

Sections 8-729 through 8-736 OF THIS SUBTITLE do not apply to or affect:

- (1) A lien given by statute or rule of law to a supplier of services or materials for the vessel;
  - (2) A lien given by statute to the United States, [this] THE State, or any political subdivision of [this] THE State;
  - (3) A security interest in a vessel created by a manufacturer or dealer who holds the vessel for sale, but a buyer in the ordinary course of trade from the manufacturer or dealer takes free of the security interest;
  - (4) Any lien arising out of an attachment of a vessel;
  - (5) Any security interest claimed on proceeds, as defined in § 9-306 (1) of the Commercial Law Article, if the original security interest did not have to be noted on the certificate of title in order to be perfected; or
  - (6) Any vessel for which a certificate of title is not required under this subtitle.
- 8-729.

(a) Unless excepted by § 8-728 OF THIS SUBTITLE, a security interest in a vessel is not valid against creditors of the owner or subsequent transferees or secured parties of the vessel unless perfected as provided under §§ 8-729 through 8-732 OF THIS SUBTITLE.

(b) A security interest is perfected by the delivery to the Department of the existing certificate of title, if any, and an application for certificate of title on a form provided or approved by the Department containing information regarding the security interest, and upon payment of a filing fee of \$15. [~~\$4~~] FOUR DOLLARS of this filing fee shall be treated as described in § 8-723 OF THIS SUBTITLE. The security interest is perfected as of the time of its creation if delivery and payment to the Department are completed within 30 days of the date of its creation, otherwise perfection is as of the time of its delivery and payment.

(c) If a vessel is already subject to a security interest when [it] THE VESSEL is brought into [this] THE State, the validity of the security interest in [this] THE State is to be determined by the law (including the conflict of law rules) of the jurisdiction where the vessel was when the security interest attached, subject to the following:

(1) If the parties to the transaction understood at the time the security interest attached that the vessel would be kept in [this] THE State, and [it] THE VESSEL was brought into [this] THE State within 30 days after the security interest attached for purposes other than transportation through [this] THE State, the validity of the security interest in [this] THE State is to be determined by the law of [this] THE State.

(2) If the security interest was perfected already under the laws of the jurisdiction where the vessel was when the security interest attached and before being brought into [this] THE State: