



Civil Resolution Tribunal

Date Issued: August 20, 2021

File: SC-2021-003134

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Revolution Resource Recovery Inc. v. 0806352 B.C. Ltd.*, 2021 BCCRT 921

BETWEEN:

REVOLUTION RESOURCE RECOVERY INC.

APPLICANT

AND:

0806352 B.C. LTD.

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Sherelle Goodwin

INTRODUCTION

1. This dispute is about an alleged breach of a waste disposal contract.
2. The applicant, Revolution Resource Recovery Inc. (Revolution) says the principal of the respondent, 0806352 B.C. Ltd. (080), signed a waste disposal contract with Revolution on behalf of 080 on September 5, 2018. Revolution says 080 terminated

the contract before the agreed upon start date of August 1, 2021. It claims \$4,235 in liquidated damages under the contract.

3. 080 says it did not enter into a binding agreement with Revolution. It initially argued that it only signed the contract to show progress being made on the sale, without any intention of being bound. 080 later argued that it did not sign the contract but signed supplemental documents instead. 080 asks that the dispute be dismissed.
4. Revolution is represented by an employee. 080 is represented by its principal and owner, Shane Dagan.

JURISDICTION AND PROCEDURE

5. 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). Section 2 of the CRTA 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.
6. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, 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.
7. Section 42 of the CRTA 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.

8. 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

9. The issues in this dispute are:
 - a. Did the parties enter into a binding agreement?
 - b. If so, did 080 breach the agreement?
 - c. If so, how much must 080 pay Revolution for the breach, if anything?

EVIDENCE AND ANALYSIS

10. In a civil case such as this one, Revolution as the applicant must prove its claims on a balance of probabilities. I have reviewed all evidence and submissions provided but only refer to that needed to explain, and give context to, my decision.
11. Revolution submitted as evidence a waste disposal contract dated September 5, 2018. The contract says Revolution will start disposing of 080's waste on August 1, 2021, at a cost of \$385 per month, for an initial term of 12 months with the first month free. The contract automatically renews for 12-month terms unless cancelled by either party in accordance with the contract's terms. The contract provides for liquidated damages if 080 breaches the contract. The contract includes Mr. Dagan's name and a bottom signature that purports to be Mr. Dagan's.
12. Revolution also submitted a cancellation letter addressed to 080's former waste disposal provider and a pre-authorized payment form. Both documents contain a signature that Revolution says is Mr. Dagan's.
13. In its initial Dispute Response, 080 says it signed the "contract" to show Revolution management that the Revolution salesperson (R) was making progress on 080's

account. 080 said R assured the company the contract would not be acted on until the parties met again around January 2021. However, in its later submissions, 080 denies signing the waste disposal contract.

14. 080 admits the inconsistency between the Dispute Response and its later arguments. On behalf of 080, Mr. Dagan explains that he initially did not recall signing the contract but concluded he must have, because Revolution told him the contract was signed and because 080's former waste disposal provider showed Mr. Dagan a copy of the cancellation letter, which Mr. Dagan admits he signed. Mr. Dagan says that, when he saw the contract uploaded as evidence in the CRT dispute, he determined the signature was not his, confirming his initial recollection that he had not signed the contract at the 2018 meeting. Mr. Dagan says he had not seen the contract since 2018 and so was relying only on his recollection when he filed the Dispute Response. He says it was only when he saw the contract in evidence for this dispute that he fully recalled the meeting with R.
15. On inspection, the contract signature looks similar, but not identical to, the signatures on the payment form and cancellation letter. In other words, it is not obvious whether the contract signature is Mr. Dagan's or not. As neither party provided expert evidence about the authenticity of the contract signature, I find I must rely on the other evidence before me to determine whether Mr. Dagan signed the contract or not.
16. On behalf of 080, Mr. says he met with the Revolution salesperson (R) in 2018 along with 2 of his then employees (A and B) and discussed waste disposal services and initialed R's changes to the contract. Mr. Dagan says he declined to sign the contract at that time. He says R said he was under extreme pressure by Revolution management to make a sale and asked Mr. Dagan to sign the cancellation letter and pre-authorization form to help R show that the sale was progressing, which Mr. Dagan says he did. He says R assured him the signed documents had no legal bearing and that they would meet again in 2020 to sign the final contract.
17. 080 submitted a signed, but undated, statement from A, 080's former cleaner. As A was responsible for garbage and recycling for the business, I find it reasonable she

would be at the meeting with R. A recalls R giving a sales pitch and negotiating some items with Mr. Dagan. A recalls R saying the meeting was a “preliminary signing” and that they would meet again for a “final contract signing” before the contract would be binding. A recalls RC getting information from Mr. Dagan to show Revolution that the sale was moving forward.

18. I disagree with Revolution that A’s statement shows Mr. Dagan signed the contract during the 2018 meeting. Rather, I find A recalls Mr. Dagan signing something, but not the “final contract signing” that A understood would happen at a later meeting. Although A’s statement is undated, I give it some weight because it is consistent with both Mr. Dagan’s and B’s recollection of the meeting.
19. 080 also submitted an unsigned and undated statement from B, 080’s head chef. B was also at the 2018 meeting and recalls the group discussing pricing and logistics and RC making changes to the contract, which Mr. Dagan initialed. B recalls the 080 group deferred a decision on waste management services until closer to the proposed 2021 start date. B recalls that Mr. Dagan refused to sign the contract but agreed to meet R again in 2 years’ time to discuss the matter further. B does not mention the pre-authorization agreement or cancellation letter.
20. I disagree with Revolution that B’s statement is not credible because it is not signed. I accept 080’s explanation that B typed the statement and provided it digitally, as she does not have the technology to print, sign and scan the document. Further, the document contains B’s full name, her job title and contact information, which is sufficient information for me to conclude B is the author of the document.
21. Revolution doubts Mr. Dagan’s explanation that he provided his credit card information and signed a pre-authorization form and cancellation letter to help R, who was a stranger. I agree that Mr. Dagan’s actions were perhaps unwise, in providing such information to a stranger but accept his submission that he relied on R’s undisputed verbal assurances that the documents were not binding in the absence of a signed contract.

22. Overall, I find 080's argument plausible. I accept that Mr. Dagan initially recalled not signing the contract, then believed he had, based on Revolution's assertions and receipt of his signed cancellation later, then later recalled he had not signed the waste disposal contract when he had the opportunity to view the contract itself. Although I find Mr. Dagan's recollection of the meeting events are inconsistent, his final position on the matter is supported by A and B's witness statements. Importantly, I note Revolution did not provide any contradictory statement from R about what happened at the meeting and whether Mr. Dagan did, or did not, sign the waste disposal contract. Nor did Revolution provide any reason why it could not obtain R's statement, given that R is, or at least was in 2018, an employee.
23. On balance, I find it just as likely as not that Mr. Dagan left the contract unsigned at the end of the 2018 meeting. As noted above, Revolution bears the burden of proving 080 agreed to the terms set out in the contract. I find Revolution has failed to prove the existence of a binding contract between the parties and its claim must therefore fail.
24. As Revolution was unsuccessful in its claim, I dismiss its claim for CRT fees and dispute-related expenses.

ORDER

25. I dismiss Revolution's claims and this dispute.

Sherelle Goodwin, Tribunal Member