

Date Issued: June 17, 2024

File: SC-2023-000111

Type: Small Claims

Civil Resolution Tribunal

Indexed as: Fraserwest Law Group LLP v. Khera, 2024 BCCRT 556

BETWEEN:

FRASERWEST LAW GROUP LLP

APPLICANT

AND:

AMANPREET KAUR KHERA and MANJIT SINGH KHERA

RESPONDENTS

REASONS FOR DECISION

Tribunal Member:

Deanna Rivers

INTRODUCTION

- 1. This dispute is about payment for legal services.
- The applicant, Fraserwest Law Group LLP (Fraserwest), says it provided legal services to the respondents, Amanpreet Kaur Khera and Manjit Singh Khera, but has not been paid. Fraserwest claims \$3,668.60 for two unpaid invoices.

- 3. The respondents dispute Fraserwest's claims. They state that the work is not complete.
- 4. The applicant is represented by a lawyer, Brendan Riley. Amanpreet Kaur Khera represents both respondents.

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.
- 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.
- 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 issue in this dispute is whether the respondents must pay Fraserwest \$3,668.60 for legal services.

EVIDENCE AND ANALYSIS

- 10. In a civil proceeding like this one, Fraserwest must prove its claims on a balance of probabilities, meaning more likely than not. I have reviewed all the parties' submissions and evidence but refer only to what I find necessary to explain my decision. The respondents did not provide initial submissions other than the Dispute Response Notice, and did not provide any documentary evidence, despite having the opportunity to do so.
- 11. The respondents agreed to hire Fraserwest to provide legal services. These services were provided primarily by Scott Birch, a partner of the firm. Fraserwest sent an email to the respondents on June 29, 2021, with a quote for a "rough approximation of legal costs" for a proposed residential development, including:

-Joint/venture/bare trust agreement \$2,500-\$4,000, and

-Incorporation of new company \$1,250.

- 12. Fraserwest noted that this would be a "general ballpark". The respondents emailed on July 5, 2021, saying that "We are ready to go ahead with the Joint Ventures agreement." In the Dispute Response Notice, the respondents say they agreed to the quote. A later email from the respondents said they needed to add to the contract.
- 13. Fraserwest emailed a draft joint venture agreement and bare trust to the respondents on July 24, 2021. Fraserwest sent another draft joint venture agreement to the respondents on July 30, with requested changes. Fraserwest sent an email with another draft of the joint venture agreement, a draft of the bare trust agreement, and draft resolutions for a new company on August 3. The respondents provided further information and instructions during this time.
- 14. Fraserwest says they provided further services for corporate matters. In addition to the corporate documents included with the August 3 email, Fraserwest provided a Certificate of Incorporation for a numbered company, which was incorporated on August 3, 2021.

- 15. Following the August email, Fraserwest sent a number of emails to the respondents without response. On September 24, 2021, Fraserwest told the respondents that as it had not heard from them, Fraserwest would be billing for the work done.
- 16. Fraserwest sent two invoices to the respondents on November 5, 2021:
 - a. Invoice 14133 for the Joint Venture Agreement and Bare Trust Agreement for \$2,940.60
 - b. Invoice 14273 for Corporate Work for \$728.
- 17. The respondents have not paid either invoice. They do not dispute that Fraserwest did the legal work which was billed in the invoice. Their submission is that there is more work to be completed.
- 18. Fraserwest sent a letter demanding payment to the respondents on March 7, 2022. Manjit Khera and Scott Birch spoke by phone with respect to the invoices, and I infer that the respondents requested a discount for work done. Fraserwest refused this request.
- 19. I find that the respondents retained Fraserwest to perform legal services for them, and that Fraserwest provided the legal services. Although there was not a written retainer agreement, Fraserwest provided a quote for services which was accepted by the respondents.
- 20. I find that the respondents owe Fraserwest \$3,668.60 in payment for legal services.

INTEREST, DISPUTE RELATED EXPENSES, AND CRT FEES

Fraserwest also claims interest. The *Court Order Interest Act* applies to the CRT. The applicant is entitled to pre-judgment interest on the amount owing from November 5, 2021, the date Fraserwest delivered the invoice, to the date of this decision. This equals \$303.03.

- 22. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule.
- 23. Because neither respondent initially responded to the Dispute Notice, the CRT made a default order. Fraserwest paid the fee for a default decision and order. The respondents successfully applied to cancel the default order. Fraserwest paid \$200 in CRT fees, including \$25 for a default decision. I find Fraserwest is entitled to reimbursement of the \$200 it paid. I dismiss the respondents' claim for reimbursement of CRT fees.
- 24. Fraserwest claims dispute related fees of:
 - a. \$23.38 for registered mail to serve the Dispute Notice on each respondent.
 - b. \$82.74 for the filing of the Default Order with the Land Title and Survey Authority (LTSA).
 - c. \$35.84 to release the judgment filed in the LTSA.
- 25. After the CRT made the default order, Fraserwest filed the default order with the LTSA. Once the CRT cancels a default order, CRTA section 59 requires that Fraserwest must take the steps necessary to stop any enforcement process. Fraserwest followed this requirement and applied to release the judgment filed in the LTSA. Given the obligation under CRTA, I find Fraserwest is entitled to reimbursement of its costs with respect to filing the default order in the LTSA and releasing the judgment, as well as costs for service.
- 26. I find the applicant is entitled to reimbursement of \$200 in CRT fees and \$141.96 in dispute-related expenses.

ORDERS

27. Within 30 days of the date of this order, I order the respondents to pay Fraserwest a total of \$4,313.59, broken down as follows:

- a. \$3,668.60 in payment for legal services,
- b. \$303.03 in pre-judgment interest under the Court Order Interest Act, and
- c. \$341.96, for \$200 in CRT fees and \$141.96 for dispute-related expenses.
- 28. The applicant is entitled to post-judgment interest, as applicable.
- 29. This is a validated decision and order. 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. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Deanna Rivers, Tribunal Member