

## APPENDIX No. 2

rate of seven per centum per annum, the court may reopen the transaction and take an account between the parties, and may, notwithstanding any statement or settlement of account, or any contract purporting to close previous dealings and create a new obligation, reopen any account already taken between the parties, and relieve the person under obligation to pay from payment of any sum in excess of the said rate of interest and if any such excess has been paid, or allowed in account, by the debtor, may order the bank to repay it, and may set aside, either wholly or in part, or revise, or alter, any security given in respect of the transaction."

Mr. Shaw moved in amendment to the foregoing amendment that section 91 of the Bill be struck out and the following substituted therefor:—

"(1) The bank may stipulate for, take, reserve, or exact any rate of interest or discount but not exceeding 7 per cent per annum and may receive and take in advance any such rate.

"(2) If any bank shall stipulate for, reserve, exact, take, receive, or charge a rate of interest greater than 7 per cent per annum then the bank, or any subsequent holder, shall be deemed to have forfeited the entire interest, which the note, bill, or other evidence of debt carries with it or which has been agreed to be paid.

"(3) In the event that a greater rate than 7 per cent per annum has been paid to the bank, then the person by whom it has been paid, or his legal representative, may recover in any court twice the amount of interest thus paid, provided such action is commenced within two years from the time such excess interest was paid.

"(4) In any suit, action or other proceeding concerning a bank loan wherein it is alleged that the amount of interest paid or claimed exceeds the rate of seven per centum per annum, the court may reopen the transaction and take an account between the parties, and may, notwithstanding any statement or settlement of account, or any contract purporting to close previous dealings and create a new obligation, reopen any account already taken between the parties, and relieve the person under obligation to pay from payment of any sum in excess of the said rate of interest and if any such excess has been paid, or allowed in account, by the debtor, may order the bank to repay it, and may set aside either wholly or in part, or revise, or alter, any security given in respect of the transaction."

And a debate arising thereon.

At one o'clock the Committee took recess until 4 o'clock p.m.

## AFTERNOON SITTING

Four o'clock p.m.

On motion of Mr. Marler, it was

Resolved, that a report be made to the House recommending that the quorum of the Committee be reduced from twenty-one to fifteen members.

The Committee resumed consideration of section 91 and of the proposed amendments thereto.

And the debate continuing—

At six o'clock, it was resolved, on division, that the Committee do take recess until 8.30 o'clock p.m.