

554.7206 Termination of storage at warehouse operator's option.

1. A warehouse operator may on notifying the person on whose account the goods are held and any other person known to claim an interest in the goods require payment of any charges and removal of the goods from the warehouse at the termination of the period of storage fixed by the document, or, if no period is fixed, within a stated period not less than thirty days after the notification. If the goods are not removed before the date specified in the notification, the warehouse operator may sell them in accordance with the provisions of the section on enforcement of a warehouse operator's lien (section 554.7210).
2. If a warehouse operator in good faith believes that the goods are about to deteriorate or decline in value to less than the amount of the warehouse operator's lien within the time prescribed in subsection 1 for notification, advertisement and sale, the warehouse operator may specify in the notification any reasonable shorter time for removal of the goods and in case the goods are not removed, may sell them at public sale held not less than one week after a single advertisement or posting.
3. If as a result of a quality or condition of the goods of which the warehouse operator had no notice at the time of deposit the goods are a hazard to other property or to the warehouse or to persons, the warehouse operator may sell the goods at public or private sale without advertisement on reasonable notification to all persons known to claim an interest in the goods. If the warehouse operator after a reasonable effort is unable to sell the goods the warehouse operator may dispose of them in any lawful manner and shall incur no liability by reason of such disposition.
4. The warehouse operator must deliver the goods to any person entitled to them under this Article upon due demand made at any time prior to sale or other disposition under this section.
5. The warehouse operator may satisfy the warehouse operator's lien from the proceeds of any sale or disposition under this section but must hold the balance for delivery on the demand of any person to whom the warehouse operator would have been bound to deliver the goods.

[S13, § 3138-a34; C24, 27, 31, § 9694; C35, § 9694, 9751-g21; C39, § **9694, 9751.21**; C46, 50, 54, 58, 62, § 542.34, 543.23; C66, 71, 73, 75, 77, 79, 81, § 554.7206]