



# Civil Resolution Tribunal

Date Issued: June 14, 2022

File: SC-2021-009595

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Cashco Financial Inc. v. Leo*, 2022 BCCRT 691

BETWEEN:

CASHCO FINANCIAL INC.

**APPLICANT**

AND:

MONA LEO

**RESPONDENT**

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## REASONS FOR DECISION

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Tribunal Member:

Andrea Ritchie, Vice Chair

## INTRODUCTION

1. This dispute is about a loan. The applicant commercial money lender, Cashco Financial Inc. (Cashco), loaned \$526.68 to the respondent, Mona Leo, on April 26, 2021. Ms. Leo undisputedly failed to repay the loan's balance, after making one payment. Cashco claims the remaining \$475.66 owing, plus a \$20 NSF charge, and contractual interest.

2. Ms. Leo does not dispute she owes the money, but says she cannot afford to pay.
3. Cashco is represented by an employee. Ms. Leo represents herself.

## **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 parties to a dispute that will likely continue after the dispute resolution process has ended.
5. Section 39 of the CRTA says that 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.
6. Section 42 of the CRTA says that the CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in a court of law. The CRT may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.
7. 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**

8. The issue in this dispute is to what extent, if any, is Cashco entitled to the claimed \$495.66 debt plus 48.99% contractual interest.

## EVIDENCE AND ANALYSIS

9. In a civil claim such as this, the applicant Cashco must prove its claims on a balance of probabilities (meaning “more likely than not”). While I have read all of the parties’ submitted evidence and arguments, I have only addressed those necessary to explain my decision. I note Ms. Leo did not provide any evidence or submissions, despite having the opportunity to do so.
10. The facts are not disputed. On April 26, 2021, Ms. Leo signed a 6-month term loan agreement with Cashco, with semimonthly payments. The agreement clearly set out that Ms. Leo agreed to borrow \$450, plus a \$45 administration fee, a \$5 documentation fee, \$6.73 for an optional loan protection plan, and \$19.95 for insurance. Ms. Leo electronically signed the loan agreement, and does not dispute she agreed to the terms as set out in the written document in evidence.
11. It is also undisputed that Ms. Leo made a \$51.02 payment toward the loan’s principal on April 30, 2021. I accept that Ms. Leo has not repaid the loan’s \$475.66 balance, which is supported by Cashco’s records, and is not disputed. I also accept Ms. Leo is responsible for a \$20 NSF charge, which is not disputed. So, I find Cashco is entitled to the \$495.66 claimed.
12. Cashco claims contractual interest at the agreed annual rate of 48.99%. Calculated on the \$475.66 principal owing from May 14, 2021, when Ms. Leo defaulted on the loan, to the date of this decision, this equals \$252.99. I allow this amount.
13. As the Cashco agreement does not specify interest on NSF charges, I find the contractual agreed rate does not apply. In the absence of an agreement on the \$20 NSF charge, I find the *Court Order Interest Act* (COIA) applies to it. Calculated from May 14, 2021 to the date of this decision, this equals \$0.10.
14. Under section 49 of the CRTA, and the CRT rules, a successful party is generally entitled to the recovery of their tribunal fees and dispute-related expenses. I see no reason to deviate from that general rule. As Cashco was successful, I find that it is

entitled to reimbursement of the \$125 it paid in tribunal fees. No dispute-related expenses were claimed.

## **ORDERS**

15. Within 30 days of the date of this decision, I order the respondent, Mona Leo, to pay the applicant, Cashco Financial Inc., a total of \$873.75, broken down as follows:

- a. \$495.66 in debt,
- b. \$252.99 in contractual pre-judgment interest at 48.99% per year on the \$475.99 principal debt,
- c. \$0.10 in pre-judgment interest under the *Court Order Interest Act* on the \$20 NSF charge, and
- d. \$125 in tribunal fees.

16. Cashco is also entitled to post-judgment interest, as applicable.

17. 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.

18. 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.

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Andrea Ritchie, Vice Chair