

Loss prevention tip: Keep good records



Trial judges may decide the outcome of lawsuits against licensees based on their findings of credibility.

In one BC case, the judge didn't accept a licensee's claim that he had verbally disclosed to the buyers the prior existence of mildew and the steps the seller had taken to deal with the problem. The judge found the licensee liable in deceit for failing to advise of the defects and deliberately discouraging a home inspection.

Judges consider many factors when deciding which of two conflicting versions of events to accept, but licensees who keep good records are less likely to find themselves in a credibility battle than those who don't.

In fact, licensees with documents as evidence to back up their claims may avoid the lawsuit altogether.

Follow these tips to improve your record-keeping:

1. Confirm in writing any advice you give to your client, particularly when your advice is rejected.
2. When you provide information to your client verbally, confirm it in writing and make sure you provide the source of the information.
3. Ask your clients to provide written documentation to support any information they provide to you, such as permits, invoices or receipts.