



Limitation Act 1980

1980 CHAPTER 58

PART I

ORDINARY TIME LIMITS FOR DIFFERENT CLASSES OF ACTION

Actions founded on simple contract

6 Special time limit for actions in respect of certain loans.

- (1) Subject to subsection (3) below, section 5 of this Act shall not bar the right of action on a contract of loan to which this section applies.
- (2) This section applies to any contract of loan which—
 - (a) does not provide for repayment of the debt on or before a fixed or determinable date; and
 - (b) does not effectively (whether or not it purports to do so) make the obligation to repay the debt conditional on a demand for repayment made by or on behalf of the creditor or on any other matter;

except where in connection with taking the loan the debtor enters into any collateral obligation to pay the amount of the debt or any part of it (as, for example, by delivering a promissory note as security for the debt) on terms which would exclude the application of this section to the contract of loan if they applied directly to repayment of the debt.

- (3) Where a demand in writing for repayment of the debt under a contract of loan to which this section applies is made by or on behalf of the creditor (or, where there are joint creditors, by or on behalf of any one of them) section 5 of this Act shall thereupon apply as if the cause of action to recover the debt had accrued on the date on which the demand was made.
- (4) In this section “promissory note” has the same meaning as in the ^{M1}Bills of Exchange Act 1882.

Status: Point in time view as at 15/01/2007.

Changes to legislation: *There are currently no known outstanding effects for the Limitation Act 1980, Section 6. (See end of Document for details)*

Marginal Citations

M1 [1882 c. 61\(13\)](#)

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There are currently no known outstanding effects for the Limitation Act 1980, Section 6.