

Payday Loans Unit

Prêts sur salariales

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Registrar, Payday Loans Act, 2008

14 April 2009

Notice Respecting the Payday Loans Act, 2008

This notice is being sent to you because it appears that you may be either a lender or loan broker as defined by the *Payday Loans Act, 2008*. The *Act* applies to lenders and loan brokers irrespective of the jurisdiction in which they are located if they make loans or arrange loans for persons located in Ontario. Lenders and loan brokers are required to be licensed under the *Act* if money is advanced in exchange for a post-dated cheque, a pre-authorized debit or a future payment of a similar nature. If you loan money on this basis or arrange borrowing on this basis the *Act* likely applies to you.

The portion of the *Payday Loans Act, 2008* requiring that lenders and loan brokers be licensed was proclaimed in force April 1st, 2009. The *Act* provides that all those providing loans or loan brokering as defined in the *Act* on proclamation are deemed to be licensed. The *Act* further provides that a lender or loan broker must make application for a license for its main office and branch offices prior to the expiry of 90 days from the date of proclamation. This means that if you are a lender or loan broker you must make application for a license for your main office and branch offices, if any, prior to July 1, 2009. If you fail to do so and are a lender or loan broker you will be in contravention of the *Act* and subject to the prescribed penalties.

A lender or loan broker that makes application on or before June 30, 2009 will continue to be deemed to be licensed until such time as the application is disposed of by the Registrar's office and accordingly will be able to continue to carry on business. If however application is made after June 30, 2009 the applicant is not deemed to be licensed and cannot carry on business until a license is issued by the Registrar's office.

For your convenience an application and instructions for completion are enclosed. Questions respecting the completion of the application should be directed to Yvonne Stewart. Ms. Stewart's direct telephone number is 416-326-1854 or she can be reached by e-mail at yvonne.r.stewart@ontario.ca.

The Payday Loans Act, 2008 and the regulations made under the Act can be found at the following web-site <http://www.e-laws.gov.on.ca>.



Brian Pitkin, CD
Registrar