Date Issued: June 17, 2020

File: SC-2019-010188

Type: Small Claims

Civil Resolution Tribunal

Indexed as: Huang dba D.D. Huang & Associates v. North America Commerce Valley Development Ltd., 2020 BCCRT 671

BETWEEN:

DONGDONG HUANG (Doing Business As D.D. HUANG & ASSOCIATES)

APPLICANT

AND:

NORTH AMERICA COMMERCE VALLEY DEVELOPMENT LTD. and NACV GLOBAL SHOPPING CORP.

RESPONDENTS

REASONS FOR DECISION

Tribunal Member: Lynn Scrivener

INTRODUCTION

- 1. This is a dispute over legal fees. The applicant, Dongdong Huang (Doing Business As D.D. Huang & Associates), says that he performed legal services for the respondents North America Commerce Valley Development (NACVD) and NACV Global Shopping Corp. (NACV Global) for which he has not been paid. Dr. Huang asks for an order that the respondents pay him \$5,000. NACVD and NACV Global admit that they hired Dr. Huang, but say that they agreed to a "fixed package price" at a lesser amount. Both NACVD and NACV Global deny that they owe Dr. Huang \$5,000.
- 2. The applicant is self-represented. The respondents are represented by employees.

JURISDICTION AND PROCEDURE

- 3. 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). 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.
- 4. The CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. I decided to hear this dispute through written submissions, because I find that there are no significant issues of credibility or other reasons that might require an oral hearing.
- 5. 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.

- 6. The parties communicated both in English and a Chinese dialect, and the evidence before me contains documents in these languages. Both Dr. Huang and NACV Global provided Chinese to English translations of WeChat messages they exchanged. The parties had the opportunity to review the evidence, and there is no indication that they dispute the accuracy of the translations. Therefore, I will consider the English translations of the evidence before me. I will not consider those portions of the evidence in Chinese characters for which an English translation has not been provided.
- 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 tribunal considers appropriate.

ISSUE

8. The issue in this dispute is whether the respondents owe Dr. Huang \$5,000 under an agreement for legal services.

EVIDENCE AND ANALYSIS

- 9. In a civil dispute such as this, an applicant bears the burden of proof on a balance of probabilities. Dr. Huang provided evidence and submissions in support of his position. NACV Global provided evidence and both NACVD and NACV Global provided Dispute Responses, but no submissions. While I have considered all of this information, I will refer to only what is necessary to provide context to my decision.
- 10. Dr. Huang set out his terms of service in an August 13, 2019 retainer agreement. The scope of work was described as "Due Diligence, Contract Review and Other Services", and specifically contemplated bilingual services. Dr. Huang noted that his normal hourly rate was \$750, but stated that his work under the agreement would be billed at \$400 per hour, plus disbursements and taxes. The retainer agreement required the payment of \$3,000 as a "deposit" to be used to cover fees, taxes and

disbursements. The agreement stated that the client would pay "other disbursements and various government taxes", in addition to "the amount in the legal bill" on the first day of each month. It also provided that accounts that remained unpaid after 30 days were subject to interest at an annual interest rate of 24%. The agreement was signed by an individual on NACV Global's behalf. NACVD is not mentioned in the agreement and did not sign it.

- 11. Although the agreement required a deposit, it does not appear that this amount was paid. Dr. Huang performed a variety of tasks related to reviewing and revising contracts. Most documents were produced both in English and Chinese characters, and required a number of revisions.
- 12. Dr. Huang issued an invoice on October 21, 2019 for \$5,202.00 (inclusive of fees, taxes and disbursements). Representatives of one or both of the respondents questioned the amount of the invoice and the "overtime" Dr. Huang said was involved in the work given their stated understanding that there was a fixed price for his services. Dr. Huang offered to discount the legal services portion of the bill by 3 hours (or \$1,200). However, the parties were unable to reach an agreement and the invoice remained unpaid.
- 13. Dr. Huang asks for an order that NACVD and NACV Global pay him \$5,000. Dr. Huang as abandoned the portion of his claim over the tribunal's small claims limit of \$5,000. NACV Global says that it had a verbal agreement with Dr. Huang to pay a "fixed package price" of \$2,000 to \$3,000. NACVD says the agreement was for \$2,000. Dr. Huang suggests that there may have been some confusion between this contract matter and previous fixed price work he did for the respondents.
- 14. I now turn to my analysis. There is no indication in the retainer agreement that it contemplated a flat or fixed rate fee. While Dr. Huang may have given a verbal estimate for his work, the retainer agreement clearly states that his time would be billed at an hourly rate. I find that the parties specifically agreed to hourly billing, and that Dr. Huang did not change the payment structure without notice, as suggested by both NACVD and NACV Global. I also find that the hourly rate was reasonable in

- the circumstances, given that Dr. Huang is qualified as a lawyer in both British Columbia and China.
- 15. I have reviewed the October 21, 2019 invoice, which contains a description of the work done and the amount of time spent on particular dates. This work correlates to documents provided in evidence. Although I have not seen the entire client file, I find that the hours spent on the described tasks were reasonable, based on the evidence before me and given that most documents were produced in 2 languages. I also find that the charge for disbursements (printing and copying) was reasonable. In addition, Dr. Huang charged the required provincial sales tax and goods and services tax. Although this is not a review of a lawyer's bill under the Legal Profession Act are useful guidance and I have considered them in determining that Dr. Huang's charges were reasonable.
- 16. NACVD and NACV Global appear to be related entities, but the exact nature of their relationship is not clear. As noted above, NACVD not a party to the retainer agreement. In these circumstances, I find that NACVD did not agree to be responsible for Dr. Huang's billings. Accordingly, NACV Global alone is responsible for Dr. Huang's invoice, and must pay him the claimed \$5,000.
- 17. The retainer agreement provided that 24% annual interest would apply to overdue accounts. Calculated from November 20, 2019 (30 days after the invoice was issued) to the date of this decision, this would equal \$690.41. However, as discussed in *EASYFINANCIAL SERVICES INC. v. Rosvold*, 2019 BCCRT 68, contractual interest is a substantive claim that must, together with the principal debt, fall under the tribunal's \$5,000 limit. As Dr. Huang has abandoned his claims over the \$5,000 limit, he is not entitled to an award for pre-judgment interest.
- 18. Under section 49 of the CRTA and CRT rules, the CRT generally will order an unsuccessful party to reimburse a successful party for tribunal fees and reasonable dispute-related expenses. I find Dr. Huang is entitled to reimbursement of \$175 in tribunal fees. Dr. Huang also claimed \$75 for dispute-related expenses that he says

relate to postage, copying, printing and stationary supplies. However, as Dr. Huang did not provide evidence to support this claim, I dismiss it.

ORDERS

- 19. Within 30 days of the date of this order, I order NACV Global to pay Dr. Huang a total of \$5,175, broken down as follows:
 - a. \$5,000 under the retainer agreement, and
 - b. \$175 for tribunal fees.
- 20. Dr. Huang is entitled to post-judgment interest, as applicable.
- 21. Dr. Huang's claims against NACVD are dismissed.
- 22. 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 tribunal's final decision. The Minister of Public Safety and Solicitor General has issued a Ministerial Order under the *Emergency Program Act*, which says that tribunals may waive, extend or suspend a mandatory time period. The CRT can only waive, suspend or extend mandatory time periods during the declaration of a state of emergency. After the state of emergency ends, the CRT will not have this ability. A party should contact the tribunal as soon as possible if they want to ask the CRT to consider waiving, suspending or extending the mandatory time to file a Notice of Objection to a small claims dispute.

23.	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.

Lynn Scrivener,	Tribunal	Member