

Citation: *Azizaj v. Egan*, 2026 YKSM 8

Date: 20260717
Docket: 26-S0004
Registry: Whitehorse

SMALL CLAIMS COURT OF YUKON
Before His Honour Judge Christie

FIONA AZIZAJ

Plaintiff

v.

CAVAN EGAN

Defendant

Appearances:

Fiona Azizaj

Cavan Egan

Appearing on her own behalf

Appearing on his own behalf

REASONS FOR JUDGMENT

[1] The original Claim in this matter was for \$4,743 but the parties resolved most of this amount by way of a consent order at the pre-trial conference, when Mr. Egan agreed to pay Ms. Azizaj \$4,000 for outstanding debt. This left \$743 remaining from Ms. Azizaj's claim.

[2] The trial took place on May 7, 2026. The parties provided documents in support of their respective positions, and each testified on their own behalf. While I have considered all the evidence and material, I will refer only to that which is relevant to the

\$743 claim from Mr. Egan, for professional design services of a logo and business cards.

Background

[3] Ms. Azizaj provided professional design services for Mr. Egan to use for advertising of a new company. Mr. Egan is an electrician and was considering starting a company to become self-employed, rather than continuing his work as an electrician as an employee for a company.

[4] Ms. Azizaj provided professional design services for Mr. Egan in September and October 2025. She did so through her business, Sun Dog Communications. Those services are further broken down as follows:

September 6, 2025 Invoice

Logo Design and revisions	\$585
File prep and delivery	\$90
Multiple file exports	\$0

Subtotal	\$675
- 30% discount	-\$202
Total	<u>\$473</u>

October 24, 2025 Invoice

Business card design	\$180
Revisions	\$90
File prep and delivery	\$0
Total	<u>\$270</u>

The total of both invoices is \$743.

[5] On September 6, 2025, Ms. Azizaj sent a reminder and request for payment with a copy of the first invoice to Mr. Egan, to which he replied “Approved, thank you!”

[6] Mr. Egan sent another reply on October 24, 2025, stating, “Let’s go with V3 for now. Thanks. Sincerely, Cavan.”

[7] Ms. Azizaj sent further requests to Mr. Egan with copies of both outstanding invoices, seeking payment of \$743 on October 26, 2025, and January 10, 2026.

[8] Ms. Azizaj provided notes summarizing a conversation she had with Mr. Egan on January 12, 2026, at 8:30 p.m. to discuss the outstanding invoices. She recounts that Mr. Egan refused to pay her because he “decided not to use the delivered work.”

[9] Mr. Egan’s position is that the professional services he discussed with Ms. Azizaj were contingent upon his attainment of a Yukon contractor’s license, the establishment of a formal company bank account, receipt of payment from the first few business customers, and payment for Ms. Azizaj’s services coming from those funds. He contends that Ms. Azizaj offered her services voluntarily and at no time did she give him an estimated total cost. He argues that the services were not worth the cost because in his opinion, they did not reflect the quality or complexity of the work performed. He also explained that her rate of \$90 per hour is unreasonable because as an electrician, he earns \$40 per hour. He said he thought he might give her a total of \$100 at most, if anything.

[10] Ms. Azizaj denies that Mr. Egan ever raised the contingencies for her services and that although they did not discuss specific pricing, she did agree to give him a 30% discount and told him that the total cost would be under \$1,000. She explains that this is below the standard industry cost, she is experienced, and her work is of high quality. She also says that she reduced the number of hours and that in fact, she worked more time than what she ultimately billed him for.

Issues

[11] The issues I must consider are:

1. Did the parties enter into a contractual arrangement, and if so, I must determine what the terms of that contract were, and if Ms. Azizaj fulfilled her contractual obligations to Mr. Egan.
2. If I determine that there was a contractual arrangement, on what basis, if any, should Ms. Azizaj be compensated and what is a reasonable amount of compensation?

Law

Burden of Proof

[12] The burden of proof in a civil case rests with a claimant to prove their case on the standard of a balance of probabilities. The Supreme Court of Canada in

F.H. v. McDougall, 2008 SCC 53, at para. 49, states:

[I]n civil cases there is only one standard of proof and that is proof on a balance of probabilities. In all civil cases, the trial judge must scrutinize the

relevant evidence with care to determine whether it is more likely than not that an alleged event occurred.

Contract Law

[13] A contract is defined in a helpful manner by Cozens, J. in *Duplisea v. Wilson*, 2018 YKSM 3, at paras. 74 and 75:

74. Reduced to its simplest form, a contract is made when an offer is accepted. There must be an agreement between the parties on fundamental terms in order for a contract to be made. The parties need to know what they are agreeing on and what services are to be provided in exchange for what consideration or value. There is not an enforceable contract if it cannot be determined with reasonable certainty what the terms are that the parties have agreed to. There must be certainty with respect to the fundamental terms of the contract in order for the contract to be enforceable. Whether the parties have reached an agreement that results in a contract being entered into, and as such imposing enforceable obligations on the parties, is to be viewed objectively. The question to be asked is, would an observer, acting reasonably, apprised of the relevant facts, conclude that the parties have agreed to enter into a legally binding relationship?

75. A contract, with some exceptions, does not need to be in writing to be enforceable. While enforceable, a verbal contract can be more difficult to enforce, as the terms may not be entirely clear in the event that there is a dispute between the parties.

[14] In *Oswald v. Start Up SRL*, 2021 BCCA 352, at para. 34, the Court set out the legal test for the formation of a binding and enforceable contract:

- (a) there must be an intention to contract;
- (b) the essential terms must be agreed to [by] the parties;
- (c) the essential terms must be sufficiently certain;
- (d) whether the requirements of a binding contract are met must be determined from the perspective of an objective reasonable bystander, not the subjective intentions of the parties; and

- (e) the determination is contextual and must take into account all material facts, including the communications between the parties and the conduct of the parties both before and after the agreement is made.

Contractual quantum meruit

[15] Where there is a contract between the parties, but the parties have not agreed to a price for services to be delivered by one party to the other, the Court may award money to the unpaid party on the basis of a reasonable amount for the goods or services. This is known as contractual *quantum meruit*, which is a contractual remedy where "the parties to a valid contract have agreed for the provision of goods or services, clearly intended to be paid for, but have failed to provide for the terms of remuneration...a contractual term to pay a reasonable price may be implied." It is contrasted with restitutionary *quantum meruit*, which is "an unjust enrichment remedy where "no contract exists between the parties, or such contract as there is cannot be recognized or enforced" (*CH2M Hill Energy Canada Ltd. v. Consumers' Co-operative Refineries Ltd.*, 2010 SKCA 75 at paras. 23 and 24; *Pacific Plumbing and Heating v. RKI Properties Ltd*, 2023 BCPC 196), and G.H.L. Fridman, *The Law of Contract* 4th ed. (Ontario: Carswell, 1999) at pp. 12-13.

[16] The elements needed to form a foundation for contractual *quantum meruit* are set out in *Fairwood Construction Ltd. v. Lin*, [1997] 33 C.L.R. (2d) 111 (B.C.S.C.) at para. 32, as follows:

1. there was a contractual relationship between the parties;
2. the parties agreed that certain work was to be done but failed to agree on all aspects of the contract, for example, the price to be paid;
3. the defendants accepted the work;

4. both parties had, or should have had in the circumstances, an expectation that the work was not being rendered gratuitously; and
5. the payment sought was reasonable remuneration for the work done.

Analysis

First Issue

[17] Did the parties enter into a contractual arrangement? If so, I must determine what the terms of that contract were, and if Ms. Azizaj fulfilled her contractual obligations to Mr. Egan.

[18] On the basis of the application of the relevant legal principles set out above, combined with the relevant evidence before the Court that I do accept, I am satisfied that the parties had a reasonable expectation and intention to create an enforceable legal relationship. In that regard, I am satisfied, objectively, that both parties reasonably expected and intended to enter into a binding and enforceable contract that created legal obligations.

[19] This contract was not in writing but rather, based on oral agreement. I find that there was a contract because there was an intention to contract. There was offer and acceptance.

[20] I do not find that payment for the services was to be contingent on Mr. Egan setting up is new business because that is inconsistent with Ms. Azizaj's recollection and subsequent communications. Ms. Azizaj kept records and consistently communicated with Mr. Egan about the design services and invoices. Given the context

of their discussions about the services, and the amount of work Ms. Azizaj performed, I find that her recollection is more reliable and believable on a balance of probabilities.

[21] It is important to note that following the request for payment of the first and second invoices, Mr. Egan replied “Approved, thank you!” and then in response to the second invoice, he replied affirmatively and with approval.

[22] In considering the facts before, during, and after the invoices were delivered, an objective reasonable bystander would find that there was a contract in this matter.

[23] The terms of the contract were clear. The parties agreed that Ms. Azizaj would provide the logo and business card design services. The parties communicated about the nature of the business and worked together on design parameters. The nature, scope, and uses for the work to be done was clear and not in dispute.

[24] I also find that Ms. Azizaj did fulfill her contractual obligations to Mr. Egan. She completed and delivered the logo and business card designs to him in multiple formats. Mr. Egan accepted the products.

Second Issue

[25] If I determine that there was a contractual arrangement, on what basis, if any, should Ms. Azizaj be compensated and what is a reasonable amount of compensation?

[26] I find that although a specific hourly rate was not explicitly agreed to, the parties did discuss what was to be done and I accept that Ms. Azizaj conveyed she was not providing her services gratuitously. In fact, she was giving Mr. Egan a break from her

standard rate with a 30% discount, and she provided additional hours of work that she did not charge him for. I do not find it would be reasonable for Mr. Egan to assume she was doing it for free or for a token amount, as he suggested. I find that the payment sought was reasonable remuneration for the work done.

Decision

[27] Ms. Azizaj is entitled to her Claim for \$743 from Mr. Egan.

Costs and Interest

[28] Ms. Azizaj shall also be awarded the following:

- \$50 for preparation fees, pursuant to s. 7 of the *Small Claims Court Regulations*, O.I.C. 1995/152 ("*Regulations*");
- \$100 as compensation for inconvenience and expense, pursuant to s. 59 of the *Regulations*; and
- Filing fees, and fees for service, pursuant to s. 74 of the *Regulations*.

[29] Pursuant to s. 60 of the *Regulations* and the *Judicature Act*, RSY 2002, c. 128, Ms. Azizaj is entitled to pre-judgment interest from the date of her claim filed on January 15, 2026 and post-judgment interest.

CHRISTIE T.C.J.