

insolvency, replevin, or execution sale, or satisfaction of mechanic's lien, or repossession upon default in performance of the terms of a security agreement, the transferee shall, except as provided in subsection (b), within fifteen (15) days after he has acquired the right to possession of the vessel by operation of law as provided above, mail or deliver to the department the last certificate of title, if available, or the manufacturer's or importer's certificate, or if that is not possible, satisfactory proof of the transfer of ownership, and his application for a new certificate of title accompanied by the required fee and upon the appropriate form or forms proscribed and furnished by the department.

(b) If the ownership of a vessel is terminated in accordance with the terms of a security agreement by a lienholder named in the certificate of title, the transferee shall promptly mail or deliver to the department the last certificate of title, his application for a new title accompanied by the required fee and upon the form or forms proscribed and furnished by the department, and an affidavit by the lienholder or his authorized representative, setting forth the facts entitling him to possession and ownership of the vessel, together with a copy of the journal entry, court order, or instrument upon which such claim of possession and ownership is founded. If the lienholder cannot produce such proof of ownership, he may submit such evidence as he has with this application to the department, and the department may, if it finds the evidence to be satisfactory proof of ownership, issue a new certificate of title.

(c) If a lienholder succeeds to the interest of an owner in a vessel by operation of law and holds such vessel for resale he shall secure a new certificate of title thereto but he shall not be required to pay the excise tax provided in Section 4F (b). Upon transfer to another person, the lienholder shall within fifteen (15) days thereof mail or deliver to the transferee or to the department the certificate, affidavit and such other documents as the department may require.

4N.

(a) All security interests noted upon a certificate of title take priority according to the order of time in which they are noted thereon by the department. All security interests shall be valid as against the creditors of the owner of the vessel, whether armed with process or not, and against subsequent purchasers of any such vessel, or against holders of subsequent security interests upon such vessel.

(b) When a lien is discharged the holder thereof shall note that fact on the face of the certificate of title over his signature and within fifteen (15) days mail or deliver it to the department. The department shall correct its records and forward the certificate of title to the owner.

4O.

(a) If a certificate of title is lost, stolen, mutilated or destroyed or becomes illegible, the first lienholder or, if none, the owner named in the certificate, as shown by the records of the department, may obtain a duplicate by prompt application to the department furnishing such information concerning the original certificate and