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Under section 62 of the *Cost of Credit Disclosure and Payday Loans Act*, the Lieutenant-Governor in Council makes the following Regulation:

Citation

1 This Regulation may be cited as the *Payday Lending Regulation – Cost of Credit Disclosure and Payday Loans Act*.

Definition of “Act”

2 In this Regulation, “Act” means the *Cost of Credit Disclosure and Payday Loans Act*.

Limit regarding total cost of credit

3 For the purposes of subsection 37.31(1) of the Act, the maximum total cost of credit allowed is \$15 per \$100 advanced under the payday loan.

Limit regarding percentage borrowed in relation to net pay or other net income

4 For the purposes of section 37.36 of the Act, the maximum amount of credit that a payday lender may extend to a borrower is 30% of the net pay or other net income that will be received by the borrower during the term of the payday loan.

Limit regarding amounts payable for default

5(1) For the purposes of subsection 37.37(1) of the Act, a payday lender may, in relation to a default by a borrower under a payday loan, charge, require or accept the payment of

(a) a penalty calculated at a rate not exceeding 2.5% per month on the amount of the payday loan in default, and

(b) a penalty not exceeding \$20 for each dishonoured cheque or dishonoured pre-authorized debit.

5(2) The penalty referred to in paragraph (2)(a) is not to be compounded and may be charged, required or accepted only once in a 30-day period.

Limit regarding cheque cashing fees

6 For the purposes of subsection 37.45(2) of the Act, the maximum amount that a person may charge, require or accept as a cheque cashing fee is

(a) \$5 for a government cheque for an amount not exceeding \$2,500, and

(b) \$10 for a government cheque for an amount greater than \$2,500.

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