

1937

c 249 Collection Agencies Act

Ontario

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CHAPTER 249.

The Collection Agencies Act.

1. In this Act,—

Interpre-
tation.

- (a) "Collection agency" shall mean and include an individual, firm or corporation, carrying on the business of collecting debts for other persons in consideration of the payment of a commission upon the amount collected or otherwise, or of taking assignments of debts and charging a fixed fee therefor, whether the principal or head office of such agency is in Canada or elsewhere, but shall not include a solicitor collecting or attempting to collect debts for his client, or any insurer, agent or broker licensed under *The Insurance Act* to the extent of the business authorized by such license, or a trustee in bankruptcy or insolvency; "Collection agency." Rev. Stat. c. 256.
- (b) "Prescribed" shall mean prescribed by this Act; "Pre-scribed."
- (c) "Regulations" shall mean regulations made under the authority of this Act. 1933, c. 6, s. 2. "Regu-lations."

2. A collection agency shall not carry on the business of collecting debts in Ontario until such agency has been duly licensed as provided by this Act and the regulations. 1933, c. 6, s. 3. Agency must be licensed.

3. All licenses shall be issued by the Ontario Securities Commission, upon such agency furnishing such information as may be required by such Commission. 1933, c. 6, s. 4. License,— issue of.

4. The Ontario Securities Commission shall administer the provisions of this Act and may refuse a license or renew, suspend or revoke any license issued. 1933, c. 6, s. 5. Power to refuse, suspend or revoke.

5. Where a license is revoked, the licensee shall be entitled to a refund of a part of the license fee proportionate to the unexpired part of the term for which it was granted. 1933, c. 6, s. 6. License fee adjustment.

Amount of
license fee.

6. The annual license fee for a collection agency carrying on business in Ontario which has its principal or head office outside of Canada shall be \$50, and for any other collection agency shall be \$2, and all such licenses may be renewed from year to year and the same fee as above mentioned shall be paid on each renewal. 1933, c. 6, s. 7.

Moneys
collected to
be deposited.

7.—(1) All moneys collected by a collection agency shall be deposited in a trust account in some chartered bank carrying on business in the Province of Ontario, or a trust company authorized by law to take deposits.

Method of
depositing.

(2) The manner of making such deposits, and the control and disposition of the same shall be subject and conform to the regulations. 1933, c. 6, s. 8.

Books of
account to
be kept.

8. Proper records and books of account shall be kept by a collection agency showing moneys received and moneys paid out, and the manner of keeping such books of account and records shall be subject and conform to the regulations. 1933, c. 6, s. 9.

Collection
agency to
account.

9. A collection agency shall, without any notice or demand, within thirty days after the receipt of any money collected, account for all moneys so received to the person entitled to such accounting, and in addition to such obligation, every collection agency shall, upon demand made by any person entitled to an accounting or by the Ontario Securities Commission, duly account for all moneys received and collected. 1933, c. 6, s. 10.

Forms and
notices to be
filed with
Securities
Commission.

10. Copies of all forms of notices, agreements, accounting systems, books of account and other forms used or proposed to be used by a collection agency for the purpose of its business in Ontario, shall be filed with the Ontario Securities Commission. 1933, c. 6, s. 11.

License to be
displayed.

11. Every collection agency shall keep its license displayed in a conspicuous place at the office of such agency. 1933, c. 6, s. 12.

Penalties.

12. Every collection agency carrying on business in Ontario without the license required by this Act, or which fails to keep proper books of account and to deposit moneys in a trust account or to account as provided by this Act, or who contravenes any of the provisions of this Act or the regulations, shall be guilty of an offence and incur a penalty of not less than \$50 nor more than \$200 for each offence. 1933, c. 6, s. 13.

13. Every person who knowingly employs a collection agency not having the license required by this Act, or causes or procures letters or notices to be sent to or verbal demands to be made upon debtors or alleged debtors by a collection agency not having such license, shall be guilty of an offence and incur a penalty of not less than \$50 nor more than \$200 for each offence. 1933, c. 6, s. 14.

Penalty for
employing
unlicensed
agency.

14. The penalties provided by this Act shall be recoverable under *The Summary Convictions Act*. 1933, c. 6, s. 15.

Recovery
of penalty.
Rev. Stat.,
c. 136.

15. The Lieutenant-Governor in Council may make regulations,—

Regulations.

- (a) prescribing the form of license and application therefor under this Act;
 - (b) fixing the amount of security, if any, to be given by a licensee;
 - (c) prohibiting the use of any particular method in the collection of debts;
 - (d) requiring collection agencies to make such returns and furnish such information to the Ontario Securities Commission as the Commission may from time to time require;
 - (e) prescribing the manner of making deposits and the control and disposition thereof, and the keeping of records, books, accounting systems and audits;
 - (f) generally for the better carrying out of the provisions of this Act. 1933, c. 6, s. 16.
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