

So that it would appear as if—you can probably explain this—you had charged this man interest instead of rebating interest?—A. I do not think so.

Q. I am just asking you to explain it?—A. Yes.

Q. Because it is there shown (indicating to witness) added to the principal sum.—A. Mr. Stevens, it is pretty difficult to explain that from this book. I would want to examine the records. I would be glad to give you the records later.

Mr. CLEAVER: Do I understand you correctly, Mr. Stevens, that the total amount paid on principal before the final payment was only \$25?

Hon. Mr. STEVENS: It would appear that way.

Mr. CLEAVER: Then there was obviously more than \$260 owing if the note was \$300.

The WITNESS: Yes. He only made a \$25 payment. Therefore the difference between \$300 and \$25 would be \$275, whichever way you arrive at it.

*By Hon. Mr. Stevens:*

Q. All of the charges in the borrowing charges, known as the aggregate charges, were included and charged this man although he only had the money for two months. That is correct, is it not?—A. No. Less—I would say he got a rebate back of \$14.14.

Q. That \$14.14 is not deducted; it is added.—A. If you will look over my shoulder I think you will see where I mean. He made a payment of \$25.

Q. Yes.—A. Reducing his balance to \$275, which he pays now.

Q. Yes.—A. But he only gives him cash of \$260.56; the difference between \$275 and the \$260.56 which he paid in cash was his rebate of \$14.14. But all he paid was \$275.

Q. Yes, he paid \$275.—A. Less the rebate.

Q. My instructions are he paid you \$275, which would show that he got no rebate at all.—A. I would strenuously deny that, because I know that is so contrary to our policy. That booklet is for recording past due interest, and it is apparent there was no delinquency there.

Q. There was no delinquency.

Mr. CLEAVER: Might I ask, for the purposes of the record, that that book be marked as an exhibit?

The WITNESS: Yes. I would like very much to have an opportunity to provide you gentlemen with the actual information.

Mr. FINLAYSON: Was it an Ottawa loan?

The WITNESS: Yes. I can very readily get the information for you.

*By Hon. Mr. Stevens:*

Q. I used this merely to try to get at your methods.—A. Yes.

Q. And it does not disclose—here is the point I am making—that you observed the terms of your charter where it says you shall give him a refund?—A. I think you will find that that \$14 would perhaps represent—if he had had the loan two months, he would only become eligible for a rebate of seven months—seven-twelfths, not of \$37 but of \$21 that he originally paid. Seven-twelfths of the \$21 I think would come pretty close to that \$14, would it not?

Mr. LAWSON: Yes, it would.

The CHAIRMAN: Mr. Stevens, Mr. Cleaver has asked if that document could be marked as an exhibit.

Hon. Mr. STEVENS: Well, I will tell you—

The WITNESS: If anything, it would be less than \$14.

Mr. FINLAYSON: Yes.

[Mr. Arthur P. Reid.]