

B I L L .

An Act to amend the Law concerning the Interest of Money.

WHEREAS certain provisions of the Laws concerning the Interest of Money are unfavorable to the introduction of capital into the Province and retard the development of its resources and enterprise, by preventing loans and investments on such terms as the borrower and lender may deem to be for their mutual advantage and commensurate with the value of the money lent and with the risk of loss; Be it therefore enacted, &c.

Preamble.

That all enactments and provisions of law inconsistent with those hereinafter made, shall be and are hereby suspended during the time this Act shall remain in force, except only as to contracts for the payment or allowance of Interest made before the passing of this Act, or offences theretofore committed, with regard to which they shall remain in full force and effect, and the following sections of this Act shall be construed accordingly as not applying to such contracts or offences.

Inconsistent enactments suspended.

Exception.

II. And be it enacted, That from and after the passing of this Act, no bill of exchange or promissory note made payable at or within twelve months after date thereof, or not having more than twelve months to run, nor any contract for the loan or forbearance of money, shall by reason of any interest taken thereon or secured thereby, or any agreement to pay or receive or allow interest in discounting, negotiating or transferring any such bill of exchange or promissory note, be void; nor shall the liability of any party to any such bill of exchange or the liability of any person borrowing any sum of money as aforesaid, be affected by reason of any statute or law in force for the prevention of usury; nor shall any person or persons or body corporate drawing, accepting, indorsing or signing any such bill or note, or lending or advancing or forbearing any money as aforesaid, or taking more than the present rate of legal interest in this Province for the loan or forbearance of money as aforesaid, be subject to any penalties under any statute or law relating to usury, any law whatsoever in force in any part of this Province, to the contrary notwithstanding; Provided always, that nothing in this section contained, shall extend to the loan or forbearance of any money upon security of lands, tenements, hereditaments or immoveables, or any estate or interest therein, but to such loan or forbearance the provisions of the next following section shall apply.

Certain Bills and contracts excepted from the operation of the usury laws.

Proviso as to the loans secured upon lands.

III. And be it enacted, That no contract for the loan or forbearance of money or money's worth, upon security of lands, tenements, hereditaments

Loans on lands not subject to