Date Issued: February 8, 2024

File: SC-2023-001451

Type: Small Claims

#### Civil Resolution Tribunal

Indexed as: Aramesh Law Corporation v. Behnia, 2024 BCCRT 128

BETWEEN:

ARAMESH LAW CORPORATION

**APPLICANT** 

AND:

**BEHZAD BEHNIA** 

RESPONDENT

#### **REASONS FOR DECISION**

Tribunal Member: Kristin Gardner

### INTRODUCTION

- 1. This dispute is about payment for legal services.
- Aramesh Law Corporation says it provided legal services to Behzad Behnia but has not been paid. Aramesh Law claims \$2,210.74 for its final invoice, plus contractual interest.

- 3. Dr. Behnia says that when he received the final invoice, he reviewed all of Aramesh Law's invoices and found several alleged irregularities and overcharges. Dr. Behnia says that when he raised his billing concerns, Aramesh Law refused to respond and suddenly withdrew as his lawyer. I infer that Dr. Behnia argues he does not owe Aramesh Law anything.
- 4. Aramesh Law is represented by its principal lawyer, Nazanin Aram. Dr. Behnia represents himself.

#### 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 to provide proportional and speedy dispute resolution, 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.

#### **ISSUE**

8. The issue in this dispute is whether Dr. Behnia must pay Aramesh Law \$2,210.74 for legal services, plus contractual interest.

#### **EVIDENCE AND ANALYSIS**

- In a civil dispute like this one, an applicant must prove their claims on a balance of probabilities. This means Aramesh Law must prove it is more likely than not that Dr. Behnia owes the claimed \$2,210.74.
- 10. I note that Dr. Behnia did not submit any documentary evidence, despite having the opportunity to do so. I have read all the parties' submitted evidence and arguments but refer only to what is necessary to explain my decision.
- 11. The background facts are undisputed. Dr. Behnia hired Aramesh Law to represent him in a legal dispute. He signed a retainer agreement on July 16, 2021, in which he agreed to pay Aramesh Law \$250 per hour. Dr. Behnia paid Aramesh Law a \$3,000 retainer. He replenished the retainer with a further \$3,000 in September 2021, and an additional \$2,000 in November 2022. So, Dr. Behnia paid Aramesh Law \$8,000 in total.
- 12. Aramesh Law issued its first invoice on September 1, 2021, for \$4,115.14, and its second invoice on November 25, 2022, for \$2,193.40. Those 2 invoices were fully paid from the retainer funds. There is no indication that Dr. Behnia disputed any charges on those invoices when Aramesh Law issued them. Those 2 invoices are not before me.
- 13. Aramesh Law issued its third invoice to Dr. Behnia on December 9, 2022, for \$3,903.20. Aramesh Law applied \$1,692.46 remaining from Dr. Behnia's retainer funds, which left the claimed \$2,210.74 as the balance due and owing. Ms. Aram emailed the invoice to Dr. Behnia and asked him to provide a cheque for at least \$3,000 as soon as possible.
- 14. In a December 13, 2022 email to Ms. Aram, Dr. Behnia confirmed that he agreed to pay the outstanding balance in 2 installments, though he did not indicate the timing of those planned installments. Dr. Behnia also stated that he had found some "higher charges related to the number of phone calls" in previous invoices, and he questioned a \$25 charge for a November 24, 2022 email. In response, Ms. Aram asked Dr.

Behnia to provide the exact charge with dates and descriptions for anything he did not agree with in the invoices. She also advised that the November 24 email was necessary work.

- 15. Dr. Behnia again challenged the \$25 email charge in a December 15, 2022 email, and also noted that Ms. Aram had not applied any discount on the first invoice. Ms. Aram responded that she had not agreed to any discount on the first invoice. She also asked him to send her an email with all of his concerns about the invoices, and she would respond to them.
- 16. On December 28, 2022, Ms. Aram sent Dr. Behnia a lengthy email about the status of his legal dispute, including requests for him to provide necessary documents and give her legal instructions. Ms. Aram also noted the dispute was heading into a period of "high activity" in the next few months and confirmed that she had requested he provide \$5,000 in retainer funds. Specifically, Ms. Aram requested Dr. Behnia pay the \$2,210.74 outstanding balance from the December 9 invoice, plus \$3,000 to replenish the retainer. She extended the time for him to pay the \$5,000 to January 20, 2023, but stated that if she had not received it by then, she would withdraw as his lawyer.
- 17. In a January 10, 2023 email, Dr. Behnia stated he no longer believed he owed Aramesh Law any amount, and that if Ms. Aram disagreed, a third party could help them resolve the dispute. Dr. Behnia also asked Ms. Aram to adjourn a January 25 application for document disclosure and his February 8 examination for discovery. Ms. Aram responded that Dr. Behnia had not provided the details of his concerns with the invoices, as requested, nor had he made a court application to review the accounts under the *Legal Profession Act*. So, Ms. Aram advised that unless he paid the outstanding balance by the end of the week, she would not take further steps in his legal matter (including requesting any adjournments) and would withdraw as his lawyer.
- 18. It is undisputed that Dr. Behnia did not pay Aramesh Law anything further. Ms. Aram filed a notice of withdrawal as Dr. Behnia's lawyer on January 23, 2023.

- 19. Given the above, I find that Aramesh Law did not withdraw "suddenly" as Dr. Behnia alleges. Rather, I find Ms. Aram warned him on several occasions that she would withdraw if he did not pay the outstanding invoice and replenish the retainer. I note the parties' retainer agreement stated that Aramesh Law's bills were due and payable upon receipt. The agreement also stated that Ms. Aram had the right to withdraw as Dr. Behnia's lawyer if he failed to maintain the retainer fund, as she requested.
- 20. As noted, Dr. Behnia says he found several irregularities and overcharges in Aramesh Law's invoices. However, he did not provide any details in his submissions about the charges he disputes. He argues only that Ms. Aram charged him \$25 for every 1- or 2-minute phone conversation, which he says should have been only \$5 to \$10.
- 21. I note that Aramesh Law's December 9, 2022 invoice shows that it billed Dr. Behnia in 6-minute increments. In other words, 0.1 hours (6 minutes) is the smallest billing unit. Given Ms. Aram's \$250 per hour rate, 0.1 hours equals \$25. In *Porter Ramsay LLP v. Bell*, 2013 BCSC 466 at paragraph 63, a registrar commented that lawyers generally record their time in 6-minute increments, and that it is rare to see it recorded in smaller units. The registrar did not suggest it was inappropriate to bill in 6-minute increments, and I find it is not.
- 22. There is only one phone call on Aramesh Law's December 9 invoice that was billed at \$25. It was made on October 7. Dr. Behnia did not specifically argue that the October 7 call was less than 6 minutes long. Further, Ms. Aram provided her phone records, which show an October 7 phone call that lasted 7 minutes. I accept that the October 7 call was with Dr. Behnia, as he does not dispute it is his phone number in the records. So, I find that Ms. Aram likely undercharged Dr. Behnia for that call.
- 23. As noted, Dr. Behnia did not provide any evidence in this dispute, including Aramesh Law's first 2 invoices. So, I find he has not established that Aramesh Law overcharged him for phone calls.
- 24. Dr. Behnia also submits that there were several charges on the invoices over \$200 that he had to check carefully. However, he did not say what specific charges he

- disputes now, if any. I also find there is no evidence to support Dr. Behnia's allegation that Ms. Aram refused to clarify certain charges on the invoice. Rather, I find Ms. Aram requested that Dr. Behnia provide details of any concerns he had with the billing, and it was Dr. Behnia that refused to do so.
- 25. Finally, while not specifically argued in this dispute, as noted above, Dr. Behnia disagreed with being charged for a November 24, 2022 email. He said it was just a summary of their November 22 meeting, for which he was charged \$250, and so the email charge should have been waived. I disagree. I find it was appropriate for Ms. Aram to follow up with Dr. Behnia in writing about what they had discussed in their meeting, including confirming his instructions on several substantive issues in Dr. Behnia's legal matter. Ms. Aram also instructed Dr. Behnia to document any expenses he incurred, so she could recover them from the other party, and she enclosed a receipt for his recent \$2,000 retainer payment. Overall, I find the email was necessary work on Dr. Behnia's file, and the \$25 charge for it was reasonable.
- 26. Dr. Behnia does not dispute the quality of Aramesh Law's work, nor does he say Aramesh Law failed to complete any of the work it billed him for. I find nothing unreasonable on the face of Aramesh Law's detailed December 9 invoice about any amounts charged.
- 27. For the above reasons, I find Dr. Behnia must pay Aramesh Law the claimed \$2,210.74 balance for legal services.

# INTEREST, CRT FEES, AND EXPENSES

28. Aramesh Law claims contractual interest on the unpaid \$2,210.74, based on the terms in the parties' retainer agreement. The agreement provided for an annual interest rate of 24% (2% per month) on any bills outstanding for more than 30 days. So, I find Aramesh Law is entitled to 24% contractual interest on the \$2,210.74 from January 9, 2023, which is 31 days after the December 9, 2022 invoice was issued to Dr. Behnia, to the date of this decision. This equals \$575.64.

29. 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. I find Aramesh Law is entitled to reimbursement of \$125 in CRT fees. It did not claim any dispute-related expenses.

## **ORDERS**

- 30. Within 21 days of the date of this decision, I order Mr. Behnia to pay Aramesh Law a total of \$2,911.38, broken down as follows:
  - a. \$2,210.74 in debt,
  - b. \$575.64 in pre-judgment contractual interest at a 24% annual rate, and
  - c. \$125 in CRT fees.
- 31. Aramesh Law is entitled to post-judgment interest under the *Court Order Interest Act*, as applicable.
- 32. 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.

Kristin Gardner, Tribunal Member