

# NK Debt Collectors Pty Ltd



CFDC Reg No: 0094782/16  
Reg No: 2016/203802/07

## Collection Procedure

1. Section 129/130 is sent to the Debtor, informing them of the outstanding amount, according to the National Credit Act, as well as a Final Demand for payment, before Legal action commences. This document also informs them of the credit bureau listing within 20 days.
2. The debtor has 10 business days to respond.
3. Sec 56 Letter of Demand (Option 1) is issued to the Debtor – Note that our Client's instruction was to proceed with further eminent Legal action - Debtor has 10 days to rectify the default
4. Section 56 – 2<sup>nd</sup> and Final Letter of Demand (Option 2) is issued. – Due to the Debtor's willful refusal or negligence to pay the outstanding amount, despite several reminders / demands for payment, which was delivered / sent via Registered Mail / or emailed. Debtor has 10 days to rectify the default and acceptable installments payable or a payment offer.
5. All 3 of these documents informs the Debtor that they are liable for all the Legal and collection costs and interest incurred of which amounts must be calculated and added.
6. While this process is ongoing, we also make contact with the Debtor via Telephone calls, emails, sms's or consultation with the Debtor
7. In terms of Companies – we will ensure that the CIPC details are correct, and will advise if the company is still in business, In the process of deregistration (whether due to annual returns not complied with or requested. We will also assist, when the company has gone under business rescue and submit the necessary documentation to the Business rescue practitioner. In case of a business that is Liquidating, we will be in contact with the Liquidators, court dates, list of concurrent creditors (to ensure that the claim has been submitted. Upon final liquidation you will receive all relevant documents and payouts.
8. When the debtor does respond within the timeframe Legally required, we request that they sign an Acknowledgement of Debt and undertaking to pay called a Section 57/58 of the Magistrates court act. Thereby guaranteeing, that the Debtor is fully aware, that if they do skip payments, we are entitled to proceed with Judgement, which will remain against the debtor's name for 30 years.
9. If there is a dispute regarding the debt. The Client will be informed and we will mediate and negotiate a suitable Settlement amount, that both parties agreed upon.
10. An Affordability calculation will be sent to the Debtor to establish if a payment proposal will be accepted. This includes income, expenses to ensure that we get the maximum payment from the debtor.
11. In case where the Debtor's details are no longer valid, we will trace the Debtor, to ensure that we have accurate information, like contact numbers, physical addresses (Domicilium Citandi) and work details in case of a garnishing order needs to be obtained.
12. The credit bureau listing, will remain on ITC and Experian, until the Debt is fully paid. This is including interest and Legal cost.
13. All costs are recorded and remains the Debtor's liability, including the furnishing of a settlement account.
14. A statement of Account is sent to the Debtor every month, showing payments, interest, collection costs and collection commission.
15. A confirmation letter of paid in full account/Debt will be issued to the Debtor and to the clients.

I have read and understood the Collection Procedure.

Dated at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
Authorized Signature Client

\_\_\_\_\_  
Authorized Signature NK Debt Collectors Pty Ltd