



PRINCE EDWARD ISLAND  
ÎLE-DU-PRINCE-ÉDOUARD

# **STATUTE OF FRAUDS**

## PLEASE NOTE

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For more information concerning the history of this Act, please see the *Table of Public Acts* on the Prince Edward Island Government web site ([www.princeedwardisland.ca](http://www.princeedwardisland.ca)).

If you find any errors or omissions in this consolidation, please contact:

*Legislative Counsel Office*

*Tel: (902) 368-4292*

*Email: [legislation@gov.pe.ca](mailto:legislation@gov.pe.ca)*



## STATUTE OF FRAUDS

### CHAPTER S-6

#### 1. Infants, liability for contracts

No action shall be had or maintained whereby to charge any person upon any promise made after full age, to pay any debt contracted during minority, or upon any ratification after full age of any promise or simple contract, made during infancy, unless the promise or ratification is made by some writing, signed by the party to be charged therewith. *R.S.P.E.I. 1974, Cap. S-6, s.1.*

#### 2. Representations made *re* character, credit ability, etc. of another, action on limited

No action shall be brought whereby to charge any person upon or by reason of any representation, or assurance, made or given concerning or relating to the character, conduct, credit ability, trade or dealings of any other person, to the intent or purpose that the other person may obtain credit, money, or goods, upon any such representation or assurance, unless the representation or assurance is made in writing, signed by the party to be charged therewith. *R.S.P.E.I. 1974, Cap. S-6, s.2.*

#### 3. Acceptance of liability for another, effect of no consideration in agreement

No special promise made by any person to answer for the debt, default, or miscarriage of another person being in writing and signed by the party to be charged therewith, or some other person by him thereunto lawfully authorized, shall be deemed invalid to support an action, suit or other proceeding, to charge the person by whom the promise has been made by reason only that the consideration for the promise does not appear in writing or by necessary inference from a written document. *R.S.P.E.I. 1974, Cap. S-6, s.3.*

#### 4. Agreement to contribute money, labour etc. to public undertaking, effect of no consideration

- (1) Whenever any subscription is opened and made in aid of the erection, addition to, alteration of, or repairs of any road, bridge, place of worship, schoolhouse, or for any undertaking of public utility, or which may be designated in the subscription list as, or appears to be, a public undertaking, and the undertaking is commenced, every person who has engaged, by written subscription to contribute money, labor, or other aid towards the undertaking, shall be held legally liable and bound to perform his engagements, notwithstanding any apparent want of consideration in the agreement for it.

##### Enforcement of agreements *re* public undertaking, by whom

- (2) In case of public grants made in aid of a public undertaking, referred to in subsection (1), the public officer or other person appointed to expend the grant, or where no public grant is made, then the person to whom the performance or superintendence of the undertaking has been entrusted, or the person who may himself have engaged in and is then carrying on the

undertakings may require all persons who have so subscribed to perform their engagements; and in case any subscriber, after a written notice of at least one month, refuses or neglects so to do, he may be sued by the public officer or other person hereinbefore mentioned, or the person to whom the subscription may be payable, as if the subscription were a private debt for the like amount.

**Application of moneys collected**

- (3) All moneys or other aid so subscribed and recovered shall be applied and expended for the purpose for which it was so subscribed, and for no other purpose whatever. *R.S.P.E.I. 1974, Cap. S-6, s.4.*

**5. Surety pays debt or performs duty, entitlement as creditor**

- (1) Every person who, being surety for the debt, or duty of another or being liable with another for any debt or duty, pays the debt or performs the duty is entitled to have assigned to him or to a trustee for him every judgment specialty or other security which is held by the creditor, in respect of the debt or duty whether the judgment specialty or other security is or is not deemed at law to have been satisfied by the payment of the debt or the performance of the duty.

**Idem**

- (2) The person referred to in subsection (1) is entitled to stand in the place of the creditor and to use all the remedies and if need be and upon a proper indemnity to use the name of the creditor in any action or other proceeding at law or in equity in order to obtain from the principal debtor or any co-surety, co-contractor or co-debtor as the case may be, indemnification for the advances made and loss sustained by the person who has so paid the debt or performed the duty; and the payment or performance so made by the surety shall not be allowed as a defence in an action or other proceeding by him, but no co-surety or co-contractor or co-debtor is entitled to recover from any other co-surety, co-contractor or co-debtor by the means aforesaid more than the just proportion to which as between those parties themselves the last mentioned person is justly liable.

**Courts to which section applies**

- (3) This section applies to all judgments in any of the courts of this province and to every specialty or other security. *R.S.P.E.I. 1974, Cap. S-6, s.5.*