

Mr. WALKER: This is a question of draftsmanship.

The CHAIRMAN: There is no special witness being examined.

Mr. MCGEER: I understood this witness was being examined.

Hon. Mr. LAWSON: May I suggest it is hardly fair to ask a layman to answer a question of law. I suggest the solicitor for the company might better answer a question of law.

Mr. WALKER: It seems to me a mere question of draftsmanship. What the section says is this:—

Whenever the company, under authority of this Act, makes a loan of five hundred dollars or less, sub-paragraphs (i), (ii) and (iii) of this paragraph (b), shall not apply.

And sub-paragraph (1) is the paragraph that I think Mr. McGeer is referring to.

Mr. MCGEER: Which reads as follows.

Mr. WALKER: It is not exactly a substitution; it says in that particular set of circumstances sub-section (1) shall not apply.

Mr. MCGEER: The section reads:—

Notwithstanding anything contained in the Interest Act, or in the Money Lenders Act, or in paragraph (c) of section sixty-three of the Loan Companies Act; (i) lend money secured by assignment of choses-in-action, chattel mortgages or such other evidence of indebtedness as the Company may require, and may charge interest thereon at the rate of not more than seven per centum per annum and may deduct such interest in advance and provide for repayment in weekly, monthly or other uniform repayments: Provided that the borrower shall have the right to repay—

and

(ii) charge, in addition to interest as aforesaid, for all expenses which have been necessarily and in good faith incurred by the Company in making a loan authorized by the next preceding sub-paragraph (i), including all expenses for inquiry and investigation into character and circumstances of the borrower, his co-maker or surety, for taxes, correspondence and professional advice, and for all necessary documents and papers, two per centum upon all the principal sum loaned;

Now, in addition to the 7 per cent you had a limit for services necessarily and in fact incurred up to 2 per cent.

Mr. WALKER: Not in that section, Mr. McGeer. That section does not limit it entirely because the next section starts off by saying: "Notwithstanding anything in the next two preceding sub-paragraphs."

Mr. MCGEER: Yes, and in addition to the 7 per cent interest you have 2 per cent for services necessarily and in fact incurred, and then a further charge for registration.

Mr. WALKER: Not for registration. The further charge has been discussed almost ad nauseam but it is not for registration.

Mr. VIEN: Expenses incurred in regard to chattel mortgages.

Mr. MCGEER: "—legal and other actual expenses disbursed by the Company in connection with such loan but not exceeding the sum of ten dollars."

Mr. VIEN: Exactly.

Mr. MCGEER: That was for legal expenses.

Mr. VIEN: Legal and other.

Mr. MCGEER: In any event there was interest, investigation charges up to 2 per cent and there were legal and other expenses up to \$10.

Mr. VIEN: Yes.