

# It's cheap, easy for lender to sue

Article II: Abuse of Credit  
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L.L.B.

If credit is used properly, it can be beneficial to both the buyer and the seller of goods and services. However, the fact that credit has become readily available and has lost almost all of the earlier social stigma which was attached to its use has meant that it is becoming more and more susceptible to abuse by both borrowers and lenders.

The primary cause of abuse is that borrowers purchase more goods and services using credit than they can reasonably expect to pay back from their sources of income. The result of such over-extension is that the borrower is unable to and thus fails to repay the amount owed to the creditor as required by contract.

When this occurs, the creditor has the right to recover his or her money in a number of ways. The lender may sue the borrower in court and get a judgment against the borrower. This right to sue is fairly simple for the lender to pursue because there are a number of different courts available depending on the amount of money owed.

For example, it is cheap and easy for the lender to sue in Small Claims Court. If the money has actually been borrowed, it will be hard for the borrower to defend a legal action by the lender.

In addition to the chance of losing such a legal action, there can be considerable embarrassment and expense to the borrower resulting from being brought into court. Once the lender has obtained a court judgment, he or she is able to formally question the borrower in detail about his or her financial affairs and, with some exceptions

and protections for the borrower, be repaid by taking and selling goods or land belonging to the borrower.

There are a number of other rights which the lender acquires either under the terms of the original lending contract or under the terms of a court order. These may include the right to repossess the goods which have been purchased, the right to obtain interest on the interest owing, the right in some cases to force the borrower into bankruptcy,

and so on. Regardless of the outcome, the procedures which the lender is entitled to will be embarrassing, expensive and difficult to defend for the borrower.

If you do end up in a situation where you are unable to pay your credit obligations, there are some rights and procedures available to ease the situation. If you are sued by a number of creditors whom you can't pay or satisfy, you may apply to the court for a consoli-

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## 'Too long for repairs'

Why is the region taking so long to repair complete repairs on Regional Road 15?

Coun. Pam Sheldon wants some answers to that question by the next town council meeting Aug. 25 and she's not happy with the lack of action over the issue by the town's representatives on regional council.

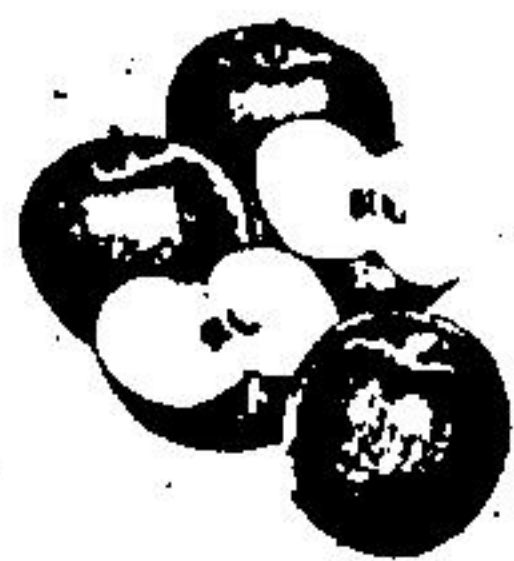
She described the road's patchwork stretch of recently-laid gravel and old hard top as "deplorable"

and is concerned that the road's condition poses special dangers to children driving in school buses. Parts of the road have been rebuilt but not finished, leaving high ditches on either side.

She demanded that regional councillors Pete Pomeroy, Dave Whiting, Roy Booth, Mike Armstrong and Russ Miller "make a bit of noise" to draw attention at Halton council to the road's condition.

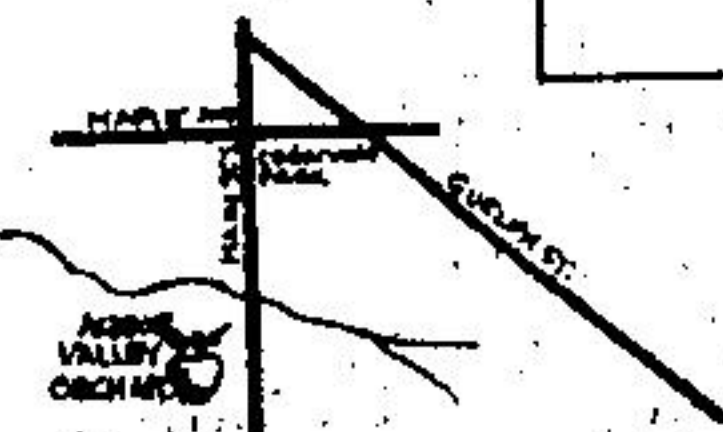
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## You're Right ...

## There Is A Time NOT To Advertise When ...

1. You have all the business in town!
2. Everybody loves you so much they just can't trade elsewhere!
3. Children stop being born!
4. You have more business than you can handle!
5. There are no new people moving into your area!
6. The economy is so healthy, anybody could make money in business!
7. You want to keep your large inventory!
8. You have no competition!
9. You don't really want to work very hard anyhow!
10. You have netted your first million (after taxes)!
11. You have to hire more help to handle business!

## The Time To START Advertising Is When ...

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