

2D SESSION, 3D PARLIAMENT, 12TH VICT., 1849.

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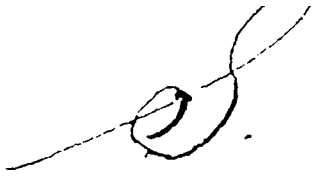
An Act to amend and simplify the Laws relating to
the Interest of Money.

Printed by Order of the Hon. the Legislative Council.

Received and read 1st time, Friday, 23rd March, 1849.
Second reading, Tuesday, 27th March, 1849.

Honorable Mr. Ross.

[250 Copies.]



Legis. Council.

BILL.

An Act to amend and simplify the Laws relating to
the Interest of Money.

WHEREAS it is expedient to abolish all Preamble.
prohibitions and penalties on the lending
of money at any rate of interest whatsoever,
and to enforce to a certain extent, and no fur-
5 ther, all contracts to pay interest on money
lent, and to amend and simplify the laws rela-
ting to the loan of money at interest: Be it
therefore enacted, &c.

And it is hereby enacted by the authority Ordinance of
10 of the same, That the fifth section of the Or- Quebec 17
dinance made and passed by the Governor and Geo. III. C. 3.
Legislative Council of the Province of Que- and Act of
bec, in the seventeenth year of the Reign of Upper Canada
His late Majesty King George the Third, inti- 51 Geo. III.
15 tuled, "An Ordinance for ascertaining dama- C. 9, repealed.
ges on protested Bills of Exchange, and
"fixing the rate of interest in the Province
"of Quebec;" and the sixth section of the
Act of the Parliament of the Province of
20 Upper Canada, passed in the fifty-first year of
His said late Majesty's Reign, intituled, "An
"Act to repeal an Ordinance of the Province
"of Quebec, passed in the seventeenth year
"of His Majesty's Reign, intituled, "An Or-
25 "dinance for ascertaining damages on pro-
"tested Bills of Exchange, and fixing the
"rate of interest in the Province of Quebec;"
"also to ascertain damages on protested Bills
"of Exchange, and fixing the rate of interest
30 "in this Province;" be, and the same are
hereby repealed.

Penalties for
usury abolished.

II. And be it enacted, That no contract to be hereafter made in any part of this Province for the loan or forbearance of money or money's worth, at any rate of interest whatsoever, and no payment in pursuance of such contract shall make any party to such contract or payment liable to any loss, forfeiture, penalty, or proceedings, civil or criminal, for usury, any law or statute to the contrary notwithstanding. 5 10

Contracts and securities to be void for excess of interest above six per cent.

III. Provided always nevertheless, and be it enacted, That every such contract, and every security for the same shall be void so far, and so far only, as relates to any excess of interest thereby made payable above the rate of six pounds for the forbearance of one hundred pounds for a year, and the said rate of interest shall be allowed and recovered in all cases where it is the agreement of the parties that interest shall be paid. 15 20

Appropriation of payments.

IV. And be it enacted, That every payment of interest, exceeding the rate aforesaid, shall be taken to be in discharge of the principal money, or of interest at the rate aforesaid, any agreement to the contrary, or actual appropriation of the payment notwithstanding; and that so soon as the amount of the principal sum, with interest as last aforesaid, shall be repaid, the said principal sum, with all interest due thereon, shall be deemed to be paid and satisfied. 25 30

Voluntary payment of excessive interest lawful and irrevocable.

V. Provided always, and be it enacted, That when the said principal sum and interest at the rate aforesaid shall have been paid and satisfied, any further payment voluntarily made on account of any excess of interest 35

reserved by the original contract of loan or forbearance shall be lawful and irrevocable.

VI. And be it enacted, That this Act may be altered or repealed by any other act passed in this present Session of the Provincial Parliament.

Act may be altered this Session.