|  |
| --- |
| **INSERT YOUR LOGO HERE** |

**SERVICE OBLIGATION AND REPAYMENT OF COURSE FEES**

(To be used where the Company requires an employee to work back a period in exchange for undergoing training. Please note:- this does not apply to learnerships, whose terms and conditions of employment are governed by the Sectoral Determination: Learnerships. The time periods specified here are examples only and can be amended  by the Company).

**Agreement made by and entered into by and between**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

("the Company")

and

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **ID Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

("the employee")

 **NOW WHEREAS** the employee is a permanent full-time employee of the Company; and

**WHEREAS** the company has identified the employee as a delegate on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("the course") over the period from \_\_\_\_\_\_\_\_\_\_\_ 20... to \_\_\_\_\_\_\_\_\_ 20... and

**WHEREAS** the costs of the course are considered as an investment in the long-term development of the employee for the benefit of the Company; and

**WHEREAS** the company would not have identified the employee as a delegate on the course if it was aware that the employee's services with the company would be terminated for any reason recognised in law as sufficient within a period of one (1) year from the date on which the employee was selected as a candidate for the course,

**NOW THEREFORE** the employee agrees and undertakes in favour of the company a service obligation equivalent to *one (1) year service*; and

Agrees to repay the company the full cost of the course if the employee fails to fulfill the service obligation; subject to the following terms and conditions:-

**General Terms and Conditions**

1. The Company has selected the employee as a candidate for the course. The costs of such course, per delegate, amounts to R\_\_\_\_\_\_\_\_\_. In return for being sent as a delegate on the course, the employee agrees to undergo a service of obligation with the company.

2. If the employee faithfully completes the service obligation in terms of this agreement, then the Company will release him/her from his/her obligation to repay the costs of the course.

3. Should the employee commit any breach of obligation or be guilty of any misconduct, whether in relation to his work or otherwise, or be guilty of any dereliction of duty, insubordination or incompetence, all of which is within the sole judgement of the Company, then in such event, the Company shall be entitled to cancel the service obligation forthwith or on such notice as the Company may deem fit. In this event, the costs of the course shall become due and payable.

4. If the employee's services are terminated at any time prior to the fulfillment of the service obligation, the Company may set off, in so far as it is legally entitled to do so, any monies owing to the employee.

5. If the employee completes his service obligation in full and in good faith, the employee will not be obligated to repay the costs of the course.

6. If the employee has completed a portion of his service obligation at the date of cancellation of his employment with the Company, the outstanding indebtedness of the employee will be reduced pro-rata. (Can be deleted)

7. The employee will be required to sign an acknowledgement of debt in favour of the company for the amount paid for and on behalf of the employee attending the course.

**ACKNOWLEDGEMENT OF DEBT**

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

**WITNESSES**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Signature Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name Name

**FOR AND ON BEHALF OF THE COMPANY**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Designation

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

**WITNESSES**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Signature Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name Name

**EMPLOYEE**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Signature

**ACKNOWLEDGEMENT OF DEBT**

I, the undersigned, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having identity number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereby acknowledge that I am indebted to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter referred to as the Creditor) in the sum of R \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ being the capital amount of course fees paid for and on my behalf by the Creditor on the date of signature hereof,

**THE CONDITIONS OF THIS LOAN ARE AS FOLLOWS:**

1. In the event that my contract of employment with the company is terminated prior to the completion of my service obligation in terms of the attached agreement, I undertake to repay in full the capital amount plus interest on my last working day in the month of the termination of my contract.
2. The Capital amount due and payable by me shall be reduced pro rata by the number of completed years of service tendered with the Company in terms of my service obligation. The capital amount shall be reduced by an amount of R\_\_\_\_\_\_\_\_\_ for every completed **month/year** of service worked with the Company, from date of successful completion of the above-mentioned course, being \_\_\_\_\_\_\_\_\_\_\_\_ 2001.
3. All payments shall be allocated in the first instance to the reduction of interest, then to the reduction of any monies due in terms hereof and thereafter to the reduction of capital.
4. All payments made to the Creditor in terms of this Acknowledgement of Debt shall be made to the creditor at
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_or to such other address as the Creditor may nominate from time to time, free of any deductions or charges.
5. Notwithstanding anything to the contrary contained herein I shall have the right to give the Creditor 30 days’ notice in writing of my intention to pay the outstanding capital and interest in one amount on a date mentioned in such notice and before the due date of such payment. The date so mentioned shall be deemed to be the date on which such outstanding capital and interest shall be payable in terms hereof.
6. In the event of my failure to make any payment promptly on due date, the Creditor shall have the right to demand immediate payment of the total amount owing to him. I further accept that in such circumstances I shall be liable for the payment of all legal fees on the attorney and client scale of costs, including collection commission, incurred by the Creditor in demanding an enforcing compliance with my obligations in terms hereof.
7. For the purpose of any action arising herefrom I hereby consent to the jurisdiction of the Magistrate’s Court, notwithstanding the fact that such proceedings may otherwise arise beyond its jurisdiction. This clause shall be deemed to constitute the required written consent conferring jurisdiction upon the said court pursuant to the provisions of the Magistrate’s Court Act of 1944, or any amendment or re-enactment thereof, provided that the Creditor shall be entitled at his entire discretion to institute proceedings in any other court which may otherwise have jurisdiction in respect of such action.
8. I hereby renounce the benefits of the legal exceptions *non numeratae pecuniae*, *non causi debitit* and *errore calculi* and revision of accounts and acknowledge that I am fully aware of the meaning and effect of such renunciations.
9. I hereby select the following address, namely \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_or any other address of which I may give the Creditor notice by registered post, as my *domicilium citandi et executandi* for all purposes of this Acknowledgement of Debt and for the purpose of the service of any notice in terms hereof.
10. I further agree that any notice sent to me by pre-paid registered post at such address shall be deemed to have reached me on the third day after the date of despatch, unless the contrary be proved.

THUS DONE AND SIGNED AT \_\_\_\_\_\_\_\_\_\_\_\_\_\_ on the \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20....

**AS WITNESSES**

**DEBTOR**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Signature Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name Name

**CREDITOR**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Signature Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Name Name