

Laws of Her Majesty's Province of United Canada, passed in the year 1851. Quebec: Stewart Derbshire and George Desbarts, 1852.

16 Victoria – Chapter 80

An Act to modify the Usury Laws. Assented to 24th March, 1853.

Whereas it is expedient to abolish all prohibitions and penalties on the lending of money at any rate of interest whatsoever, and to enforce to a certain extent, and no further, all contracts to pay interest on money lent, and to amend and simplify the laws relating to the loan of money at interest: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled, *An Act to re-unite the Provinces of Upper and Lower Canada, and for the Government of Canada*, and it is hereby enacted by the authority of the same, That the fifth section of the Ordinance made and passed by the Governor and Legislative Council of the Province of Quebec, in the seventeenth year of the Reign of His late Majesty King George the Third, intituled, *An Ordinance for ascertaining damages 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 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 Ordinance for ascertaining damages on protested 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damages on protested Bills of Exchange, and fixing the rate of interest in this Province*, be, and the same are hereby repealed.

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 proceeding, civil or criminal, for usury; any Law or Statute to the contrary notwithstanding.

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 six per cent interest, or such lower rate of interest as may have been agreed upon, shall be allowed and recovered in all cases where it is the agreement of the parties that interest shall be paid.

IV. And be it enacted, That nothing in this Act shall be construed to apply to any Bank or Banking Institution or to any Insurance Company, or to any Corporation or Association of persons heretofore authorized by law to lend or borrow money at a rate of interest higher than six per centum per annum.