

Consumer Creditors' Conduct Act

CHAPTER 91 OF THE REVISED STATUTES, 1989

as amended by

2012, c. 40, ss. 38-43; 2014, c. 34, s. 4; 2018, c. 43, s. 3



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amended 2012, c. 40, ss. 38-43; 2014, c. 34, s. 4; 2018, c. 43, s. 3

**An Act Respecting the
Conduct of Consumer Creditors**

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Short title

1 This Act may be cited as the *Consumer Creditors' Conduct Act*. R.S., c. 91, s. 1.

Interpretation

2 In this Act,

(a) “borrower” means a person who receives credit;

(b) “credit” means credit for which a borrower is required to pay and that is

(i) given under an agreement between a seller and a buyer to purchase goods or services by which all or part of the purchase price is payable after the agreement is entered into, or

(ii) given by the advancement of money,

and includes a transaction where a person, acting in the course of his business, acquires from another person the other person’s right to any income tax refund or other payment by the Government of Canada or the Government of the Province which is due or will become due to the other person, but does not include credit extended

(iii) on the security of a mortgage of real property,

(iv) in respect of the sale of goods intended for resale, or

(v) for industrial or business purposes of the borrower;

(c) “creditor” means a person who extends credit, the person’s agent or employee. R.S., c. 91, s. 2; 2012, c. 40, s. 38.

Supervision of Act

3 This Act shall be under the general supervision of the Minister of Service Nova Scotia and Internal Services. R.S., c. 91, s. 3; 2012, c. 40, s. 39; 2014, c. 34, s. 4; O.I.C. 2019-149.

Rules of conduct

4 No creditor shall

(a) collect or attempt to collect money without first being satisfied that the money is owing by the borrower to the creditor;

(aa) collect or attempt to collect money in excess of the amount owing by the borrower to the creditor;

(ab) collect or attempt to collect money from a person who is not liable for the debt;

(b) make any charge against a borrower in addition to those contained in the agreement with that borrower or in a cost of borrowing statement furnished to the borrower;

(c) send any communication or make any call, for the purpose of demanding a debt, for which the creditor elects to make the charges payable by the recipient;

(d) continue to communicate with or continue to collect or attempt to collect money from

(i) a person, if that person has informed the creditor that he or she is not the person sought by the creditor, unless the creditor first takes all reasonable precautions to ensure that that person is, in fact, the person sought by the creditor,

(ii) a borrower, if the borrower has notified the creditor in writing to communicate only with the borrower's legal adviser and an address for the legal adviser has been provided, or

(iii) a borrower, if the borrower has notified the creditor by registered mail that the debt is in dispute and requests that the creditor take the matter to court;

(e) use, without lawful authority, any summons, notice or demand, or other document, expressed in language of the general style or purport of any form used in any court, or printed or written or in the general appearance or format of any such form;

(f) in any way abuse or intimidate a borrower, any member of the borrower's family or household, any relative, neighbour, friend or acquaintance of the borrower, the borrower's employer or any person who has guaranteed to pay the debt of the borrower either orally or in writing to induce a person to pay money or to deliver up possession of property;

(g) make telephone calls or personal calls or written communications of such nature or with such frequency as to constitute harassment of the borrower, any member of the borrower's family or household, any relative, neighbour, friend or acquaintance of the borrower, the borrower's employer or any person who has guaranteed to pay the debt of the borrower;

(h) unless requested by the person being contacted, contact by telephone, personal call or electronic means or otherwise attempt to contact a person in relation to the collection of money or possession of property

(i) on a Sunday or any other day designated by the regulations,

(ii) on any day other than a day referred to in subclause (i) except between the hours of eight o'clock in the morning and nine o'clock in the evening,

(iii) on any day that falls during a consecutive seven-day period in which a creditor has contacted the person three times, or

(iv) at such other times as may be prescribed by the regulations;

(ha) where using an automated call system, fail to provide a contact number for the borrower to call when leaving a message;

(i) give any person, directly or indirectly, by implication or otherwise, any false or misleading information, including, but not limited to, references to the police, a law firm, prison, credit history, court proceedings, lien or garnishment;

(j) contact or threaten to contact the employer of a borrower or any member of the borrower's family or household; and give information that may adversely affect the employment or employment opportunities of the borrower or any member of the borrower's family or household;

(k) while attempting to collect money or get possession of property, falsely hold himself or herself out as a police officer, sheriff or deputy sheriff;

(l) publish or threaten to publish, either in print or through electronic means, a borrower's failure to pay;

(m) communicate or attempt to communicate with any member of a borrower's family or household or any relative, neighbour, friend or acquaintance of a borrower, unless

(i) the person being contacted has guaranteed to pay the debt of the borrower and the contact is in respect of that guarantee,

(ii) the creditor does not have the borrower's home address or personal telephone number and the contact is for the sole purpose of obtaining the borrower's home address or personal telephone number, or

(iii) the borrower has requested that the creditor discuss the debt with that person;

(n) communicate or attempt to communicate with the borrower's employer, unless

(i) the employer has guaranteed to pay the debt of the borrower and the contact is in respect of that guarantee,

(ii) the contact is solely for the purpose of confirming the borrower's employment status, business title or business address and occurs only once, or

- (iii) the contact is authorized in writing by the borrower;
- (o) directly or indirectly communicate to a borrower an intention to proceed with any legal action for which there is no lawful authority. R.S., c. 91, s. 4; 2012, c. 40, s. 40.

Waiver or release of rights void

4A Any waiver or release by a person of the rights, benefits, protections or remedies under this Act and any agreement which in any way limits or abrogates or in effect limits or abrogates any such right, benefit, protection or remedy is void. 2012, c. 40, s. 41.

Offence, penalty and time limit

5 (1) Every person who violates or fails to comply with any provision of this Act or the regulations and every director of a corporation who knowingly concurs in a violation or failure to comply with any provision of this Act or the regulations is guilty of an offence and liable on summary conviction to a fine of not less than five hundred dollars nor more than twenty-five thousand dollars or to imprisonment for a term of not more than one year, or both.

(2) Where a corporation is convicted of an offence under subsection (1) it is liable to a penalty of not more than three hundred thousand dollars.

(3) A prosecution under this Section may be commenced within three years after the date on which the offence is committed. R.S., c. 91, s. 5; 2012, c. 40, s. 42; 2018, c. 43, s. 3.

Regulations

- 6 (1)** The Governor in Council may make regulations
- (a) prescribing other days and times when a person may not be contacted in relation to the collection of money or possession of property for the purpose of clause 4(h);
 - (b) defining any word or expression used but not defined in this Act;
 - (c) respecting any matter or thing the Governor in Council considers necessary or advisable to effectively carry out the intent and purpose of this Act.

(2) The exercise by the Governor in Council of the authority contained in subsection (1) is regulations within the meaning of the *Regulations Act*. 2012, c. 40, s. 43