

Supplementary Order Paper.

LEGISLATIVE COUNCIL.

Friday, the 20th Day of January, 1922.

LOAN COMPANIES BILL.

Hon. Mr. IZARD, in Committee, to move to add the following new clause:—

3B. (1.) For the purpose of this section of this Act “due date” means the date (if any) fixed by a contract of deposit for the repayment of the principal sum deposited or any part thereof. Where the principal sum is repayable by instalments the due date in respect of any instalment means the date for repayment of that instalment. Where the principal sum is repayable at call the due date means a date one month after the day upon which the borrower notifies the lender that the borrower has decided not to take the benefit of this Act.

(2.) With respect to contracts of deposit other than contracts where the principal sum is repayable at call, the due date of such contract or contracts of deposit is hereby extended for a period expiring one year after the due date.

(3.) The day to which such contract or contracts of deposit are hereby extended is herein referred to as “the date of maturity.”

(4.) For the period between the due date and the date of maturity the borrower shall pay interest on the principal sum at the rate fixed by the contract or at the rate of five and a half per centum per annum, whichever shall be the greater.

(5.) From the date of maturity until the lender applies to the borrower for payment of the principal sum, the borrower shall pay interest thereon at the rate fixed by the contract of deposit.

(6.) With respect to contracts of deposit where the principal sum is repayable at call the borrower shall pay interest on the principal sum at the rate fixed by the contract or at the rate of five and a half per centum per annum, whichever is the greater, from the day upon which the principal sum was deposited until the due date as herein defined. From the due date as herein defined until the lender applies to the borrower for payment of the principal sum the borrower shall pay interest at the rate fixed by the contract of deposit.
