

THE HOUSE OF COMMONS OF CANADA.

BILL 3.

An Act to amend the Small Loans Act.

R.S., c. 251.

HER MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Subsection (2) of section 3 of the *Small Loans Act* is repealed and the following substituted therefor: 5

Not more than 1 per cent per month.

"(2) The cost of the loan mentioned in subsection (1) shall not exceed one per cent per month on the amount actually advanced to the borrower and monthly balances thereof from time to time outstanding."

Loans, how repayable.

2. Subsection (1) of section 6 of the said Act is repealed 10 and the following substituted therefor:

"6. (1) Every loan shall be repayable in approximately equal instalment of principal or of principal and cost of the loan at intervals of not more than one month each, and on default in the payment of any instalment, interest shall 15 accrue thereon from the date of default at the rate fixed by the contract as the cost of the loan.

Limitation as to amount, time and cost of loan.

3. Paragraph (b) of section 14 of the said Act is repealed and the following substituted therefor:

"(b) lend money in sums not exceeding five hundred 20 dollars in amount and may charge, exact or receive or stipulate for the payment by the borrower of a sum of money as the cost of a loan which shall not exceed an amount equivalent to the amounts or rates herein prescribed, namely one per cent per month on the 25 amount actually advanced to the borrower and monthly balances thereof from time to time outstanding; every loan shall be repayable in approximately equal instalments of principal or of principal and cost of the loan at