

1 Establishing and Registering Your Security Interest

Before you can proceed with a PPSA seizure, you must first establish your security interest in the debtor's property.

- Have a written security agreement, (e.g. lease, general security agreement), signed by the debtor(s) that provides for a grant of a security interest to you by the debtor(s) in either all of his/its/their personal property or in specified goods and which sets out what will occur if the debtor(s) defaults in making a payment and/or fulfilling an obligation.
- Perfect your security interest by registering a financing statement in the BC Personal Property Registry for a period of at least the term of your written security agreement.

2 Instructing Us for Seizure

You will need to provide the following documentation:

- [Letter of Instructions](#) - The more information we have from you, the better.
- [Copy of the Security Agreement](#) (Helpful in verifying information and ensuring that the seizure is being properly carried out on your behalf).
- [Copy of Your Verification Statement](#) – Showing that your security agreement is registered.

Section 59 of the BC Personal Property Security Act requires a secured creditor who has seized property of a debtor to give to the debtor, other secured creditors and other specified parties at least 20 days before sale or other disposition a written notice of the creditor's intention to dispose of the seized goods. The notice must include legally mandatory calculations and information. Consolidated will only prepare and deliver this notice if you have instructed us to do so in your letter of instructions to us. If the seized goods are consumer goods (i.e. used primarily for family or household purposes), then under BC law a secured creditor will likely be unable to sue the debtor for any amounts still owing after the seized goods have been sold.

3 Seizure Decisions

When providing our office with instructions you will need to also provide instructions about what should happen to the goods after they have been seized. Providing us with full instructions at the beginning of seizure can help to reduce the risk of incurring unnecessary storage charges.

- Do you know [where](#) the goods are to be [removed to](#)?
- Do you want the bailiff to leave them with the Debtor on [a written Bailee's Undertaking if the debtor will sign one](#) (may consider if there are no good storage options or if the costs of removal are going to be significant and you anticipate that the Debtor will make settlement arrangements)?
- Do you have a [specific auction](#) that you use?
- If the seizure is effected in a remote area, [are you making transport arrangements](#) for the goods, or do you want our office to make those arrangements for you.
- Once goods, including motor vehicle(s), have been seized or surrendered it is your responsibility to deal with those seized goods only in accordance with the BC Personal Property Security Act, including your obligation to ensure that some types of government claims as well as other prior secured creditors, (and some preferred creditors), are paid out of the net proceeds of sale or other disposition of the seized goods in priority to your claim.

4 Indemnity

We will require an indemnity before proceeding with any seizure. If you are using your own letter of instructions, the form of indemnification contained in our letter of instructions must be contained in your letter.
