said NCA or NCR Guidelines from time to time.
2. This debt review application is in terms of the NCA and the Debt Counsellor is fulfilling the statutory duty as an unbiased party between the consumer and the credit providers;
3. The Debt Counsellor is entitled to suspend the debt counselling services, as per the prescribed form set out in the NCR Withdrawal Guidelines, if the Consumer fails to:
 - 3.1. Comply with the reasonable requests of the Debt Counsellor;
 - 3.2. Pay the prescribed fees in terms of the NCR Debt Counselling Fee Guidelines.
4. Upon the suspension of debt counselling services by the Debt Counsellor pursuant to the provisions of clause 3 the Consumer hereby acknowledges that he/she understands that:
 - 4.1. There is a risk of credit providers terminating the debt counselling process;
 - 4.2. He/she may not incur further debt;
 - 4.3. He/she cannot withdraw from the debt counselling process after a Form 17.2 (declaration of over-indebtedness) has been issued;
 - 4.4. Transferring to an alternative debt counsellor is subject to the payment of all outstanding fees of the current Debt Counsellor.
5. In the event of the debt counselling services being suspended by the Debt Counsellor in terms of paragraph 3, the consumer hereby indemnifies and holds the Debt Counsellor (its directors, shareholders, employees and consultants) harmless against:
 - 5.1. Termination by credit providers;
 - 5.2. All claims, losses, costs and expenses incurred or suffered by the Consumer arising from any claim/s instituted by any third party in relation to or in connection with the debt counselling process.
6. Prior to the issuing of Form 17.2 by the debt counsellor the consumer can withdraw from the debt review process as set out in NCR Withdrawal Guideline.
7. The debt counsellor is obligated to refer the debt re-arrangement proposal to a Magistrate's Court or to the Tribunal for a court order subject to payment of legal fees.
8. A court order can be rescinded if the consumer is no longer over-indebted or if all debts have been settled in full and the Debt Counsellor has issued a clearance certificate. An estimate of costs will be provided to the consumer by the Debt Counsellor upon request of a rescission application.

By signing this declaration the consumer confirms that he / she understands the implications and consequences of debt review.

Please Sign: _____