

TRINIDAD AND TOBAGO.

No. 42—1932. *Came into force on 6/3/33*

I ASSENT,

[L.S.]

A. C. HOLLIS,  
*Governor.*

31st December, 1932.

AN ORDINANCE relating to moneylending.

[On Proclamation.]

**B**E it enacted by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof as follows :—

1. This Ordinance may be cited as the Moneylenders Short title. Ordinance, 1932.

2.—(1) In this Ordinance the following expressions have Interpretation and application. the meanings hereby respectively assigned to them, that is to say :—

“ Authorised name ” and “ authorised address ” mean respectively the name under which and the address at which a moneylender is authorised by a certificate granted under this Ordinance to carry on business as a moneylender ;

“ Business name ” means the name or style under which any business is carried on, whether in partnership or otherwise ;

[Price 8d.]

“Company” means any body corporate being a moneylender ;

“Firm” means an unincorporate body of two or more individuals, or one or more individuals and one or more corporations, or two or more corporations, who have entered into partnership with one another with a view to carrying on business for profit ;

“Moneylender” includes any person whose business is that of moneylending, or who advertises or announces himself or holds himself out in any way as carrying on that business, but shall not include any person *bona fide* carrying on the business of banking or insurance or *bona fide* carrying on any business not having for its primary object the lending of money, in the course of which and for the purposes of which he lends money.

“Principal” means in relation to a loan the amount actually lent to the borrower.

(2) Nothing in this Ordinance shall be deemed to apply to Pawnbrokers licensed under the Pawnbrokers Ordinance, Cap. 268.

(3) Nothing in this Ordinance shall be deemed to require the licensing, as moneylenders, of the following :—

(a) Bankers licensed under the Bankers' Licences Ordinance, Cap. 218, or the Alien Bankers Ordinance, Cap. 215.

(b) Societies registered under the Friendly Societies Ordinance, Cap. 286, or the Building Societies Ordinance, Cap. 278, or the Agricultural Credit Societies Ordinance, Cap. 131, or the Agricultural Co-operative Societies Ordinance, 1931 (No. 20 of 1931).

(c) Any body corporate, incorporated or empowered by special Ordinance, to lend money in accordance with such Ordinance.

(d) Any person or body corporate exempted by the Governor in Executive Council.

Licences to be taken out by moneylenders.

3.—(1) Every moneylender, whether carrying on business alone or as partner in a firm, shall take out annually in respect of every address at which he carries on his business as such, a licence (in this Ordinance referred

to as a "moneylender's licence"), which shall expire on the thirty-first day of December next after it is granted, and there shall be charged on every moneylender's licence a fee of one pound.

Provided that where moneylender's licences are taken out by two or more moneylenders in respect of any address or addresses at which they carry on their business as partners in a firm, the Treasurer shall remit, or if the duty has been paid, repay, to the firm a sum equal to the aggregate of the duties charged on such number of the licences taken out as exceeds the number of the addresses in respect of which they are taken out.

(2) Subject to the provisions of this Ordinance, moneylenders' licences shall be in such form as the Treasurer may direct, and shall be granted on payment of the appropriate duty by any officer authorised by the Treasurer to grant them.

Provided that a moneylender's licence shall be taken out by a moneylender in his true name, and shall be void if it be taken out in any other name, and every moneylender's licence shall also show the moneylender's authorised name and authorised address.

4. If any person—

- (a) takes out a moneylender's licence in any name other than his true name; or
- (b) carries on business as a moneylender without having in force a proper moneylender's licence authorising him so to do; or
- (c) being licensed as a moneylender, carries on business as such in any name other than his authorised name, or at any other place than his authorised address or addresses; or
- (d) enters into any agreement in the course of his business as a moneylender with respect to the advance or repayment of money or takes any security for money in the course of his business as a moneylender, otherwise than in his authorised name;

Penalty for breaches of section 3.

he shall for each offence be liable on summary conviction by a Magistrate to a penalty not exceeding fifty pounds.

Provided that, on a second or subsequent conviction of any person (other than a company) for an offence under this section, the Court may, in lieu of or in addition to ordering the offender to pay the penalty aforesaid, order him to be imprisoned for a term not exceeding three months, and an offender being a company shall on a second or subsequent conviction be liable to a penalty not exceeding one hundred pounds.

Certificate  
required  
for grant of  
moneylender's  
licence.

5.—(1) A moneylender's licence shall not be granted except to a person who holds a certificate granted in accordance with the provisions of this section authorising the grant of the licence to that person, and a separate certificate shall be required in respect of every separate licence. Any moneylender's licence granted in contravention of this section shall be void.

(2) Certificates under this section (in this Ordinance referred to as "certificates") shall be granted by the Magistrate of the district in which the moneylender's business is to be carried on.

(3) Every certificate granted to a moneylender shall show his true name and the name under which, and the address at which, he is authorised by the certificate to carry on business as such, and a certificate shall not authorise a moneylender to carry on business at more than one address, or under more than one name, or under any name which includes the word "bank" or otherwise implies that he carries on banking business, and no certificate shall authorise a moneylender to carry on business under any name except—

- (a) his true name; or
- (b) the name of a firm in which he is a partner, not being a firm required by the Registration of Business Names Ordinance, Cap. 193, to be registered; or
- (c) a business name, whether of an individual or of a firm in which he is a partner, under which he or the firm has, at the commencement of this Ordinance, been registered for not less than three years under the Registration of Business Names Ordinance, Cap. 193.

(4) A certificate shall come into force on the date specified therein, and shall expire on the next following thirty-first day of December.

6.—(1) A person intending to apply for a certificate under this Ordinance shall, fourteen days at least before the application, give notice by registered letter sent by post of his intention to the Magistrate of the district and to the Inspector-General, and shall in the notice set forth his name and address and the district within which he intends to carry on his business.

Procedure on application for a certificate.

(2) The Governor in Executive Council may make rules with respect to the procedure to be followed in making applications for certificates (including the notices to be given of intention to make such an application), and certificates shall be in such form as may be prescribed by rules so made.

7.—(1) A certificate shall not be refused except on some one or more of the following grounds—

Refusal to grant a certificate.

- (a) that satisfactory evidence has not been produced of the good character of the applicant, and in the case of a company of the persons responsible for the management thereof ;
- (b) that satisfactory evidence has been produced that the applicant, or any person responsible or proposed to be responsible; for the management of his business as a moneylender, is not a fit and proper person to hold a certificate ;
- (c) that the applicant, or any person responsible or proposed to be responsible for the management of his business as a moneylender, is by order of a court disqualified for holding a certificate ;
- (d) that the applicant has not complied with the provisions of any rules made with respect to applications for certificates.

(2) Any person aggrieved by the refusal of a magistrate to grant a certificate may appeal to the Supreme Court in manner provided by the Summary Conviction Offences (Procedure) Ordinance, Cap. 24, as if the refusal were an order of a court of summary jurisdiction.

Transfer of  
business to  
other premises,

8.—(1) A moneylender shall not transfer his business to premises other than those specified in his licence, except with the consent of the Magistrate of the district, which consent shall not be given until the Inspector-General has been notified of the proposed transfer, and has had an opportunity of objecting to the same.

(2) Any moneylender contravening the provisions of this section shall, on summary conviction by a Magistrate be liable to a penalty not exceeding ten pounds.

Suspension and  
forfeiture of  
moneylenders'  
certificates.

9.—(1) Where any person, being the holder of a certificate, is convicted of any offence under this Ordinance the court—

(a) may order that any certificates held by that person, and in the case of a partner in a firm by any other partner in the firm, shall either be suspended for such time as the court thinks fit, or shall be forfeited, and may also, if the court thinks fit, declare any such person, or any person responsible for the management of the money-lending business carried on by the person convicted, to be disqualified for obtaining a certificate for such time as the court thinks fit; and

(b) shall cause particulars of the conviction and of any order made by the court under this sub-section to be endorsed on every certificate held by the person convicted or by any other person affected by the order, and shall cause copies of those particulars to be sent to the authority by whom any certificate so endorsed was granted, and to the Treasurer :

Provided that, where by order of a court a certificate held by any person is suspended or forfeited, or any person is disqualified for obtaining a certificate, he may, whether or not he is the person convicted, appeal against the order in the same manner as any person convicted may appeal against his conviction, and the court may, if it thinks fit, pending the appeal, defer the operation of the order.

(2) Any certificate required by a court for endorsement in accordance with the foregoing provisions of this section shall be produced, in such manner and within such time as may be directed by the court, by the person by whom it is held, and any person who, without reasonable cause, makes default in producing any certificate so required shall, in respect of each offence, be liable on summary conviction by a Magistrate to a penalty not exceeding one pound for each day during which the default continues.

(3) Where a certificate held by any person is ordered to be suspended or to be forfeited under the foregoing provisions of this section, any moneylender's licences granted to that person, whether in pursuance of that or any other certificate, shall be suspended during the period for which the certificate is ordered to be suspended or become void, as the case may be.

10.—(1) If any person forges a certificate, or tenders a certificate knowing it to be forged, he shall, on summary conviction by a Magistrate, be liable to imprisonment, with or without hard labour, for any term not exceeding six months or to a penalty not exceeding one hundred pounds.

Forgery of  
certificate.

(2) A licence granted in pursuance of a forged certificate shall be void; and if any person makes use of a forged certificate, knowing it to be forged, he shall be disqualified from obtaining at any time thereafter a moneylender's licence.

11.—(1) No contract for the repayment by a borrower of money lent to him or to any agent on his behalf by a moneylender licensed under this Ordinance or for the payment by him of interest on money so lent and no security given by the borrower or by any such agent as aforesaid in respect of any such contract shall be enforceable, unless a note or memorandum in writing of the contract be made and signed personally by the borrower, and unless a copy thereof be delivered or sent to the borrower within seven days of the making of the contract; and no such contract or security shall be enforceable if it is proved that

Form of  
moneylenders'  
contracts.

the note or memorandum aforesaid was not signed by the borrower before the money was lent or before the security was given as the case may be.

(2) The note or memorandum aforesaid shall contain all the terms of the contract, and in particular shall show the date on which the loan is made, the amount of the principal of the loan, and, either the interest charged on the loan expressed in terms of a rate per centum per annum, or the rate per centum per annum represented by the interest charged as calculated in accordance with the provisions of the Schedule to this Ordinance.

Interest to be charged.

**12.—(1)** The interest which may be charged on loans by any person other than a moneylender licensed under this Ordinance shall not exceed the rate of 24 per centum simple interest per annum, whether such interest is payable monthly or at any greater fixed period, and nothing herein contained shall authorize the charging of compound interest on such loans which would, in effect, amount to simple interest in excess of such rate per annum.

(2) Interest which may be charged on loans by a moneylender licensed under this Ordinance, shall not exceed the respective rates herein specified, namely :—

(a) If by the terms of the contract the principal is not repayable prior to a date exceeding six months from the date of making the loan

On loans not exceeding	£ 5	simple interest at the rate of	60%	per annum.
Do do	£10	do do	48%	do
Do do	£20	do do	36%	do
Do exceeding	£20	do do	24%	do

(b) If by the terms of the contract the principal is repayable on any date within six months of making the loan, or on demand

On loans not exceeding	£ 2	simple interest at the rate of	7%	per month.
Do do	£ 5	do do	6%	do
Do do	£10	do do	5%	do
Do do	£15	do do	4½%	do
Do do	£20	do do	4%	do

(3) If several sums are loaned by a moneylender to the same person, whether at the same or different times, the rate of interest on the aggregate sum loaned, or owing at the date the last sum is loaned, shall be that authorised as if the whole amount then owing had been loaned as one transaction.

(4) The interest shall constitute a comprehensive charge to include all discounts, commissions, bonuses, fines, expenses, and any amount by whatsoever name called, in excess of the principal, paid or payable to the moneylender in consideration of or otherwise in respect of a loan, but shall not include such charges, expenses and costs as are specifically allowed by this Ordinance or by the Court adjudicating on the matter.

13. Any person who loans money at a rate of interest higher than that authorised by this Ordinance may be prosecuted summarily before a Magistrate on the complaint of any person, and on conviction he shall be liable to a penalty not exceeding fifty pounds in respect of each loan and one-fourth of the sum recovered by way of penalty shall be paid to the informer other than the borrower.

Penalty for charging unauthorised interest.

A prosecution for an offence under this section shall not be instituted except by or with the consent of the Attorney-General.

14. Any contract made after the commencement of this Ordinance for the loan of money by a moneylender licensed under this Ordinance shall be illegal in so far as it provides directly or indirectly for the payment of interest in advance whether by deduction of any amount from the principal sum borrowed or otherwise or for the payment of compound interest or for the rate or amount of interest being increased by reason of any default in the payment of sums due under the contract and any such moneylender contravening the provisions of this section shall be liable to the penalties prescribed by section 13 of this Ordinance.

Prohibition of compound interest and provision as to defaults.

15. Where by a contract for the loan of money by a moneylender licensed under this Ordinance the interest charged on the loan is not expressed in terms of a rate, any amount paid or payable to the moneylender under the contract (other than simple interest charged in accordance with section 12 of this Ordinance) shall be appropriated to principal and interest in the proportion that the principal bears to the total amount of the interest, and the rate per centum per annum represented by the interest charged as calculated in accordance with the provisions of the Schedule to this Ordinance shall be deemed to be the rate of interest charged on the loan.

Method of calculating interest when not expressed in terms of a rate.

Prohibition of charge for expenses on loans by moneylenders.

**16.** Any agreement between a moneylender licensed under this Ordinance and a borrower or intending borrower for the payment by the borrower or intending borrower to the moneylender of any sum on account of costs, charges or expenses incidental to or relating to the negotiations for or the granting of the loan or proposed loan shall be illegal, and if any sum is paid to such moneylender by a borrower or intending borrower as for or on account of any such costs, charges or expenses that sum shall be recoverable as a debt due to the borrower or intending borrower, or, in the event of the loan being completed, shall, if not so recovered, be set off against the amount actually lent and that amount shall be deemed to be reduced accordingly: Provided that the provisions of this section shall not apply to such charges, expenses and costs as are specifically allowed by this Ordinance or by the Court adjudicating on the matter.

Employment of agents or canvassers by moneylender prohibited.

**17.—(1)** No moneylender licensed under this Ordinance or any person on his behalf shall employ any agent or canvasser for the purpose of inviting any person to borrow money or to enter into any transaction involving the borrowing of money from such moneylender, and no person shall act as such agent or canvasser, or demand or receive directly or indirectly any sum or other valuable consideration by way of commission or otherwise for introducing or undertaking to introduce to a moneylender any person desiring to borrow money.

(2) Any contract by the borrower to pay to an agent or canvasser of a moneylender licensed under this Ordinance a commission for securing a loan shall be null and void, and if any sum has been paid by way of commission or otherwise for such service, the agent or canvasser shall be liable on summary conviction by a Magistrate to a penalty not exceeding twenty pounds, and one half of the sum recovered by way of penalty shall be paid to the informer, even though he be the person who paid the agent or canvasser.

Moneylenders to give receipts and keep record of transactions.

**18.—(1)** Every moneylender licensed under this Ordinance shall give a receipt for every payment made to him on account of a loan or of interest thereon. Every such receipt shall be given immediately the payment is made.

(2) Every moneylender licensed under this Ordinance shall keep a book in which he shall enter in connection with every loan made by him—

- (a) the date on which the loan was made,
- (b) the amount of the principal,
- (c) the rate of interest,
- (d) all sums received in respect of the loan, with the dates of payment thereof.

(3) The entries in the said book shall be made forthwith on the making of the loan or the receipt of sums paid in respect thereof as the case may be.

(4) Any moneylender licensed under this Ordinance who fails or neglects to keep the book required by this section, or to make the necessary entries therein, or to produce such book when required so to do by any court, or to give a receipt required by this section, shall for each offence be liable on summary conviction by a Magistrate to a penalty not exceeding ten pounds.

**19.—(1)** In respect of every contract for the repayment of money lent by a moneylender (whether made before or after the commencement of this Ordinance) the moneylender shall, on any reasonable demand in writing being made by the borrower at any time during the continuance of the contract and on tender by the borrower of the sum of one shilling for expenses, supply to the borrower or, if the borrower so requires, to any person specified in that behalf in the demand, a statement signed by the moneylender or his agent showing—

Obligation of moneylender to supply information as to state of loan and copies of documents relating thereto.

- (a) the date on which the loan was made, the amount of the principal of the loan and the rate per centum per annum of interest charged; and
- (b) the amount of any payment already received by the moneylender in respect of the loan and the date on which it was made; and
- (c) the amount of every sum due to the moneylender, but unpaid, and the date upon which it became due, and the amount of interest accrued due and unpaid in respect of every such sum; and
- (d) the amount of every sum not yet due which remains outstanding, and the date upon which it will become due.

(2) A moneylender shall, on any reasonable demand in writing by the borrower, and on tender of a reasonable sum for expenses, supply a copy of any document relating to a loan made by him or any security therefor, to the borrower, or if the borrower so requires, to any person specified in that behalf in the demand.

(3) If a moneylender to whom a demand has been made under this section fails without reasonable excuse to comply therewith within one month after the demand has been made, he shall not, so long as the default continues, be entitled to sue for or recover any sum due under the contract on account either of principal or interest, and interest shall not be chargeable in respect of the period of the default, and if such default is made or continued after proceedings have ceased to lie in respect of the loan, the moneylender shall be liable on summary conviction by a Magistrate to a fine not exceeding one pound for every day on which the default continues.

Restrictions on  
moneylending  
advertisements.

20.—(1) No person shall knowingly send or deliver or cause to be sent or delivered to any person except in response to his written request any circular or other document advertising the name, address or telephone number of a moneylender, or containing an invitation—

- (a) to borrow money from a moneylender ;
- (b) to enter into any transaction involving the borrowing of money from a moneylender ;
- (c) to apply to any place with a view to obtaining information or advice as to borrowing any money from a moneylender.

(2) Subject as hereinafter provided, no person shall publish or cause to be published in any newspaper or other printed paper issued periodically for public circulation, or by means of any poster or placard, an advertisement advertising any such particulars, or containing any such invitation, as aforesaid :

Provided that an advertisement in conformity with the requirements of this Ordinance relating to the use of names on moneylenders' documents may be published by or on behalf of a moneylender in any newspaper or in any such paper as aforesaid or by means of a poster or placard exhibited at any authorised address of the moneylender, if it contains no addition to the particulars necessary to

comply with the said requirements, except any of the following particulars, that is to say: any authorised address at which he carries on business as a moneylender and the telegraphic address and telephone number thereof, any address at which he formerly carried on business, a statement that he lends money with or without security, and of the highest and lowest sums that he is prepared to lend, and a statement of the date on which the business carried on by him was first established.

(3) Where any document issued or published by or on behalf of a moneylender purports to indicate the terms of interest upon which he is willing to make loans or any particular loan, the document shall either express the interest proposed to be charged in terms of a rate per centum per annum or show the rate per centum per annum represented by the interest proposed to be charged as calculated in accordance with the provisions of the Schedule to this Ordinance.

(4) Any person acting in contravention of any of the provisions of this section shall be liable on summary conviction by a Magistrate to a penalty not exceeding five pounds.

(5) Where it is shown that a moneylending transaction was brought about by a contravention of any of the provisions of this section, the transaction shall, notwithstanding that the moneylender was duly licensed under this Ordinance, be illegal, unless the moneylender proves that the contravention occurred without his consent or connivance.

21.—(1) Where any debt in respect of money lent by a moneylender, whether before or after the commencement of this Ordinance, or in respect of interest on any such debt or the benefit of any agreement made or security taken in respect of any such debt or interest is assigned to any assignee, the assignor (whether he is the moneylender by whom the money was lent or any person to whom the debt has been previously assigned) shall, before the assignment is made—

Notice and information to be given on assignment of moneylenders' debts.

(a) give to the assignee notice in writing that the debt, agreement or security is affected by the operation of this Ordinance; and

(b) supply to the assignee all information necessary to enable him to comply with the provisions of this Ordinance relating to the obligation to supply information as to the state of loans and copies of documents relating thereto ;

and any person acting in contravention of any of the provisions of this section shall be liable to indemnify any other person who is prejudiced by the contravention, and shall also in respect of each offence be liable on summary conviction by a Magistrate to imprisonment, with or without hard labour, for a term not exceeding six months or to a fine not exceeding one hundred pounds.

(2) In this section the expression "assigned" means assigned by any assignment *inter vivos* other than an assignment by operation of law, and the expressions "assignor" and "assignee" have corresponding meanings.

Application of  
Ordinance as  
respects  
assignees.

22.—(1) Subject as hereinafter provided, the provisions of this Ordinance shall continue to apply as respects any debt to a moneylender in respect of money lent by him after the commencement of this Ordinance or in respect of interest on money so lent or of the benefit of any agreement made or security taken in respect of any such debt or interest, notwithstanding that the debt or the benefit of the agreement or security may have been assigned to any assignee, and, except where the context otherwise requires, references in this Ordinance to a moneylender shall accordingly be construed as including any such assignee as aforesaid :

Provided that notwithstanding anything in this Ordinance—

(i) any agreement with, or security taken by, a moneylender in respect of money lent by him after the commencement of this Ordinance shall be valid in favour of any *bona fide* assignee or holder for value without notice of any defect due to the operation of this Ordinance and of any person deriving title under him ; and

(ii) any payment or transfer of money or property made *bona fide* by any person, whether acting in a fiduciary capacity or otherwise, on the faith of the validity of any such agreement or security, without

notice of any such defect shall, in favour of that person, be as valid as it would have been if the agreement or security had been valid ; and

(iii) the provisions of this Ordinance limiting the time for proceedings in respect of money lent shall not apply to any proceedings in respect of any such agreement or security commenced by a *bona fide* assignee or holder for value without notice that the agreement or security was affected by the operation of this Ordinance, or by any person deriving title under him, but in every such case the moneylender shall be liable to indemnify the borrower or any other person who is prejudiced by virtue of this section, and nothing in this proviso shall render valid an agreement or security in favour of, or apply to proceedings commenced by, an assignee or holder for value who is himself a moneylender.

(2) Nothing in this section shall render valid for any purpose any agreement, security, or other transaction which would, apart from the provisions of this Ordinance, have been void or unenforceable.

23.—(1) Where proceedings are taken in any Court by any person for the recovery of any money lent, or the enforcement of any agreement or security made or taken in respect of money lent, and there is evidence which satisfies the Court that the interest charged in respect of the sum actually lent exceeds the rates authorised by this Ordinance, the Court may re-open the transaction, and take an account between the lender and the person sued, and may, notwithstanding any statement or settlement of account or any agreement purporting to close previous dealings and create a new obligation, re-open any account already taken between them, and relieve the person sued from payment of any sum in excess of the sum adjudged by the Court to be due in respect of such principal and interest, and for such costs and charges as the Court may adjudge to be reasonable ; and if any such excess has been paid or allowed in account by the debtor, may order the creditor to repay it ; and may set aside, either wholly or in part, or revise, or alter, any security given or agreement made in respect of money lent, and if the lender has parted with the security may order him to indemnify the borrower or other person sued.

Re-opening of  
moneylending  
transactions.

Proceedings by  
borrower  
against money-  
lender.

(2) Any Court in which proceedings might be taken for the recovery of money lent by any person shall have power to and may, at the instance of the borrower or surety or other person liable, exercise the like powers as may be exercised under this section, where proceedings are taken for the recovery of money lent, and the Court shall have power, notwithstanding any provision or agreement to the contrary, to entertain any application under this Ordinance by the borrower or surety or other person liable, notwithstanding that the time for repayment of the loan, or any instalment thereof, may not have arrived.

Bankruptcy.

(3) On any application relating to the admission or amount of a proof by a person who has lent money in any bankruptcy proceedings, the Court may exercise the like powers as may be exercised under this section when proceedings are taken for the recovery of money.

Application  
to all money-  
lending  
transactions.

(4) The foregoing provisions of this section shall apply to any transaction which, whatever its form may be, is substantially one of moneylending.

*Bona fide*  
assignee.

(5) Nothing in the foregoing provisions of this section shall affect the rights of any *bona fide* assignee or holder for value without notice.

Existing  
powers of  
Court.

(6) Nothing in this section shall be construed as derogating from the existing powers or jurisdiction of any Court to enquire into and give relief in respect of any loan effected before the commencement of this Ordinance. Provided that the Court shall not set aside, vary or affect any judgment obtained before the commencement of this Ordinance.

Inducing  
borrowing  
by false  
statements.

24. Any person who by any false, misleading, or deceptive statement, representation, or promise, or by any dishonest concealment of material facts, fraudulently induces or attempts to induce any person to borrow money or to agree to the terms on which money is or is to be borrowed, shall be liable, on summary conviction by a Magistrate, to imprisonment, with or without hard labour, for any term not exceeding six months, or to a fine not exceeding one hundred pounds.

Protection of  
lenders against  
frivolous and  
vexatious  
actions.

25.—(1) In any civil proceeding in which a borrower pleads any of the provisions of this Ordinance (whether in any plaint, defence, or other pleading, or in any affidavit

or application for the purpose of obtaining leave to defend any action), if the court is satisfied that such plea was not made in good faith, but was made for the purpose of delaying or harassing the moneylender, the court may order such borrower to pay for the benefit of the moneylender a sum not exceeding five pounds by way of compensation and the costs incurred by the moneylender in the proceeding to such an amount as shall be determined by the Court, and every such sum so ordered to be paid shall be added to the amount of the judgment recoverable by the moneylender.

(2) In any criminal proceeding instituted against a moneylender for a breach of any provision of this Ordinance if the court is satisfied that the charge was made maliciously, frivolously, or vexatiously, it may direct that a sum not exceeding five pounds by way of compensation and the costs of the accused to such an amount as shall be determined by the court shall be payable by the informer or complainant, and any amount so ordered to be paid shall be recoverable for the benefit of the accused in the same manner as a fine imposed by the court.

26. If any person lays a complaint for an offence alleged to have been committed against this Ordinance by which he was not personally aggrieved, and afterwards directly or indirectly receives, without the permission of a Magistrate, any sum of money or other reward for compounding, delaying, or withdrawing the complaint, he shall for such offence be liable, on summary conviction by a Magistrate, to a penalty not exceeding fifty pounds.

Common  
informers  
compounding  
informations.

27. The Money Lending Ordinance, Cap. 76, is hereby repealed.

Repeal.

28. This Ordinance shall commence on such day as may be fixed by the Governor by proclamation.

Commence-  
ment.

**THE SCHEDULE.**

(Section 15.) **CALCULATION OF INTEREST WHERE THE INTEREST CHARGED ON A LOAN IS NOT EXPRESSED IN TERMS OF A RATE.**

1. The amount of principal outstanding at any time shall be taken to be the balance remaining after deducting from the principal the total of the portions of any payments appropriated to principal in accordance with the provisions of this Ordinance.

2. The several amounts taken to be outstanding by way of principal during the several periods, ending on the dates on which payments are made shall be multiplied in each case by the number of calendar months during which those amounts are taken to be respectively outstanding, and there shall be ascertained the aggregate amount of the sum so produced.

3. The total amount of the interest shall be divided by one-twelfth part of the aggregate amount mentioned in paragraph 2 of this Schedule, and the quotient, multiplied by one hundred, shall be taken to be the rate of interest per centum per annum.

4. If having regard to the intervals between successive payments it is desired so to do, the calculation of interest may be made by reference to weeks instead of months, and in such a case the foregoing paragraphs shall have effect as though in paragraph 2 the word "weeks" were substituted for the words "calendar months", and in paragraph 3 the words "one-fifty-second" were substituted for the words "one-twelfth."

5. Where any interval between successive payments is not a number of complete weeks or complete months, the foregoing paragraphs shall have effect as though one day were one-seventh part of a week or one-thirtieth part of a month, as the case may be.

Passed in Council this sixteenth day of December, in the year of Our Lord one thousand nine hundred and thirty-two.

**J. W. DAY,**  
*Clerk of the Council.*