



Quiz

Security Interests

1. What was the finding of the Court in the case of *Jayfield Pty Ltd v Cussen & Ors (2020) VSC 280*?
 - a. That Jayfield was the true and correct owner of the goods and as such, no disposal order could be made
 - b. The stored goods were deemed to be uncollected goods and a disposal order was made in favour of ACG by virtue of an equitable lien
 - c. ACG had a contractual lien over the goods and as such was a secured creditor over the goods
 - d. Melded had an equitable lien over the goods as lessee and as a result only the liquidators had the right to dispose of the goods
2. How does section 12 of the *Personal Property Securities Act 2009* (Cth) define a security interest?
 - a. As any interest in property that is provided for by a transaction.
 - b. As any interest in property that is secured by an equitable lien
 - c. As any interest in property that is secured by a contractual lien
 - d. Both B and C
3. Why did the Court find in favour of an equitable lien over a contractual lien in this case?

- a. The goods were not removed from the premises and stored offsite upon termination of the lease
 - b. ACG had perfected its interest as a security interest on the Property and Securities Register
 - c. An intervening third party, Jayfield had claimed an interest in the goods
 - d. Both B and C
- 4. Absent the presence of any other lien, how would the unregistered sublease have vested under section 267 of the Personal Property Securities Act 2009 (Cth)?
 - a. The security interest would have vested in Melded Fabrics as grantor
 - b. The security interest would have vested in ACG in accordance with Clause 6.8(b) of the sublease
 - c. The security interest would have vested in Jayfield as grantor
 - d. Since the security interest was unperfected, it would not have vested with any party
- 5. Which of the following is true of an equitable lien?
 - a. It is a right against property which is implied to secure the discharge of an actual or potential indebtedness
 - b. There is no requirement that there be a contractual entitlement to establish an equitable lien
 - c. An equitable lien will generally be able to be enforced via the sale of subject property
 - d. All of the above

Answers:

1. B 2. A 3. A 4. A 5. D