

An Act to amend the laws relating to Usury, and to establish a maximum rate of Interest.

WHEREAS the removal of the restrictions on the rate of interest to be charged for the use of money has been found to work most adversely to the best interests of the community, and it is necessary and expedient that wholesome restraint should be imposed: Therefore Her Majesty, &c., enacts as follows:—

Preamble.

I. From and after the passing of this Act, the fifty-eighth chapter of the "Consolidated Statutes of Canada" shall be, and the same is hereby repealed, except as to contracts made after the Acts 16 Vic., chap. 80, and 22 Vic., chap. 25, came into force, and before the passing of this Act, as to which the said chapter shall continue in force.

Cap. 58. Con: Stat: Canada repealed. Exception.

II. The interest of money for a loan or forbearance of money, goods, or things in action, shall be at the rate of *eight dollars* and no more, upon *one hundred dollars*, for a year, and at the same rate for a greater or less sum and for a longer or shorter time.

Rate of interest fixed.

III. No person or corporation shall, directly or indirectly, take or receive in money, goods, or things in action, or in any other way, any greater sum or greater value, for the loan or forbearance of any money, goods, or things in action, than is above prescribed.

No one shall take a higher rate.

IV. No Bank or Banking Institution doing business within this Province shall directly or indirectly, charge, stipulate for, or take a higher rate of interest or discount than is hereinbefore prescribed; nor shall it be lawful for any such Bank or Banking Institution carrying on business as such in this Province, in discounting at any of its places of business, branches, or agencies or offices of discount and deposit, any note, bill, or other negotiable security or paper payable at any other of its offices, agencies, places of business, or offices of discount and deposit within this Province, to receive or retain in addition to the discount any amount exceeding one-eighth of one per cent.; or if the note, bill, or other negotiable security be payable at any other place within the Province, and at a Bank, office of discount, or other place of business other than belonging to or connected with the Institution at which the discount shall be effected, the charge for commission or agency shall not exceed one-fourth of one per cent.

No Bank to take more.

Bank charges for agency, &c., on Bills, &c., limited.

V. Any person who shall directly or indirectly receive any greater interest, discount or consideration than is prescribed by this Act, and in violation of the provisions thereof, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not less than *one hundred dollars*, nor more than twice the amount so illegally

Penalty for taking any greater interest.