



DEFAULT DECISION AND ORDER DETAILS

(This shaded box is for CRT use only)

DISPUTE NUMBER: SC-2023-012959

DISPUTE AREA: Small Claims

DATE OF DECISION: May 3, 2024

TRIBUNAL MEMBER: Kristin Gardner

Enter the names of all applicants and respondents exactly as they appear on the Dispute Notice. Separate names with a comma (for example, "John Doe, Jane Doe").

*** BETWEEN APPLICANT(S):** MAXWELL ARNOLD

*** AND RESPONDENT(S):** KOIOS BEVERAGE CORP.

Part A: Monetary Claims and Orders

You can only claim what's in the Dispute Notice. Don't add new claims. You can enter a lower amount than you claimed in the Dispute Notice, but not a higher amount. Don't include your CRT fees and dispute-related expenses in your claim totals – enter those in Part C of this form.

Description	Remedy Amount (\$)	<i>(CRT use only)</i> Order Amount (\$)
Requested Resolution 1 <i>(from the Dispute Notice)</i> : Face amount of my December 23, 2021 invoice, for which the Respondent's CEO Christopher Miller has authorized payment on multiple occasions.	\$ 706.25	\$ 706.25
Requested Resolution 2 <i>(from the Dispute Notice)</i> : "General Damages" to compensate for my time expended to collect this debt. The Respondent has paid several of my invoices in the past without issue or dispute. Therefore, they know EXACTLY how it's supposed to work, and they clearly had the money to do so all along but CHOSE not to pay. As such, they knowingly forced me to consume time and effort to collect, and I believe this warrants an award of compensation.	\$ 1000.00	\$ 0.00
Requested Resolution 3 <i>(from the Dispute Notice)</i> : -----	\$ -----	\$



Part B: Non-Monetary Claims and Orders

You can only claim what’s in the Dispute Notice. Don’t add new claims or use this space to explain more about your claims. If you filled out Part A (Monetary Claims), don’t add the same claims here.

Description

First Non-Monetary Requested Resolution from the Dispute Notice):

Second Non-Monetary Requested Resolution from the Dispute Notice):

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CRT Decision on Non-Monetary Order:



Part C: Dispute-Related Fees and Expenses

You can claim CRT filing fees and reasonable dispute-related expenses you paid to prepare for the CRT process. Generally, the CRT won't order reimbursement of fees paid to a lawyer or other representative or for your time spent dealing with the dispute.

If you're claiming more than \$50, include receipts. But you don't need to include receipts for CRT fees.

Description	Expense Amount (\$)	(CRT use only) Order Amount (\$)
Fees paid to the CRT. <i>(You don't need to include receipts for these.)</i>	\$ 100.00	\$ 100.00
Service fees, if you served the Dispute Notice yourself. For example, fees for registered mail or a courier.	\$ 37.63	\$ 37.63
Total cost of expert reports to support your claim. <i>(Include the reports with your form.)</i>	\$	\$
Other dispute-related expenses <i>(briefly describe the expenses and how they relate to your dispute):</i>	\$	\$
Total amount of claimed fees and expenses.	\$ 137.63	\$ 137.63

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CRT Decision on Dispute-Related Fees and Expenses: \$ 137.63

DEFAULT DECISION AND ORDER

Dispute Number: SC-2023-012959



Civil Resolution Tribunal

Part D: Interest		
Description	Interest	(CRT use only) Interest Order
<input type="checkbox"/> Check this box if you waive interest. If you check this box, don't enter anything else in this Part.		
The interest accrual date. In the Dispute Notice, this is the line " <i>When interest started applying to the amount owing</i> ".	Date: January 23, 2022	
Contractual interest rate. Enter this if you agreed to a specific interest rate in a contract or agreement with the respondent(s), and only if you claimed this rate in the Dispute Notice. In the Dispute Notice, this is the line " <i>Annual rate of interest agreed to in your contract</i> ".	%	%
If you haven't waived interest and didn't agree to a specific interest rate in a contract or agreement with the respondent(s), the CRT will calculate interest according to the Court Order Interest Act .		
Principal amount owing as of the Dispute Notice date, not including interest.	\$ 706.25	\$ 706.25
(This shaded line is for CRT use only) Amount of contractual interest, from the date interest arose to the date of this decision.	\$	
(This shaded line is for CRT use only) Amount of court-ordered interest, from the date interest arose to the date of this decision.	\$ 53.12	
(This shaded box is for CRT use only) <div style="text-align: right;"> CRT Decision on Total Interest Amount: \$ 53.12 </div>		

Part E: Total Monetary Order
(This shaded box is for CRT use only) <div style="text-align: right;"> CRT Total Monetary Order Amount: \$ 897.00 </div>
The applicant is also entitled to post-judgment interest as provided under the <i>Court Order Interest Act</i> .



CRT Default Decision and Order

The applicant(s) applied for small claims dispute resolution with the Civil Resolution Tribunal (CRT or tribunal) and requested a default decision and order of the tribunal. The following is the CRT's Default Decision and Order.

CRT DECISION

Proof of Notice:

1. A respondent must respond to a Dispute Notice within 14 days of receiving the Dispute Notice, as indicated on the Dispute Response Form, or as permitted by the CRT. A respondent served outside of British Columbia has 30 days to respond, instead of 14 days.
2. Having reviewed the evidence, I am satisfied that the respondent(s) received the Dispute Notice and did not respond to it by the deadline set out in the CRT's rules. This means the respondent(s) are in default, as defined in section 1(1)(a) of the *Civil Resolution Tribunal Act* (CRTA).

Jurisdiction:

3. The CRT's small claims jurisdiction is set out under CRTA section 118. The applicable CRT rules are those in place at the time the Dispute Notice was issued.
4. The CRT will make a binding decision without the participation of the respondent(s). The CRT will send the parties a copy of the final decision and order.
5. Where permitted under 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.

Decision:

6. Liability is generally assumed in default decisions, and as the respondent has not participated in the dispute, I find in favour of the applicant. I find the applicant's \$706.25

claim for an unpaid invoice is a debt claim. So, I order the respondent to immediately pay the applicant that amount.

7. The applicant also claims \$1,000 in “general damages” to compensate them for their time trying to collect the outstanding debt. In non-debt claims, the applicant must prove that they are entitled to the requested remedies.
8. The applicant provided numerous emails and text messages they sent to the respondent requesting payment, which largely went unanswered. However, this was a commercial transaction. There is no evidence the parties agreed the respondent would compensate the applicant for time spent collecting unpaid invoices, which I find the parties could have provided for through an agreement for fees or interest to apply on late payments. So, I find the respondent is not contractually obligated to pay the applicant anything for their time.
9. In the Dispute Response, the applicant also describes the general damages as a claim for punitive damages, based on the respondent’s alleged intentional and bad faith failure to pay the outstanding debt. The applicant provided evidence that the respondent likely had sufficient funds to pay the debt, despite the respondent’s assertion otherwise.
10. Punitive damages are an exceptional remedy awarded to deter malicious, reprehensible, or high-handed conduct that departs to a marked degree from ordinary standards of decent behaviour (see *Vorvis v. Insurance Corporation of British Columbia*, [1989] 1 SCR 1805, and *Ojanen v. Acumen Law Corporation*, 2021 BCCA 189).
11. I find the mere failure to pay an invoice for services in what appears to be an ordinary commercial transaction is insufficient to ground an award for punitive damages. I accept that the respondent’s lack of communication and failure to pay the applicant’s invoice was likely frustrating and inconvenient. However, the applicant could have brought their CRT claim earlier instead of expending other resources to pursue payment. Even if the respondent had the necessary funds to pay the applicant and refused to do so, as the applicant submits, I find such behaviour falls well short of malicious or outrageous conduct.
12. I also note the CRT does not generally award compensation for time spent on a dispute absent extraordinary circumstances, which I find are not present here. For all these reasons, I dismiss the applicant’s claim for general (or punitive) damages.



13. The applicant is entitled to interest, their paid CRT fees, and dispute-related expenses, as set out in the preceding pages.

CRT ORDER

14. In accordance with the CRTA and the CRT'S rules, further to the decision set out above, I order the respondent to immediately pay the applicant the amounts set out in the preceding pages. The applicant is also entitled to post-judgment interest, as applicable.
15. This is a validated decision and order. Under CRTA section 58.1, the applicant(s) can enforce this order by filing a copy of it in the Provincial Court of British Columbia. When you file a CRT order with the Provincial Court, the order has the same force and effect as if it were a judgment of that court.

Kristin Gardner, Vice Chair