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## Employee Complaint Procedures for Accounting and Audit Matters

Any employee of Life Storage, Inc. ("Life") may submit a good faith complaint regarding accounting or auditing matters to the management of Life without fear of dismissal or retaliation of any kind. Life is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. The Audit Committee of Life's Board of Directors (the "Audit Committee") will oversee treatment of employee concerns in this area. Life employees may submit complaints regarding violations of Life's Code of Ethics or other matters in the manner set forth in Section 16 of such Code of Ethics.

In order to facilitate the reporting of employee complaints, the Audit Committee has established the following procedures for (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters ("Accounting Matters"), and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

### Receipt of Employee Complaints

Employees with concerns regarding Accounting Matters may report their concerns to Life's Chief Compliance Officer (the "Compliance Officer") through any of the following methods:

- By U.S. Mail to the Compliance Officer at the following address:

Mr. Kenneth Myszka  
Life Storage, Inc.  
6467 Main St.  
Williamsville, NY 14221

- To maintain the employee's anonymity, it is advisable that the employee mail the letter from a post office that does not indicate the general location of his or her residence or other identifying information. Employees should note that using this method makes it difficult for the Compliance Officer and the Audit Committee to ask him or her follow-up questions and advise him or her regarding the progress and results of their investigation of the reported concerns.
- By filling out the complaint form set forth on Life's website. Life employees may obtain the web address of this complaint form on Life's intranet site ("Info Center"), by visiting "Code of Ethics and Related Documents". The online complaint form is accessible by any computer with internet access.

To maintain anonymity, the employee should use a computer other than his or her work or home computer--instead the employee should use a computer with internet access at a library or other public place that will not reveal his or her identity.

Employees are encouraged to provide answers to as many of the questions asked on the website as possible to assist the Compliance Officer and the Audit Committee in their investigation of the reported concerns.

Once an employee submits a report on the website, the website will give the employee another web address and a password to allow further anonymous communication between the employee and the Compliance Officer and the Audit Committee. After an employee submits concerns using the website, the employee should access the web address provided to him or her every few days so that the Compliance Officer and the Audit Committee can ask follow-up questions and advise him or her regarding the progress and results of their investigation of the reported concerns.

This website allows you to submit an email address to facilitate notification of responses from the Compliance Officer. To maintain the employee's anonymity, it is advisable that the employee not use his or her work or usual home e-mail address--instead the employee may want to consider setting up a new e-mail box with an e-mail address that does not describe him or her (e.g., accountingcomplaint3@yahoo.com) with an e-mail provider that has a privacy policy that will protect the employee's anonymity.

Once an employee sets up this e-mail box to submit concerns, he or she should check back every few days so that the Compliance Officer and the Audit Committee can ask follow-up questions and advise the employee regarding the progress and results of their investigation of the reported concerns.

## **Scope of Matters Covered by These Procedures**

*These procedures relate to employee complaints regarding any questionable accounting or auditing matters, including, without limitation, the following:*

- Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of Life;
- Fraud or deliberate error in the recording and maintaining of financial records of Life;
- Deficiencies in or noncompliance with Life's internal accounting controls;
- Misrepresentations or false statements to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of Life; or
- Deviation from full and fair reporting of Life's financial condition.

## **Treatment of Complaints**

The Audit Committee and the Compliance Officer shall abide by the following procedures regarding the treatment of complaints:

- Upon receipt of a complaint, the Compliance Officer will
  1. determine whether the complaint actually pertains to Accounting Matters and
  2. when possible, acknowledge receipt of the complaint to the sender.
- Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Compliance Officer or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.

- Life will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

## **Reporting and Retention of Complaints and Investigations**

The Compliance Officer will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee. Copies of complaints and such log will be maintained in accordance with Life's document retention policy.