



Civil Resolution Tribunal

Date Issued: August 11, 2022

File: SC-2021-009403

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Easyfinancial Services Inc. v. Ialungo*, 2022 BCCRT 902

BETWEEN:

EASYFINANCIAL SERVICES INC.

APPLICANT

AND:

RICHARD IALUNGO

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Shelley Lopez, Acting Chair and Vice Chair

INTRODUCTION

1. This dispute is about an outstanding personal loan. The applicant lender, Easyfinancial Services Inc., undisputedly loaned \$4,350 to the respondent, Richard

lalungo, on January 31, 2019. The applicant says the respondent failed to repay the loan as required. The applicant claims \$3,049.14, with \$50 in NSF fees and \$2,999.14 as the outstanding loan principal. The applicant also claims 46.96% annual contractual interest on the \$2,999.14.

2. In the Dispute Response filed at the outset of this proceeding, the respondent said the loan principal owing “should be far less than” the claimed \$2,999.14. As discussed below, the respondent later chose not to provide any documentary evidence or written submissions, despite having the opportunity to do so.
3. The applicant is represented by an owner or employee. The respondent 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). CRTA section 2 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. CRTA section 39 says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. In some respects, the parties of this dispute call into question the credibility, or truthfulness, of the other. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. 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. CRTA section 42 says 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 is whether the respondent must pay the applicant the claimed \$3,049.14 under the parties' personal loan agreement.

EVIDENCE AND ANALYSIS

9. In a civil proceeding like this one, the applicant must prove its claim on a balance of probabilities (meaning "more likely than not"). I have read all the submitted evidence and arguments but refer only to what I find relevant to provide context for my decision. As noted, the respondent chose not to provide any evidence or written arguments, despite reminders that they had the opportunity to do so.
10. On January 31, 2019, the respondent signed the applicant's personal loan agreement. The relevant terms are:
 - a. The applicant will loan the respondent \$4,350 on January 31, 2019, with \$2,899.59 of that amount directed to pay off a loan and the \$1,407.57 e-transferred to the respondent's bank account.
 - b. The respondent will pay interest on the loan at 46.96% annually.
 - c. The applicant will withdraw \$171.58 from the respondent's bank account biweekly, starting February 8, 2019.
 - d. If any payments are not honoured by the respondent's bank, the applicant will charge the respondent a \$50 NSF fee.

- e. If the respondent fails to make a payment when due, the respondent must pay any NSF fee and the entire unpaid principal and accrued interest become due immediately.
11. In the Dispute Response, the respondent as noted questioned the accuracy of the claimed \$2,999.14 as the outstanding loan principal. The respondent requested a “full spreadsheet” displaying “all activities” of the respondent’s account, including interest, NSF fees, payments, and payment arrangements.
 12. I find the personal loan agreement in evidence sets out the payment arrangements. The applicant also submitted a detailed payment history summary, setting out the respondent’s sporadic payments with various missed payments, and NSF entries (though the applicant claims in this dispute only 1 \$50 NSF charge). The history shows the outstanding loan balance is the claimed \$2,999.14, and the most recent NSF charge was on June 2, 2021. I accept the applicant’s history as accurate, which is undisputed since the respondent did not file any evidence or make any written arguments. Based on the submitted and undisputed payment history record, I find the applicant is entitled to the \$2,999.14 plus the \$50 in NSF fees.
 13. As noted, the applicant claims contractual interest at 46.96% annually. I find under the loan agreement the applicant is entitled to that rate on the \$2,999.14 loan principal from the January 31, 2019 loan date to the date of this decision. However, the applicant expressly only seeks interest from January 30, 2020, and so calculated from that later date to the date of this decision, the contractual interest equals \$3,565.36. The CRT’s monetary limit in small claims matters is \$5,000. Both the principal and contractual interest must fall under that \$5,000 limit. So, I allow \$2,000.86 in contractual interest, which together with the \$2,999.14 principal equals the maximum \$5,000.
 14. The *Court Order Interest Act* (COIA) applies to the CRT. As the parties’ contract does not say that contractual interest applies to any NSF fees, I find the applicant is entitled COIA interest on the \$50 NSF fees from June 2, 2021 to the date of this decision.

This equals \$1.22. I note the \$5,000 monetary limit is exclusive of COIA interest and CRT fees and dispute-related expenses.

15. Under section 49 of the CRTA and the CRT's rules, a successful party is generally entitled to reimbursement of their CRT fees and reasonable dispute-related expenses. As the applicant was successful, I allow its claim for reimbursement of \$175 in paid CRT fees. The applicant claims another \$175 for serving the Dispute Notice but provided no receipts to support that expense. So, I do not allow any dispute-related expenses.

ORDERS

16. Within 21 days of this decision, I order the respondent to pay the applicant a total of \$5,176.22, broken down as follows:
 - a. \$2,999.14 in debt,
 - b. \$2,000.86 in contractual interest at 46.96% annually,
 - c. \$1.22 in interest under the COIA, and
 - d. \$175 in CRT fees.
17. The applicant is entitled to post-judgment interest, as applicable. I dismiss the applicant's claim for dispute-related expenses.
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. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Shelley Lopez, Acting Chair and Vice Chair