

Abandoned/Derelict Boats

Time to clean house

Avoid the problem in the first place

- You can always store or work on a boat without an agreement or work order
- You just can't expect to get paid for it
- The best lawyer in the world cannot enforce a handshake

Everything starts with good paperwork

- Service and storage agreements
- Mention lien created under the Maine Marina & Boatyard Storage Act 10 M.R.S.A. s. 1381 *et seq.*
- Allocate attorney's fees for disputes and collections
- Consent to the disposition of the vessel in the event of non-payment
- DO IT TODAY!

No paperwork? You can still act

- Is the boat worth less than the amount of storage owed?
- Is the boat documented or registered with the state?
- Does the boat have a mortgage?
- What is the likelihood you will ever hear from the owner?
- Is there any salvage value?

If the boat is worth more than the outstanding bill

- VDC title search and state-level UCC search
- Non-documented, no loan – MMBSA
- Non-documented, with loan – Notice to bank and MMBSA
- Documented, no loan – MMBSA
- Documented, with loan – Lien, notice to bank, arrest

Sometimes the cost of keeping the boat outweighs the risk of being sued

- If you're sued for conversion, you can counterclaim for the costs of storage
- This margin gets even tighter if you have a contract
- Cut up the boat, or give it away
- If you give it away, get an indemnification agreement