



**10 THINGS TO DO AS SOON  
AS YOU GET BACK TO YOUR  
FACILITY**  
...or how to make your business legally secure

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**LEGAL SECURITY – NOTHING  
BEATS IT**

- We are presuming:
  - Every Storer has been properly identified
  - Every Space that has a Storer in it has its own agreement
  - You are using the right agreement for the right storage situation
  - You have insurance
  - You attend and send your staff to legal training
- Even if you are doing these things, you may still have a legally vulnerable business.

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**TEN QUESTIONS**

1. Are you photocopying licences?
2. Do you know how to terminate a storer?
3. Do you claim a lien over goods in the face of a liquidator or trustee in bankruptcy?
4. How do you deal with storers who want you to keep keys?
5. Do you photocopy warrants?
6. How do you regulate access to your storers' agreements and personal information?
7. How are you applying your late fees?
8. Do you allow storers to sign up in business names?
9. Are you inventorying goods when you sell-up?
10. Are you photographing storer? Using CCTV?

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## 1. PHOTOCOPYING LICENSES

- You have the right to photocopy driver licences BUT
- Only if the Storer consents OR
- You have a company policy that resolves why you believe it is necessary to **RETAIN A COPY** and not just **SIGHT A COPY**.
- Why would you need to keep a copy?
  - To assist us in future should we need to track down the storer
  - To assist police in the event of illegal activity
- This could occur via:
  - Board meeting
  - Privacy policy



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## 2. TERMINATE A STORER

- You do not have to keep bad storers
- Terminate – length will depend upon your agreement – what does it say on the front?
- There is a suggested letter of termination in the **NEW MAP** coming out with your membership renewal
- If the Storer **DOES NOT** collect their goods by the due date you then send the modified 21 day notice, advising of the fact that you will be selling the goods.
- Do not rush to sell! You should try and get the Storer to collect their goods.



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Alternate Contact Person: Ms/Ms/Mr _____ First Name _____ Last Name _____	
Home Address _____	
City _____	State _____ Postcode _____
Phone Nos: Home _____ Work _____ Email _____	
Fax Nos: Home _____ Work _____ Mobile _____	
<b>STORAGE DETAILS</b>	
Space _____ Storage Period: From _____ To _____ and then extend automatically until _____ days notice is given by either party.	
<b>STORAGE COSTS:</b> Deposit \$ _____ Storage Fee \$ _____ *per week/ fortnight/ Calendar month	
Administration Fee* \$ _____ Cleaning Fee* \$ _____ (may be applied at the *commencement/termination of the Agreement)	
Late Payment Fee \$ _____ applied _____ after due date Fee for any cheque returned unpaid \$ _____ plus Bank \$ _____	
All Fees include GST, except the Deposit, which is refundable. Notarised Access Pin code _____	
<b>Main Points</b>	
Please read the conditions overleaf carefully as by signing this Agreement you will be bound by them-See Over	
<ul style="list-style-type: none"><li>• All payments are to be made in advance by you (the Storer).</li><li>• Goods are stored at your sole risk. <b>You should take out insurance cover</b></li><li>• The Owner is not liable for the loss of any goods stored on its premises.</li><li>• You must not store hazardous, dangerous, illegal, stolen, perishable, _____</li></ul>	<ul style="list-style-type: none"><li>• The Storer must notify the Owner in writing of all changes of address and contact telephone numbers</li><li>• If you fail to comply with the conditions of this agreement the Owner will have certain rights which include forfeiture of your Deposit and the right to sell and/or dispose of your goods (see clause 9).</li><li>• The Owner has the right to refuse access if all fees are not paid</li></ul>

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### 3. CLAIMING A LIEN OVER A LIQUIDATOR OR TRUSTEE IN BANKRUPTCY

- o Recent review of our procedures when dealing with companies in liquidation and bankrupt storer has suggested we can be more aggressive when agreeing to release goods to a liquidator or trustee in bankruptcy
- o Claiming a lien means: refusing to allow a trustee/liquidator to remove the goods UNLESS the outstanding fees are paid
- o NOTE: not a right to sell, just refuse to hand over
- o Problems?
  - May need to defend your lien in court
  - May be left with the goods if they won't pay



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### 4. DEALING WITH A REQUEST TO KEEP KEYS

- o Firstly – ask WHY?
- o Two options:
  - Managed Storage Agreement – keeping keys, bailment, new storage relationship
  - Storage Room – no keys to Storer's Space, licence and limited bailment, no new storage relationship
- o Considerations: staff, risk aversion, space concerns at your Facility, extra income, demand



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### 5. DO YOU PHOTOCOPY WARRANTS?

- o It depends on the state
- o Covert warrants – you will NEVER be permitted to copy. In fact you may not know the police have even accessed your Facility.
- o Normal warrants – ask if you can take a copy.
- o No copy? Ask for identification ie business card, and take down as many details as you can from the warrant – name of Officer, department, any other identification



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## 6. PRIVACY OF CLIENT FILES

- Where are your storage agreements kept?
- Who has access to them?
- Who has access to your computer?
- You are required to secure data that can identify an individual – which your agreements clearly do.
- This is particularly the case when you are copying driver licences.
- If you are scanning driver licences I would recommend higher levels of security to computers and network



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## 7. APPLYING LATE FEES

- Applying a late fee is entirely legal so long as:
  - The Storer was advised at the time of entering the contract
  - It is not punitive
    - One off fee
    - Linked to costs incurred
    - Not excessive
    - Can be waived at discretion of the Facility
    - No compounding
- Can't change a late fee after the contract starts
- No GST on late fees



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## 8. SIGNING UP A BUSINESS

- Only **INDIVIDUALS** or **COMPANIES** should be named as a storer on your agreement
- **NEVER** a trading name or a business name alone
- **WHY?**
  - Can't enforce against a business name – it is not a legal entity capable of suing or being sued
  - Problems with identification of storer in event of bankruptcy or liquidation
  - Complications when divorce or personal legal proceeding stake place



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## 9. INVENTORYING GOODS AT SELL UP

- Lessons from various tribunal matters over the previous few years
- You must take a thorough inventory of storers goods prior to DISPOSING and/or SELLING the goods
- NO 'closed box auctions'
- Not enough to say "mixed household items"
- Keep the inventory and make available to Storer if required
- If someone else does this for you – ie auction house – you are relying on them and may be liable for their actions



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## 10. PHOTOGRAPHING STORERS & CCTV

- Must include in your privacy policy/board notes WHY you take photographs
  - To accurately identify who is your storer
  - For future use in the event that you need to identify your storer OR to assist others, including authorities, who may want to identify the storer
- Images must be stored securely
- CCTV must have warning that it operates and images captured may be used to identify individuals and/or may be submitted to law enforcement agencies or relevant authorities



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## TEN THINGS TO DO WHEN YOU GET HOME

1. Change your privacy policy/have a board meeting outlining why you believe it is necessary to photocopy driver license rather than just sight them.
2. Go through your list of bad Storers and send out termination letters THAT DAY.
3. Make a decision about the stand you will or won't take when a liquidator or trustee in bankruptcy comes knocking. Then stick to it.
4. Consider whether a storage room and delivery service is for you. Perhaps inventory how many storers ask you to keep keys and why.



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**TEN THINGS TO DO WHEN YOU GET HOME** CONT...

5. Understand your rights when a police officer or government official produce a warrant or legal notice
6. Review your security. At least lock your filing cabinet and restrict access to your computer files.
7. Review your late fee process AND AMOUNT.
8. Make sure you never sign up a storer under a business name only – get storers who are signed up under a business name to re-sign.



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**TEN THINGS TO DO WHEN YOU GET HOME** CONT...

9. Review your sell up procedure. Make sure you undertake a thorough inventory when selling, No more closed box auctions!
10. At your board meeting/in your privacy policy note why you believe it necessary to photograph your storer. Make sure you have appropriate signage if you use CCTV.



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