

SECTION 2 — COMMERCIAL LIENS ACT



Module 11 — Documentation, Templates & Best Practices

The tools, forms, and recordkeeping methods required for compliant lien enforcement

Opening Narration

Narrator:

A commercial lien is only as strong as the documentation behind it.

Even when your lien is legally valid, poor recordkeeping or missing documents can lead to:

- Loss of priority
- Loss of the lien
- CRT or court orders to release the vehicle
- Reduced charges
- Liability for improper sale
- Complaints from customers, lenders, insurers, or regulators

In this module, we provide the essential templates, checklists, and best practices you need to enforce the Commercial Liens Act properly and confidently.

Lesson 1 — Why Documentation Matters

Proper documentation:

- Proves the lien exists
- Protects your lien priority
- Supports your charges
- Facilitates communication with owners and lenders
- Provides evidence in disputes (CRT, courts, insurers)
- Ensures sale procedures are defensible
- Prevents staff mistakes
- Helps avoid compliance issues

Documentation is not optional — it is the backbone of a legally enforceable lien.

Lesson 2 — Essential Intake Documentation (Towers & Repairers)

Every vehicle that enters your custody should have an **intake process**.

✓ Intake Checklist

Should include:

- Date and time vehicle was received
- Location of pickup
- Reason for tow/repair
- Name of caller
- Authority of caller (owner, police, strata, insurer, etc.)
- Vehicle description (VIN, make, model, plate)
- Pre-existing damage notes
- Photos of vehicle
- Odometer (if applicable)
- Tow authorization / repair authorization
- Storage start time
- Hazard notes (EV, fluid leaks, safety issues)

✓ Best Practice

Attach photos and/or documentation to the file immediately — before any work or storage begins.

Lesson 3 — Tow-Specific Documentation

For towers, the following documents are essential:

✓ **Tow Sheet / Call Slip**

Must include:

- Caller identity and authority
- Pickup reason
- Mileage and times
- Charges and rates
- Signature or electronic confirmation if possible

✓ **Police Tow Authorization**

For accident or evidence tows.

✓ **Private Property Tow Authorization**

Signed by:

- Property manager
- Bylaw officer
- Security personnel
- Strata representative

✓ **Photo Documentation**

Required for:

- Private property tows
- Non-consent tows
- Trespass tows
- Abandoned vehicles

Lesson 4 — Repair Shop Documentation

Repair facilities must maintain:

✓ Written Estimates

With clear parts, labour, and rates.

✓ Authorization Records

Accepted forms:

- Signed estimate/ work order
- Text/email approval
- Recorded verbal approval (not recommended without follow-up documentation)

✓ Supplemental Authorization

For any changes to the original estimate.

✓ Diagnostic Reports

OBD-II printouts, test results, safety isolation procedures (for EVs).

✓ Parts & Labour Records

Detailed and itemized.

✓ Storage Notification

Especially when long-term storage becomes necessary.

Lesson 5 — PPSA Search Documentation (Critical for Priority)

A PPSA search is required to identify secured lenders.

Documentation should include:

✓ Date and time of search

✓ Method of search (VIN, serial number, etc.)

✓ **Printout or PDF of results**

✓ **Identification of:**

- Lender name
- Address
- Registration number
- Type of secured interest

✓ **File storage**

Keep copies for **at least two years** after sale.

Lesson 6 —Notice (Lien Notice) Templates

Your Notice must include:

- Vehicle description
- Amount owed
- Storage rate
- Description of services
- Name and address of owner and debtor
- Statement of lien under the CLA
- Contact information
- Location of the vehicle
- If not included in original notice the time, date and manner of sale.

Best Practice Templates

Available to download at the end of Module 4

Each template should be customized with:

- Company name, logo
 - Company address
 - File/claim number
 - PPSA registration section
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Lesson 7 — Second Notice if required (Intent to Sell) Templates

Mandatory before any sale.

Must include:

- Sale date or sale window
- Method of sale (auction, private sale)
- Continued storage charges
- Instructions for redeeming vehicle
- Consequences of sale
- Contact information

Best Practice Templates:

CLA sample notice, download available, end of Module Four.

Lesson 8 — Access Log (Highly Important)

Every time someone accesses the vehicle — including the customer or insurer — you must document:

- Date and time
- Name of person accessing
- Purpose of visit
- Items removed or inspected
- Staff member who supervised
- Notes about conduct or issues

Why it matters:

Unsupervised access can undermine possession → jeopardizing the lien.

Lesson 9 — Storage Logs

A daily log should record:

- Start date of storage

- End date of storage
- Rate per day
- Any fee changes (with written notice to customer)
- Notes on vehicle movement on the lot

This documentation is essential in CRT cases when storage charges are challenged.

Lesson 10 — Sale Documentation

Checklist for sale procedures:

- ✓ **Proof of First Notice**
- ✓ **Proof of Second Notice**
- ✓ **Advertising samples / screenshots**
- ✓ **Auction listing or private sale details**
- ✓ **Bids received**
- ✓ **Bill of sale**
- ✓ **Distribution of proceeds (surplus/deficiency calculations)**
- ✓ **Copies of cheques or transfers**
- ✓ **Surplus handling documentation**

Supporting documents to include:

- **Auction Summary Sheet**
 - **Private Sale Checklist**
 - **Sale Accounting Sheet**
 - **Surplus Notification**
 - **Deficiency Demand Letter (if applicable)**
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Lesson 11 — Best Practices for Towers

✓ Document everything

A lien without documentation is vulnerable.

✓ Use photos for every tow

Especially non-consent and accident tows.

✓ Send notices fast

Strengthens your legal position.

✓ Keep rates reasonable and consistent

Avoid CRT reductions.

✓ Train all staff — not just managers

Front-line errors are the most common cause of lien loss.

Lesson 12 — Best Practices for Repair Shops

✓ Always get clear, written authorization

Verbal authorization = risk.

✓ Follow estimate laws (Consumer Protection BC requirements)

Protects your right to collect.

✓ Keep detailed labour and parts records

Increases legitimacy of lien.

✓ Communicate early with insurers

Document all communication.

✓ Avoid surprises — unexpected bills create disputes

Transparency prevents CRT complaints.

Lesson 13 — Best Practices for Both Towers & Repairers

✓ Maintain continuous possession

Possession = power.

✓ Never allow temporary release

Destroys the lien.

✓ Keep strict access control

Use access logs.

✓ Save all notices and proof of service

Both hard-copy and digital.

✓ Store files for at least two years

Longer if litigation expected.

✓ Use standardized templates

Consistency prevents errors.
