



Civil Resolution Tribunal

Date Issued: July 22, 2021

File: SC-2021-001974

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Money Money Payday Loans Ltd. v. Panagsagan*, 2021 BCCRT 800

B E T W E E N :

MONEY MONEY PAYDAY LOANS LTD.

APPLICANT

A N D :

RENZO PANAGSAGAN

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Richard McAndrew

INTRODUCTION

1. This dispute is about a payday loan. The applicant, Money Money Payday Loans Ltd. (Money), says the respondent, Renzo Panagsagan, failed to repay a \$430 payday loan as agreed. Money claims \$514.50, consisting of the \$430 loan principal, \$64.50 for borrowing charges and \$20 for non-sufficient funds (NSF) charges.

2. In the Dispute Response filed at the outset of this proceeding, Mr. Panagsagan agreed with Money's claims. As discussed below, Mr. Panagsagan did not provide any evidence or submissions, despite having the opportunity to do so.
3. Money is represented by a principal or employee. Mr. Panagsagan is self-represented.

JURISDICTION AND PROCEDURE

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness, and recognize any relationships between the dispute's parties that will likely continue after the CRT process has ended.
5. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
6. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

ISSUE

7. The issue in this dispute is how much, if any, does Mr. Panagsagan owe Money under the payday loan.

EVIDENCE AND ANALYSIS

8. In a civil proceeding like this one, Money, as the applicant, must prove its claims on a balance of probabilities. As noted, Mr. Panagsagan did not provide any submissions or evidence, though he had the opportunity to do so. I have read all of Money's submissions but refer only to the evidence and argument that I find relevant to provide context for my decision.
9. Money provided a payday loan agreement (agreement) showing that Money gave Mr. Panagsagan \$430 as a payday loan on December 31, 2020. The agreement also shows that Mr. Panagsagan agreed to repay Money \$494.50, on January 14, 2021. The agreement shows that the loan principal was \$430 and there was an agreed loan fee of \$64.50, which amounts to 15%, a permitted amount under the *Payday Loans Regulations*. Money says, and Mr. Panagsagan does not dispute, that the entire debt was unpaid when this dispute was started.
10. Based on the terms of the payday loan agreement, and Mr. Panagsagan's agreement with Money's claims, I find that Mr. Panagsagan owed Money \$494.50 as of January 14, 2021.
11. Money provided account records acknowledging the receipt of payments totaling \$200 from Mr. Panagsagan on March 23, 2021 and April 2, 2021, after this dispute started. Under section 112.07 of the *Business Practices and Consumer Protection Act*, and the parties' agreement's terms, Mr. Panagsagan's \$200 payments are applied first to the \$64.50 loan fee and then to the loan principal. After deducting these payments, I find that Mr. Panagsagan owes a principal balance of \$294.50 under the loan.
12. Money also claims \$20 for NSF charges. Since Mr. Panagsagan agrees with this claim, I find that he owes this amount.
13. So, I find that Mr. Panagsagan owes Money \$314.50.

Interest, CRT fees and dispute-related expenses

14. Money claims contractual interest based on the parties' agreement, but did not specify the rate in its claim. When the loan became overdue on January 14, 2021, the agreement states that a maximum of 2.5% monthly contractual interest applies. Section 4 of the federal *Interest Act* says that when an interest rate in a contract is expressed as a rate or percentage for any period less than 1 year, and if the contract does not contain an express statement of the equivalent yearly interest rate or percentage, the maximum allowable interest rate is 5% per year. Since the agreement did not provide an annual interest rate, I find Money is entitled only to 5% annual interest on the \$294.50 loan balance, from January 14, 2021, the date the loan payment was due to the date of this decision. This equals \$7.62.
15. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule. Since Money was successful, I find that it is entitled to reimbursement of \$125 in CRT fees. Money did not claim reimbursement of dispute-related expenses.

ORDERS

16. Within 30 days of the date of this order, I order Mr. Panagsagan to pay Money a total of \$447.12, broken down as follows:
 - a. \$314.50 in debt,
 - b. \$7.62 in contractual prejudgment interest, and
 - c. \$125 in CRT fees.
17. Money is entitled to post-judgment interest, as applicable.
18. Under section 48 of the CRTA, the CRT will not provide the parties with the Order giving final effect to this decision until the time for making a notice of objection under section 56.1(2) has expired and no notice of objection has been made. The time for

filing a notice of objection is 28 days after the party receives notice of the CRT's final decision. The Province of British Columbia has enacted a provision under the *COVID-19 Related Measures Act* which says that statutory decision makers, like the CRT, may waive, extend or suspend mandatory time periods. This provision is in effect until 90 days after June 30, 2021, which is the date of the end of the state of emergency declared on March 18, 2020, but the Province may shorten or extend the 90-day timeline at any time. A party should contact the CRT as soon as possible if they want to ask the CRT to consider waiving, suspending or extending the mandatory time to file a Notice of Objection to a small claims dispute.

19. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. A CRT order can only be enforced if it is an approved consent resolution order, or, if no objection has been made and the time for filing a notice of objection has passed. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Richard McAndrew, Tribunal Member