

FORM 16 - APPLICATION BY CONSUMER FOR DEBT REVIEW

NATIONAL CREDIT ACT, ACT 34 OF 2005

DEBT COUNSELLOR INFORMATION

Name: FT Schreuder Debt Counsellors
Registration Number: NCRDC1491
Telephone: 027 71 22668 / 072 5844 088
Email Address: online2562083@telkom.co.za / fschreuder91@gmail.com
Address: 11 Olivier Street, Springbok, 8240
Date of Application: _____
Debt Counsellor: Frans Schreuder

<u>CONSUMER INFORMATION</u>	<u>MAIN APPLICANT</u>	<u>SECOND APPLICANT</u>
Surname:	_____	_____
Full First Names:	_____	_____
Identity Number	_____	_____
Marital Status:	_____	_____
Work Tel Nr:	_____	_____
Home Tel Nr.:	_____	_____
Cell Phone Number:	_____	_____
Email Address:	_____	_____
Physical Address:	_____	_____
Postal Address:	_____	_____

OCCUPATIONAL DETAIL:

Name of Employer: _____
Position Held: _____
Address of Employer: _____
Dependents: _____

Full Names	Age	Relationship

Signature (Main Applicant)

Signature (Second Applicant)

INCOME AND STATUTORY DEDUCTIONS

Income Description	Applicant	Spouse	Total
Gross Pay			
Overtime			
Total Income:			

Deduction Description			
Pension			
Tax			
UIF			
Total Decuctions			

Nett Income			

NECESSARY LIVING EXPENSES

Bank charges	
Church	
Contingencies	
Domestic	
Educational Fees	
Clothing	
Groceries	
Petrol/Travel	
Medical Aid	
Rent	
Support-Child	
School outdoor expenses	
Telephone / Cellphone	
Water & Electricity	
Wifi	
Insurance: Life	
Insurance: Funeral	
Insurance: other	
Total:	

Signature (Main Applicant)

Signature (Second Applicant)

CREDIT PROVIDER OBLIGATIONS

REMAINING TOTAL

Net Income	
- Total Expenses	
Affordability Amount	

Signed at _____ on this _____ day of _____

Signature (Main Applicant)

Signature (Second Applicant)

Debt Counsellor: Frans Schreuder

DECLARATION TO FORM 16 & POWER OF ATTORNEY

I/We, the undersigned

Identity Number: _____

And

Identity Number: _____

Status: _____

1. Consent

I hereby appoint **Frans Theron Schreuder of FT Schreuder Debt Counsellors DC1491** which has its principal place of business at 11 Olivier Street, Springbok ("the Debt Counsellor"), to be my true and lawful agent and I expressly grant the Debt Counsellor **full power and authority to**, on my /our behalf:

- 1.1 **Cancel any debit orders** and/or stop any payments of any debit orders;
- 1.2 **Obtain and disclose all information** regarding my financial position to/from credit providers and all registered credit bureaus;
- 1.3 Act on my/our behalf in applying for the debt re-arrangement order and to sign the application and repayment agreement on my/our behalf;
- 1.4 **Negotiate** a debt restructuring plan with my credit providers;
- 1.5 **Appoint HYPHEN Payment Distribution Agency** on my behalf;
- 1.6 **Apply to the Magistrate's Court or National Consumer Tribunal (NCT)** with jurisdiction for a **court** order / consent order according to the debt restructuring plan in terms of Section 79 read with Section 86 and 87, or instruct an attorney to do so;
- 1.7 **Take** whatever **legal steps** he may deem necessary to improve my ability to meet my financial monthly commitments towards my credit providers.

2. Undertaking by consumer

- 2.1 I undertake not to **sign any documents** whatsoever that I receive from my credit providers, and shall make no promises, either verbally or in writing, to any of my credit providers.
- 2.2 I undertake to **make interim payments** as reflected in the Payment Schedule pending the finalisation of the Consent or Court Order and that failure to do so can result in the termination of the Debt Review application by the Debt Counsellor or my Credit Providers.
- 2.3 I undertake to **comply with all requests** from the Debt Counsellor to assist him in evaluating my state of indebtedness and the prospects for responsible debt restructuring.
- 2.4 I undertake to inform the Debt Counsellor in the event that any of my **contact details change** aJPer application, enabling the Debt Counsellor to forward any important information or communication to myself/us.
- 2.5 I undertake **not to engage** the services of any **other Debt Counsellor** or debt assistance entity whilst I am under debt review with FT Schreuder Debt Counsellors.
- 2.6 I undertake **not to enter into any credit agreements** while registered for debt review.
- 2.7 I undertake to attempt to **sell luxury items** such as multiple properties, timeshare, holiday points, boats, quad bikes and other luxury items and utilise the profit from such sales to settle outstanding debt.
- 2.8 I undertake to ensure that **assets** subject to finance (homes, vehicles) are and continue to be, **insured**.

Signature (Main Applicant)

Signature (Second Applicant)

2.9 I undertake to **declare all outstanding debt** to the Debt Counsellor and understand that non-disclosure of debt may lead to exclusion of such debt from the debt review process.

3. Declaration

3.1 I confirm that the information contained in this document is, to the best of my knowledge, **true and correct**.

3.2 I hereby choose as my **domicile citandi et executandi** (legal address for all notices) for the purpose of giving notice, the serving of any process and for the purpose arising from this agreement the address as listed on the Application (Form 16).

3.3 I undertake to inform my debt counsellor of any change of my income or expenses.

3.4 I hereby confirm that I am currently **unable** to meet my monthly commitments to my Credit Providers

3.5 I confirm that I can only **afford** the amount calculated in terms of the budget.

3.6 I hereby agree and undertake to keep the Debt Counsellor **indemnified** against all loss or damage from any cause arising which I may sustain as a result of the application in terms of Section 86 of the National Credit Act of 2005. I hereby acknowledge that all lawful actions taken by FT Schreuder under its powers under this agreement are tacitly ratified by me, and I will be bound by such agreements as principal debtor.

3.7 I acknowledge that the debt counsellor brings this application on my behalf. I hereby indemnify the debt counsellor of any cost order that may be given against him. Any such payment may be deducted from my monthly payments, before Credit Providers are paid, or any other action can be taken to recover these costs.

3.8 I understand that my creditors will still contact me with regards to my account and payments and that I must refer all such enquiries to the DC.

3.9 I **declare** the following **assets** in my possession that can be sold to reduce debt:

- 1) Savings and shares:none
- 2) Luxury assets financed to be sold:none

4. Confirmation

4.1 I confirm my instructions to the Debt Counsellor to **investigate reckless credit** in respect of my following credit agreements:

..... and to furthermore instruct the Debt Counsellor to seek a declaration of reckless credit on my behalf should reckless credit be evident.

4.2 I hereby confirm that by signing this declaration, I enter into a **mandate** agreement with the Debt Counsellor willingly, in terms whereof the Debt Counsellor has the power to terminate this mandate for default on my part. I confirm that I have been informed that the National Credit Act does not provide for termination of the Debt Review Process, but that mandate agreements, such as these, are regulated by common law principles and that I accept this mandate in terms thereof.

4.3 I am aware of the fact that credit agreements on which legal action has commenced in terms of **Section 130** of the NCA prior to my application for debt review, are **excluded** from debt review, except where the credit provider consents to its inclusion. I confirm that any legal notice that was issued on any of my credit agreements is included in the documentation herein and a copy was handed to FT Schreuder.

4.4 I confirm that I have **received copies of this application** as well as a receipt of application for debt review in terms of Section 86 of the NCA of 2005.

4.5 I acknowledge that if someone signed as **surety** for me in respect of any of my credit agreements, the surety may be called up by the relevant credit provider, if the payments in terms of the credit agreement are not met.

5. Process

5.1 The **debt review process** and the role of the Debt Counsellor have been fully explained to me and are clearly understood by me.

5.2 I confirm that I have been informed that my Credit Providers may continue to call or sms me. All **creditor threats** will be recorded and reported to the Debt Counsellor.

5.3 I will not be "blacklisted" and only **flagged** for debt review by all credit bureaux while registered for debt review.

Signature (Main Applicant)

Signature (Second Applicant)

5.4 Legal action cannot be instituted against me by any of my Credit Providers on credit agreements that are included in the debt review application during the first 60 days as per my application for debt review.

5.5 I understand that once all my debt included in the debt review have been settled and zero balances have been confirmed by the credit providers to the Debt Counsellor in writing, a **clearance certificate** will be issued by the Debt Counsellor, subject to payment of all fees due to the Debt Counsellor for services rendered up to that point.

5.6 The **clearance certificate** will be forwarded by the Debt Counsellor to the credit bureaux and the debt review flag will be removed from my credit record.

5.7 I understand that I **cannot be under debt review without a debt counsellor**. A **clearance certificate** can only be issued by the Debt Counsellor on record.

5.8 I understand that the following credit agreements may inter alia be **included in the debt review** application: home loans, vehicle finance, credit cards, store cards, personal loans, overdrafts and microloans.

5.9 I understand that **debt** which is **not covered** by the National Credit Act may only be included subject to the credit provider's consent.

5.10 I understand that the **initial repayment amount** calculated by the Debt Counsellor may not be sufficient for my credit providers or as ordered by court and it may be necessary to **increase** this amount. Any increases in insurance applicable to credit agreements will be added to the initial instalment.

5.11 I understand that a **court order** or **consent order** must be obtained and that I am liable for payment of the legal fee.

6. Withdrawal/Cancellation/Termination/Transfer

Withdrawals:

6.1 I confirm that I will **not be able to voluntarily withdraw** or **terminate the debt review process** once I have applied for debt review. The **debt review flag will remain on my credit record**, and I will be unable to enter into any new credit agreements until all my debt have been settled and a clearance certificate issued.

6.2 I confirm that I understand that a **Debt Counsellor has no statutory power to remove the debt review listing** from the credit bureaux, save for the issuance of a Clearance Certificate.

6.3 I understand that, in terms of a full bench judgment, no court has the power to declare a consumer no longer over indebted after a Magistrate or NCT has made an order that a consumer is over-indebted. The only remedy to exit debt review is to repay the debt as set out in Section 71 of the NCA (issuing of a Clearance Certificate).

6.4 I understand that a **credit provider may terminate a credit agreement** from the debt review process in terms of Section 86(10) of the NCA when payments are not being made according to the court order/consent order. This will result in the agreement reverting to **contractual terms** and conditions and possible legal action and/or repossession of assets.

6.5 I understand that the **Debt Counsellor may withdraw** from the debt review process in the event that I default on my payments or fail to pay prescribed fees or fail to comply with reasonable requests.

6.6 I may request a **transfer** to another debt counsellor subject to the payment of all debt counselling fees due when transfer was requested.

6.7 **Transfers:** A consumer can be transferred to another registered debt counsellor at any stage during the debt review process. When a consumer is transferred the following applies:

- i. The debt review process does not start afresh. The receiving debt counsellor has to continue with the debt review process where the previous debt counsellor left off. To this end, the transferring debt counsellor must supply all consumer and debt counselling related documents to the receiving debt counsellor upon transfer.
- ii. The receiving debt counsellor may not charge a new application fee, administration fee, restructuring fee or legal fee if these fees were already paid by the consumer to the previous(transferring) debt counsellor.
- iii. After-care fee by the receiving debt counsellor can only be charged from the date of transfer.
- iv. A consumer is required to pay all outstanding debt counselling fees for work completed up to date of transfer before the transfer date.

Signature (Main Applicant)

Signature (Second Applicant)

7. Payments

7.1 I undertake to **make all payments as re-arranged**, in full and on time. I understand that this remains my responsibility and undertake to ensure its monthly success. Should my debit order fail I will make a manual payment or other arrangement to honor my obligation. If I do not start making payments, or stop them without cancellation in writing, I will be liable for the full restructuring fee plus costs and interests. I further acknowledge that failure to make prompt payment, entitles the Debt Counsellor to terminate this debt review and restructuring process.

7.2 I understand that any **deviance** from the re-arranged payment plan may result in a credit provider **terminating** a credit agreement from the debt review process and commencing **legal action** against me.

7.3 I will **not make any direct payments** toward any creditors included in the debt review without informing the Debt Counsellor. **Proof of payments** will be sent by me to the Debt Counsellor for record keeping and to facilitate proper after care service.

7.4 I will go to my bank and **stop all debit order payments** in respect of credit agreements included in the debt review application.

7.5 I will **open a new savings account** at an institution where I don't have any credit obligations. I take full responsibility for deductions from my bank account(s) should I neglect to open a new account(s). I will arrange for my salary(ies) to be paid into the new account(s). If the creditors do claim monies from my existing account, I cannot hold the DC responsible for claiming back such monies from the bank or the creditor claiming the money.

7.6 I will arrange with my salary department to **discontinue** all creditor related **salary deductions**, excluding emolument order deductions.

7.7 **Direct payments:** I may elect to pay my credit providers directly and not make use of the services of a Payment Distribution Agent (PDA) in which case the following rules will apply:

- i. the consumer remains under debt review and must provide paid up letters to the debt counsellor when requesting a clearance certificate.
- ii. A consumer cannot be under debt review without a debt counsellor. The consumer remains liable for payment of the monthly aftercare fee as well as the debt counselling fees as set out in the NCR Debt Counselling Fee Guidelines for work completed.
- iii. Consumer remains responsible to make all payments as re-arranged, in full and on time.
- iv. Proof of payments must be sent to the debt counsellor monthly for record keeping and to enable provision of after care service as a consumer cannot be under debt review without a debt counsellor.

8. Consent to process personal information in terms of the Protection of Information Act, 4 of 2013 (POPI)

I/We the Consumer(s) authorize my/our debt counsellor and its staff and /or agents to process, store and keep my/our personal information that has bearing to my/our debt review and whilst I/we do explicitly give my/our consent to our debt counsellor to do so, I/we understand and accept that my/our debt counsellor is obliged to act within the parameters of the Protection of Personal Information Act ("POPI").

Signature (Main Applicant)

Signature (Second Applicant)

9. DEBT COUNSELLING FEES:: ACKNOWLEDGEMENT OF OBLIGATION:

(Fees allowed to be charged by the Debt Counsellor)

Please Note: The process of Debt Counselling for which you are about to apply, cannot be executed without the incurrence of certain costs. **Such fees will become payable as explained below.**

Should you decide to proceed with the application by **signing NCR-Form 16** (Application by Consumer for Debt Review), the Debt Counsellor is allowed to charge fees according to the following NCR guidelines:

1. **Application Fee:** An initial Application Fee of **R50.00** is payable by all applicants.
2. **Administration Fee:** The Administration Fee of **R300.00** will be in respect of consultation with the applicant, including explanation of the Debt Review process and fee disclosure. The processing of a Form 17.1 notification to all the Credit Providers, capturing of applicant data onto the NCR DebtHelp system, compliance with Regulation 25 as well as the issue of a Form 17.2(a) if the application has been rejected.
3. **Restructuring Fee:** The Restructuring fee is a once off fee that will be equal to the **Affordability amount** with a maximum of **R8 000.00** in the case of a single application, or **R9 000.00** in the case of a joint application. The Restructuring Fee is in respect of attending to the Form 17.2(b) process, Proposal preparation, negotiations with creditors, supplying documentation to the attorney to draft the court application or filing an NCT application as well as providing a facilitating a Form 17.W process as per the specific guidelines. Payable by you at the first instalment.
4. **Legal Fee:** A legal fee equal to the restructuring fee plus all additional fees charged by the attorney will be payable which will cover the drafting of the court application as well as attendance at court. Submission of a NCT application will be R500.00, PLUS the NCT filing fee) of **R621.14** payable by you at the second instalment after completion of the restructuring process.
5. **After-care fee:** The Debt Counsellor may also charge a monthly after-care fee equal to 5% for the monthly instalment of the debt re-arrangement plan, up to a maximum of R450.00. This fee will be deducted from the monthly payment.
6. **Refund:** If the debt counsellor fails to submit proposals to credit providers or refer the matter to a tribunal or a magistrate's court within 60 business days from the date of signing NCR Form-16, the debt counsellor will refund 100% of the fee already paid by you.
7. **Reckless Lending fee:** The debt counsellor may charge a reckless lending fee of R1 500 for a reckless lending investigation payable in month two after completing the written outcome of the assessment, should I seek such an investigation in terms of clause 4.1.

PDA Fees: A monthly PDA (Payment Distribution Agent) fee will be paid to the PDA to maintain audited transactions and provide accurate account of cascading payment plans. All creditor providers will be paid with the PDA via one debit order.

The cost of distribution charged by the PDA is depending on the amount being distributed per credit provider. Distribution amounts from R1 to R200 will cost R5 (including VAT) per amount being distributed. Amounts from R201 to R500 will cost R10 (including VAT) per amount being distributed. Any amounts above R501 will cost R15 (Including VAT) per amount being distributed. This amount is included and is not over and above the instalment amount. I also understand that although I have the choice to not use the PDA system, it is highly advised to ensure accuracy of audited transactions. This amount is included within my monthly instalment.

I hereby acknowledge that the above-mentioned fee structure was comprehensively explained to me, and that I understand the implications thereof. I also acknowledge and understand that I will be liable for payment of the fees as set out here above.

I understand that I am applying for debt review as part of the Debt Counselling process. I understand this process and acknowledge that the future procedures have been explained to me.

Signature (Main Applicant)

Signature (Second Applicant)

10. I/We declare that:

- a. The information in this document is true and correct.
- b. That I have read and understood the terms and conditions of this agreement, understand it, and that the contents have been explained to me.
- c. I have received a copy of this document.
- d. I have received a copy of the NCR withdrawal guidelines 2021, which has been explained to me by the debt counsellor.

Signed at _____ on this _____ day of _____

Signature (Main Applicant)

Signature (Second Applicant)

Debt Counsellor

FT Schreuder Debt Counsellors

Frans Theron Schreuder
Registered Debt Counsellor
NCR No: NCRDC 1491

11 Olivier Street
SPRINGBOK 8240
Tel & Fax: 02771 22668
Email: fschreuder91@gmail.com

Date: _____

TO _____

RE: RECEIPT APPLICATION FOR DEBT REVIEW (SEC 86)

I hereby declare that the consumers as stated below applied for debt review on the above date.

CONSUMER PARTICULARS:

Surname: _____

Full Names: _____

ID: _____

Surname: _____

Full Names: _____

ID: _____

Marital Status: _____

Signed at _____ on this _____ day of _____

Signature (Main Applicant)

Signature (Second Applicant)

Debt Counsellor: FT Schreuder