



Nova Scotia Utility and Review Board

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March 30, 2015

By Courier and Electronic Mail

The Honourable Mark Furey
Minister of Service Nova Scotia
1505 Barrington Street
14th Floor North
Halifax, NS B3J 2M4

Dear Mr. Minister:

M06084 - Payday Loans - Decision and Recommendations - PD-14-01

Enclosed please find a Decision issued on March 30, 2015, by the Nova Scotia Utility and Review Board respecting payday loans.

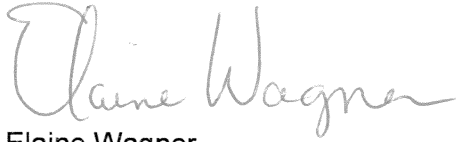
Section 18T(10) of the *Consumer Protection Act* provides that the Board may make recommendations to the Minister on matters in respect of payday loans and payday lenders.

As noted in the Decision, the Board makes the following recommendations under s. 18T(10) of the *Act*:

- a) That the *Regulations* be amended to provide that payday lenders be required to clearly display comparisons of the cost of alternative financial products in dollar terms.
- b) That the Minister consider amending the *Regulations* to place restrictions on repeat and concurrent loans.
- c) That the *Regulations* be amended to provide that payday lenders be required to require proof that payment of any previous payday loan issued to a borrower has cleared the bank account of the borrower at least 24 hours before a new loan is issued.
- d) That the *Regulations* be amended to provide that where a borrower takes out more than two loans in a 62 day period, repayment of a third loan and any subsequent loan should be extended over a minimum of three pay periods, if the borrower is paid bi-weekly, or a minimum of two pay periods if the borrower is paid on a less frequent basis.
- e) That the *Regulations* be amended with respect to online payday loans to change the one hour requirement for the receipt of funds by the borrower, provided that the loan period does not commence until the borrower receives the funds.

I trust you will find the foregoing to be in order. If there are any questions, please do not hesitate to contact the undersigned.

Yours very truly,

A handwritten signature in cursive script that reads "Elaine Wagner". The signature is written in a light grey or blue ink.

Elaine Wagner
Chief Clerk of the Board

Enclosure

c: S. Bruce Outhouse, Q.C., Board Counsel
c: Formal Participants