

Article - Natural Resources

8-728.

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, the State, or any political subdivision of 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] DURING ANY PERIOD IN WHICH THE VESSEL IS INVENTORY HELD FOR SALE OR LEASE BY A PERSON OR LEASED BY THAT PERSON AS LESSOR AND THAT PERSON IS IN THE BUSINESS OF SELLING VESSELS;

(4) Any lien arising out of an attachment of a vessel;

(5) Any security interest claimed on proceeds, as defined in [§ 9-306 (1)] § 9-102(A)(64) 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.

(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. 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] AT the time of [its] THE delivery and payment.

8-730.

(c) At the time of delivery of the documents described in subsection (b) of this section to the Department, the secured party shall pay to the Department a filing fee as required for perfection of the security interest under § 8-729(b) of this subtitle. The security interest is perfected [as of] AT 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 shall be as of the time of its] THE delivery and payment.