



Civil Resolution Tribunal

Date Issued: February 14, 2024

File: SC-2023-000476

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Rui v. Wu*, 2024 BCCRT 145

BETWEEN:

GUOTAO RUI

APPLICANT

AND:

XIU WU

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Christopher C. Rivers

INTRODUCTION

1. This dispute is about home renovations.
2. The respondent, Xiu Wu, hired the applicant, Guotao Rui to do a variety of home renovation projects. The parties agreed the respondent would pay the applicant

\$18,500 for those projects. Undisputedly, the applicant did not complete all the projects. The parties disagree about how much the respondent owes the applicant, if anything, for the applicant's work.

3. The applicant says the respondent is entitled to \$900 in credit for work he did not finish. The applicant claims \$4,505 for completed work, taxes, unreturned materials, and an unspecified 5% surcharge, which I infer is GST.
4. The respondent says after the applicant quit working, the parties met and came to a binding settlement agreement. The respondent says they have paid the settlement amount. In the alternative, the respondent argues the applicant is claiming extra amounts for work included in the original agreement and is not entitled to further payment. The respondent asks me to dismiss the applicant's claim.
5. The applicant is represented by a family member, who is not a lawyer. The respondent is represented by a friend or family member, who is not a lawyer.
6. For the reasons that follow, I dismiss the applicant's claim.

JURISDICTION AND PROCEDURE

7. 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). CRTA section 2 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.
8. CRTA section 39 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.

9. CRTA section 42 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.
10. Where permitted by CRTA section 118, 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.

ISSUES

11. The issues in this dispute are:
 - a. Did the parties have a binding settlement agreement?
 - b. If not, does the respondent owe the applicant any more money for renovation work?

EVIDENCE AND ANALYSIS

12. In a civil proceeding like this one, the applicant must prove his claims on a balance of probabilities. This means “more likely than not”. I have read all the parties’ submissions and evidence but refer only to the evidence and argument that I find relevant to provide context for my decision.
13. At some point in 2022, the parties entered into a hand-written agreement for the applicant to do a number of renovation projects for the respondent. The original agreement was written in Chinese, but the parties provided a certified translation it.
14. The agreement required the respondent to renovate three specified rooms: the electricity meter room, the eastern room, and the western room. In addition, the applicant had to remove a fireplace. In exchange, the respondent was required to pay the applicant \$18,500 in total. There are no terms that address tax.
15. The parties agree the applicant completed the work in the electricity meter room.

16. In the eastern room, the applicant had to install one or more new windows and seal the old window location, add insulation pads to a bathroom's outer wall, lay a tile floor, and install a toilet, wash basin, and shower door.
17. In the western room, the applicant had to "open up the window," lay a tile floor, install new lights, and "improve" old ones, relocate light switches, install a shower unit, and exhaust fan, and paint.
18. Finally, the applicant was required to remove a fireplace from an unspecified location.
19. The parties disagree over what projects the applicant completed. Each party provided a list of issues regarding the work the applicant allegedly did and did not do.
20. The applicant says the respondent paid him \$15,000 total. Receipts in evidence show the respondent paid the applicant a total of \$15,200: \$6,000, \$5,000, and \$4,200. So, I find the respondent has paid the applicant \$15,200.

Alleged Settlement Agreement

21. The respondent says the final payment, \$4,200, was further to a binding settlement agreement between the parties.
22. A settlement agreement is a contract where parties in a dispute agree to a resolution. For a binding settlement agreement to exist, there must be an offer and acceptance of that offer, without qualification. The agreement does not have to be signed, or even written, to be enforceable. Whether the parties had a consensus, or a "meeting of the minds", on the contract's essential terms is determined from the perspective of an objective reasonable bystander and not the parties' subjective intentions.¹
23. If I find the parties had a binding settlement agreement, I do need to consider the merits of the parties' other arguments. For the following reasons, I find the parties had a binding settlement agreement.

¹ See: *Salminen v. Garvie*, 2011 BCSC 339, at paragraphs 24 to 27.

24. The parties acknowledge they met to discuss settlement terms. The parties prepared a handwritten document, in Chinese, containing the settlement terms. The parties provided a certified translation.
25. The agreement is short but contains the following term: “The balance of the construction fee had been cleared.” The document is signed by the applicant and dated January 3, 2023.
26. On the same date, the respondent undisputedly paid the applicant \$4,200. The receipt says it is for “basement renovating labour fee.” In his argument, the applicant says the respondents threatened him to accept the settlement or not be provided with any further money. The applicant says he temporarily accepted the respondent’s demands because he wanted to “get some project money first” and later intended to get back what he thought he was owed.
27. The amount the respondent was required to pay is not specified in the written agreement. However, I note the final payment was made on the same date the parties executed the written agreement. The applicant admits that he accepted the respondent’s demands and does not suggest the parties agreed to a different settlement amount. The applicant does not say what the settlement document signifies if not an agreement the respondent had paid the balance owing.
28. So, I find the \$4,200 payment reflected the parties’ agreement and was intended to clear (settle) the respondent’s remaining financial obligation to the applicant.
29. The applicant also alleges that two third parties in attendance almost came to a physical confrontation.
30. I find the applicant argues, in part, duress. To establish duress, the law requires something more than economic pressure or dissatisfaction with an offered settlement amount. Duress is a pressure that places the party in a position where they have no “realistic alternative” but to submit to it.²

² See: *Stott v. Merit Investment Corp.*, 1988 CanLII 192 (ONCA)

31. Here, the applicant acknowledges he intended to seek more money at the time he entered the agreement. This shows he was aware of realistic alternatives to accepting the respondent's terms, including filing a dispute for the amount the applicant thought he was owed. While the applicant mentions the possibility of a physical confrontation, he says he was the one who calmed tensions and acknowledges the dispute did not reach that stage. I find he was not physically coerced into entering the agreement.
32. Other than economic pressure, the applicant does not allege anything else to establish duress. So, I find the applicant has not proven duress, and is bound by the settlement agreement.
33. Since I have found the settlement agreement was binding, I find the applicant is not entitled to further payment.

ORDER

34. I dismiss the applicant's claims and this dispute.

Christopher C. Rivers, Tribunal Member