

loan or forbearance of money or money's worth, any greater or higher rate of interest than is declared to be lawful on such loan or forbearance under this Act or the Act hereby amended so far as it is hereby continued in force with respect to such loan or forbearance, shall by so doing forfeit all interest whatever, due or to become due, paid or payable by reason of such loan or forbearance, which shall be in excess of the rate permitted by law for such loan or forbearance, and such forfeiture shall be to the benefit and use of the borrower or party by whom such excess of interest would otherwise have been payable, or of those who represent him; and if any such excess of interest has been paid, it may by him or them be recovered or retained out of any principal sum then unpaid, as if the loan or forbearance had been made at the rate fixed by law for such loan or forbearance.

Recital.

7. And whereas the intention of the laws regulating the interest of money were frequently evaded by parties to Promissory Notes, Bills of Exchange, Checks, Mortgages, and other negotiable or assignable securities for money-selling and disposing of and assigning the same to other parties, for sums less in account than the amount specified therein and made payable thereby respectively, whereby the purchasers of such instruments were enabled to recover a larger amount than the sum actually paid for or advanced upon the same, with legal interest, and unless a remedy be provided in that behalf, the object of this present Act may in like manner and in similar cases, be defeated: Therefore it is enacted, that the holder or holders, endorser or endorsers of any such Promissory Note, Bill of Exchange, Check, Mortgage, or other negotiable or assignable security, made, drawn, accepted, endorsed, executed or assigned, after the passing of this Act, in any action that may be brought upon the same, respectively, shall be entitled to recover the amount he or they shall have actually, and *bonâ fide*, paid for or advanced upon the same, and interest upon such last-mentioned amount, at the rate of eight per cent. per annum, to be computed from the time of such payment or advance, and no more.

In case of attempt to evade the laws regulating the interest.

When to come into force.

8. This Act shall come into force upon the first day of 186 and not before.