

**REPUBLIC OF  
THE MARSHALL ISLANDS**



**VESSEL REGISTRATION  
AND  
MORTGAGE RECORDING PROCEDURES**

**MARITIME ADMINISTRATOR**

**Jun/2018**

**MI-100**

## NOTICE

This [MI-100](#) publication is intended to provide vessel owners, operators, charterers, lending institutions and their representatives with a useful source of information needed to register vessels in the Republic of the Marshall Islands (RMI) and record ship mortgages, financing charters, and related instruments under its laws.

While these procedures have their basis in the RMI [Maritime Act](#) 1990, this publication is only intended as a guide and should not be construed as legal advice, nor be used as the basis of a legal opinion.

The link to the updated version of this publication may be found at [www.register-iri.com](http://www.register-iri.com) on the [MI-300](#) dedicated webpage.

Requests to be included in the email notification updating service, MI-300 Updates, may be sent to [publications@register-iri.com](mailto:publications@register-iri.com)

**VESSEL REGISTRATION  
AND  
MORTGAGE RECORDATION**

*under the provisions of the*

*Republic of the Marshall Islands Maritime Act 1990, as amended,*

*and the*

*Republic of the Marshall Islands Associations Law 1990, as amended*

This booklet is intended to provide vessel owners, operators, charterers, lending institutions and their representatives with a useful source of information needed to register vessels in the Republic of the Marshall Islands and record ship mortgages, financing charters, and related instruments under its laws.

While the following chapters focus on questions often asked by members of the maritime community, our personnel are available to deal with other issues as well. Our staff is available to consult with you to ensure that your documents qualify for recordation under Republic of the Marshall Islands law, and to assist with respect to other features of the [Republic of the Marshall Islands Maritime Act 1990](#), as amended (hereinafter referred to as the “Maritime Act” or the “Act”). There is no charge for this service. Guidance on the content and interpretation of applicable international conventions, rules and regulations may also be obtained in consultation with our technical staff.

The registration of a vessel or yacht, while a complex process, need not be a painful one. To take advantage of the available opportunities to save time and cost, please review all relevant aspects of the entire process, before undertaking to fulfill the necessary requirements step-by-step.

VESSEL REGISTRATION AND MORTGAGE RECORDATION (MI-100)  
ISSUE AND REVISION HISTORY (IRH)

<b>Rev</b>	<b>Date mm/yy</b>	<b>Description</b>	<b>Entered By</b>	<b>Entered mm/dd/yy</b>
2017/2018 Series Rev.1	6/18	Edits to Chapter I, Section 2A; edits to Chapter II, Section 7; edits to Chapter III, Section 3B(3), added Section 3B(7), edits to Section 3B(10)(b)(iv), and removed Section 3B(10)(b)(v); edits to Chapter VII, Section 2F, edits to Section 2G, edits to Section 2L(1), edits to Section 2L(2), edits to Section 2L(4), edits to Section 3F, edits to Section 3G(2) & edits to Section 3M(1); Update to TOC.	M. Sparks	6/15/18
2016/2017 Series Rev. 9	03/17	Updated various hyperlinks throughout.	M. Sparks	3/21/17
2014/2015 Series Rev. 8	11/15	Removed references to MI-296, MI-101PY, and MI-297G; updated Chapter I throughout; updated Chapter III, Sections 1B item 2, Section 1C, Section 9A item 2; updated Chapter VII, Section 1D, 1E, 1K item 4c, & L; updated Chapter VII, Section 2A item 2, Section 2F, removed Section 2K item 2k, and updated Section 2N; added Chapter VII Section 3 & 4	M. Sparks	11/5/15
2014/2015 Series Rev. 7	5/15	Revised Notice page to reflect the link to the updated version of this document; deleted Annexes & hyperlinked references to that information in the TOC and throughout the publication	M. McConnell	5/29/15
2014/2015 Series Rev. 6	02/15	Added sections on proof of liability insurance as required by the Athens Convention and the Nairobi International Convention on the Removal of Wrecks in Chapter III, Section 3B, new items 11(g, h, & i) ( <i>pages 17-18</i> ), Section 6B, new items 4(e & f) with the rest re-lettered ( <i>pages 24-25</i> ) & Section 7C, new items 7(g, h & i) ( <i>page 27</i> ); updated form in Annex 8A and added form in Annex 8B ( <i>pages 76-78</i> ); added new fee items 15.12, 15.13 & 15.14 and renumbered rest in Annex 17 ( <i>page 98</i> ); TOC updated to reflect above changes	M. McConnell	02/23/15
2014/2015 Series Rev. 5	10/14	Updated footnote 1 in section 3.0, added item 15.15 regarding music licensing & revoked credit card form TCMI-01 in Annex 18 & replaced references to form with the online payment link in Annexes 17 & 18 ( <i>pages 89-100</i> )	M. McConnell	10/14/14
2014/2015 Series Rev. 4	09/14	Added a dedicated Seafarers' Documentation (SD) and Marine Safety (MS) office in Hong Kong (Region I) & corrected postal code for New York midtown office (Region III) in Annex 16 ( <i>pages 86-88</i> )	M. McConnell	09/30/14
2014/2015 Series Rev. 4	08/14	Replaced references to MODU with MOU in Chapter III, Section 3B, items 8, 9(b)(ii) & 10 ( <i>pages 14-16</i> ) & Section 6B, item 3(e) ( <i>page 23</i> ); added new item (l) on Music License Certificate in Chapter III, Section 6, item B.4 ( <i>page 24</i> ); updated & renamed form in Annex 10B ( <i>page 79</i> ); updated address for the New York midtown office & updated the email address for the Baltimore office in Region III in Annex 16 ( <i>page 86</i> ) & updated forms in Annexes 20, 20A, 20B & 20C to reflect the office changes ( <i>pages 105-113</i> ); TOC updated to reflect above changes	M. McConnell	08/27/14
2014/2015 Series Rev. 3	05/14	Updated Classification Societies list in Chapter I Section 2A to reflect the DNV and GL merger ( <i>page 1</i> ); updated the address info for the Houston office (Region III) in Annex 16 ( <i>page 86</i> )	M. McConnell	05/19/14

## VESSEL REGISTRATION AND MORTGAGE RECORDATION (MI-100)

## ISSUE AND REVISION HISTORY (IRH)

2014/2015 Series Rev. 2	02/14	Updated forms in Annexes 23 & 24 to reflect the change in the name and contact info of the company issuing IMO Registered Owner and IMO Company ID Numbers ( <i>pages 116-117</i> )	M. McConnell	02/25/14
2014/2015 Series Rev. 1	02/14	Added new item 3.4 with rest renumbered & updated items 13.2 & 13.3 in Annex 17 ( <i>pages 91-92 &amp; 95 respectively</i> ); updated payment instructions in Annex 18 to reflect that only Wells Fargo Bank can receive bank wire transfers ( <i>pages 98-100</i> )	M. McConnell	02/03/14
2012 Series Rev. 6	12/13	Chapter III: revised item 6 in Sections 3B & 7C ( <i>pages 14 &amp; 26 respectively</i> )& added 2 <sup>nd</sup> paragraph on notice of change of Company to item 9a in Section 3B ( <i>page 15</i> ); updated form in Annex 10B ( <i>page 79</i> ); updated TOC to reflect repagination	M. McConnell	12/19/13
2012 Series Rev. 5	12/13	Updated Chapter VII, Section 2G ( <i>page 58</i> ); added effective date for yacht fees, updated footnotes in section 3.0, updated item 4.3 and added new items 11.2 and 15.14 in Annex 17 ( <i>pages 90-98</i> ); updated forms in Annex 20 ( <i>pages 106-114</i> )	M. McConnell	12/02/13
2012 Series Rev. 4	11/13	Chapter I: revised Section 2C ( <i>page 2</i> ); Chapter III: revised item 11d & added new item 15 in Section 3B ( <i>pages 17-18</i> ), added new item 8 in Section 4B ( <i>page 19</i> ) & added new item k in Section 6B ( <i>page 24</i> ); Chapter VII: extensively revised in all sections ( <i>pages 52-62</i> ); updated forms in Annex 10 ( <i>pages 79-80</i> ); expanded yacht fees & added new fees for optional ID Card in Annex 17 <i>pages 90-98</i> ); updated form in Annex 18 ( <i>page 102</i> ); updated form in Annex 19 ( <i>pages 103-105</i> ); updated & added new forms in Annex 20 ( <i>pages 106-113</i> ); updated TOC to reflect above changes	M. McConnell	11/01/13
2012 Series Rev. 3	04/13	Revised Chapter I, Section 2A (updated Classification Societies); revised Chapters I through V, forms in Annexes 1, 2, 3B & 15 & items 14.2 & 14.3 in Annex 17 to reflect the addition of Financing Charters; updated fax number for New York (downtown) office (Region III) in Annex 16; updated TOC to reflect title changes	M. McConnell	04/10/13
2012 Series Rev. 2	12/12	Revised Chapter I, Section 3C ( <i>page 3</i> ); revised Chapter II, Section 7 ( <i>page 9</i> ); added new section 2 in Chapter III and re-numbered rest, revised Section 3A item 1 & 3B items 4 & 9b, c, d & e ( <i>pages 10-15</i> ); revised Chapter IV, Sections 2B & C, added new sections D & E and re-lettered rest ( <i>pages 32-34</i> ); revised Chapter V, Section 2A items 3a, 7 & 8e ( <i>pages 39-41</i> ), Section 2C items 3c & 5 ( <i>page 43</i> ); added form MI-101C as Annex 3A ( <i>pages 66-67</i> ); updated contact info for Baltimore office (Region III) & updated phone number for the Taipei office (Region I) in Annex 16 ( <i>pages 83 &amp; 85</i> ); revised 13.1 & added new 14.2.2 & 14.3.2 in the fee schedule in Annex 17 ( <i>pages 89-90</i> ); updated forms in Annexes 8, 10B, 20, 22, 23 & 24 ( <i>pages 73-74, 77, 99-100, 102, 103 &amp; 105 respectively</i> )	M. McConnell	12/21/12
2012 Series Rev. 1	03/12	Added Long Beach and Rio de Janeiro offices (Region III) and updated the address for the Taipei office (Region I) in Annex 16 ( <i>pages 81-83</i> ); updated item 17.1 & added new item 18.3 and renumbered rest in Annex 17 ( <i>pages 89-90</i> ) & updated the banking info and payment form in Annex 18 ( <i>pages 91-94</i> )	M. McConnell	03/27/12
2011 Series Rev. 4	12/11	Added Indian Register of Shipping & Polski Rejestr Statków to Chapter I, Section 2, item A ( <i>page 1</i> )	M. McConnell	12/13/11

## VESSEL REGISTRATION AND MORTGAGE RECORDATION (MI-100)

## ISSUE AND REVISION HISTORY (IRH)

2011 Series Rev. 3	10/11	Deleted previous item B9 in Chapter III, Section 2, renumbered rest & revised newly renumbered item B9 ( <i>pages 14-15</i> ); updated item C in Chapter VI, Section 3 ( <i>page 48</i> ); updated the forms in Annexes 1, 2, 10A, 10B, 11, 12, 13, 18, 19, 20 & 25 ( <i>pages 61-64, 74-78, 94-98 &amp; 103</i> ); added downtown New York (Region III), & Imabari & Taipei (Region I) offices in Annex 16 ( <i>pages 81-83</i> ); added new 16.7 to Annex 17 ( <i>page 89</i> )	M. McConnell	10/27/11
2011 Series Rev. 2	02/11	Updated item 16.5.1 in Annex 17 ( <i>page 87</i> ) and the forms in Annexes 1, 2, 3, 23 & 24 ( <i>pages 60-64 &amp; 101-102</i> )	M. McConnell	02/22/11
2011 Series Rev. 1	01/11	Updated address for Shanghai office in Annex 16 ( <i>page 81</i> ); updated form in Annex 20 ( <i>pages 97-98</i> )	M. McConnell	01/31/11
2010 Series Rev. 2	12/10	Updated office number in address for Mumbai office in Annex 16 ( <i>page 81</i> ); updated forms in Annexes 10B, 14, 21 & 22 ( <i>pages 74, 78, 99 &amp; 100</i> )	M. McConnell	12/06/10
2010 Series Rev. 1	05/10	Revised Chapter VI, Section 2 & Section 3, item C ( <i>page 47</i> )	M. McConnell	05/06/10
2009 Series Rev. 6	12/09	Revised Chapter III, Section 1, item C ( <i>page 11</i> ) & Section 2, item B.9 ( <i>page 14</i> ), Chapter IV, Section 1, item H.1 ( <i>page 35</i> ) and Chapter V, Section 1, item B.1, 5 <sup>th</sup> bullet ( <i>page 38</i> ); revised forms MI-101A, MI-101BCR & MI-101B in Annexes 1, 2 & 3 ( <i>pages 61-66</i> ); updated Tokyo office address in Annex 16 ( <i>page 84</i> ); updated heading in form MI-127 in Annex 20 ( <i>page 99</i> )	M. McConnell	12/10/09
2009 Series Rev. 5	04/09	Added new item B9 (Declaration of Decision Maker) to Chapter III, Section 2 and renumbered rest ( <i>pages 14-17</i> ); added Houston, Istanbul & Dubai offices in Annex 16 ( <i>pages 82-83</i> )	M. McConnell	04/08/09
2009 Series Rev. 4	03/09	Updated sections 8.0 & 9.0 on MIIP fees & 16.4 on SIRB fee in Annex 17 ( <i>pages 86 &amp; 89</i> ); updated form MI-297G in Annex 25 ( <i>page 105</i> )	M. McConnell	03/17/09
2009 Series Rev. 3	02/09	Added new item B14 (LRIT Conformance Test Report) ( <i>pages 16-17</i> ) to Chapter III, Section 2	M. McConnell	02/25/09
2009 Series Rev. 2	01/09	Updated Chapter II, Section 7, IMO Registered Owner Number ( <i>page 9</i> ) & Chapter III, Section 2, item B9(c), IMO Company Number ( <i>page 14</i> ) to reflect their entry into force; updated form MI-203 in Annex 21 ( <i>page 101</i> ) to reflect above change	M. McConnell	01/21/09
2009 Series Rev. 1	01/09	Updated contact info for Dalian office in Annex 16 ( <i>page 84</i> ); updated Chapter III, Section 2, item B11 ( <i>pages 15-16</i> ); added Annex 25, Declaration of Decision Maker ( <i>page 105</i> ); updated TOC to reflect above change	M. McConnell	01/13/09
2007/2008 Series Rev. 8	11/08	Replaced references to Safety Code of Practice for Yachts & National Safety Code with Commercial Yacht Code ( <i>pages 49, 51, 50, 55, 57</i> ); revised item E2(c) ( <i>page 50</i> ) in Section 1 & items L2 & 5 ( <i>page 57</i> ) in Section 2 of Chapter VII; updated forms in Annexes 1, 2, 3 & 19 ( <i>pages 61 - 66 &amp; 97-98</i> )	M. McConnell	11/12/08
2007/2008 Series Rev. 7	10/08	Revised payment instructions in Annex 18 to reflect change in bank and SWIFT, ABA and Account numbers ( <i>pages 92, 94-95</i> )	M. McConnell	10/2/08

## VESSEL REGISTRATION AND MORTGAGE RECORDATION (MI-100)

## ISSUE AND REVISION HISTORY (IRH)

2007/2008 Series Rev. 6	09/08	Added new item (d) in Chapter III, Section 2, item B ( <i>page 22</i> ) & revised item 7 in Section 6, item C ( <i>pages 24-25</i> ); added new item (f) in Chapter VI, Section 6, item D ( <i>page 48</i> ); updated forms in Annexes 12 & 13 ( <i>pages 78-79</i> ); updated fees in most Sections in Annex 17 ( <i>pages 86-91</i> )	M. McConnell	09/19/08
2007/2008 Series Rev. 5	07/08	Deleted paragraph .8 and renumbered rest in Chapter III, Section 2, item B ( <i>pages 14-16</i> ); updated form in Annex 20 ( <i>pages 99-100</i> ); added new fee and revised CLC fee in section 17 in Annex 17 ( <i>page 91</i> ); updated Baltimore office contact info in Annex 16 ( <i>page 83</i> )	M. McConnell	07/29/08
2007/2008 Series Rev. 4	06/08	Added item 12(c) to Chapter III Section 2B ( <i>page 16</i> ); added item (iv) to Chapter VII Section 2E ( <i>page 54</i> ); updated forms in Annexes 10A, 10B, 19 & 20 ( <i>pages 76-77 &amp; 98-100</i> ); updated Seoul office contact info and added Baltimore & Geneva offices in Annex 16 ( <i>pages 83-85</i> )	M. McConnell	06/17/08
2007/2008 Series Rev. 3	03/08	Added Mumbai & Roosendaal offices, updated contact info for Ft. Lauderdale & Singapore offices & revised format in Annex 16 ( <i>pages 82-83</i> ); revised seafarer documentation fees in Annex 17 ( <i>pages 88-89</i> ); revised form MI-127 in Annex 20 ( <i>pages 97-98</i> )	M. McConnell	03/31/08
2007/2008 Series Rev. 2	12/07	Revised forms MI-101A, MI-101BCR, MI-101B & MI-245 in Annexes 1, 2, 3 & 6 respectively ( <i>pages 61-66 &amp; 70</i> ); added Seoul & Hamburg offices in Annex 16 ( <i>page 82</i> ); revised yacht fees in Annex 17 ( <i>pages 85-91</i> ) and Chapter VII, section 1, item N (a) ( <i>page 52</i> ) & section 2, item P ( <i>pages 58-59</i> ); revised Chapter III, section 6, item C(6) ( <i>page 23</i> )	M. McConnell	12/27/07
2007/2008 Series Rev. 1	02/07	Updated address for Shanghai office in Annex 16 ( <i>page 82</i> ); updated email address in payment instructions in Annex 18 ( <i>pages 91, 93-94</i> )	M. McConnell	02/08/07
2007/2008 Series	11/06	Updated item 16.10 in the fee schedule in Annex 17 ( <i>page 88</i> ) to reflect the change in courier charges for applicants rather than documents; updated credit card form in Annex 18 ( <i>page 95</i> ); updated forms MSD 336MI & MSD 336MI(MODU) in Annex 10 ( <i>pages 74-75</i> ), form MI-297B in Annex 12 ( <i>page 77</i> ), item 16.6 in Annex 17 ( <i>page 87</i> ), form MI-127 in Annex 20 ( <i>pages 96-97</i> ), Chapter III, Section 2(B)(9) & (12) ( <i>pages 14-15</i> ), Section 5(B)(3) ( <i>page 20</i> ) & Chapter IV, Section 2(C)(4) ( <i>page 32</i> ) to reflect the renumbering of Maritime Regulations in the revision of the MI-108 dated 11/06	M. McConnell	11/28/06
2006/2007 Series	4/06	Updated fee schedule, office listings, forms & banking information in the Annexes; rearranged and renumbered Annexes; added Annexes 23 & 24 on Unique IMO Numbers, revised Chapter II introduction and Section 4; added Section 7 on IMO unique numbers to Chapter II & further references in Chapter III to Section 2, items A & B9, Section 4, items B1 & D1, Section 5, item B4(f) & Section 6, item B; added item D regarding CSRs to Section 7 in Chapter III, revised TOC to reflect above changes	M. McConnell	4/3/06

## VESSEL REGISTRATION AND MORTGAGE RECORDATION (MI-100)

## ISSUE AND REVISION HISTORY (IRH)

2005 Series Rev. 1	08/05	Changed all references for registration from New York to any Regional Office, including New York ( <i>pages 1, 3, 10, 14, 16, 23 &amp; 26</i> ); revised Chapter VII, Section 2, items G & L ( <i>pages 51 &amp; 53-54</i> ) to better reflect the new registration structure; revised items 10.2, 16.11 (new) & 18.0 in Annex 5 ( <i>pages 66 &amp; 69-70</i> ) to reflect the above references; updated London office particulars & added Tokyo office to Annex 16 ( <i>page 85</i> ); added references to CAS in Ch. 1, section 2, item B.1 ( <i>page 2</i> ), Ch. 3, section 2, item B.6 ( <i>page 12</i> ) & section 5, item B.3(c) ( <i>page 18</i> ); updated forms in Annexes 1, 2, 6, 12, 19 & 20 ( <i>pages 57-60, 72-73, 81, 93 &amp; 94</i> ); revised TOC to reflect the repagination resulting from the above changes.	M. McConnell	08/11/05
2005 Series	03/05	Changed location references of Vessel Documentation from New York, New York to Reston, Virginia ( <i>pages 1, 9, 24, 44, 45 &amp; 86</i> ); revised Chapter III, Section 5, item B3(c) ( <i>page 19</i> ); revised yacht fees in Chapter VII, Section 1, item N ( <i>page 50</i> ), Section 2, item O ( <i>page 56</i> ) and in Annex 5 ( <i>pages 65-72</i> ); updated MI-104 form in Annex 9 ( <i>pages 77-78</i> ); added Shanghai to the Regional Offices listing in Annex 16 ( <i>page 86</i> ); updated form MI-101PY in Annex 19 ( <i>page 94</i> ); updated form MI-203 in Annex 20 ( <i>page 95</i> )	M. McConnell	03/01/05
2004 Series Rev. 3	09/04	Deleted references to Inmarsat Commissioning fee in Chapter VII, Section 1, item N ( <i>page 50</i> ), Section 2, item O ( <i>page 56</i> ) and in Annex 5 item 14.0 ( <i>page 68</i> )	M. McConnell	09/17/04
2004 Series Rev. 2	09/04	Revised Annexes 12 & 13 to reflect the addition of RO information to forms MI-297A & MI-297B ( <i>pages 82-83</i> ); revised Annex 22 to reflect the addition of RSO information to form MI-296 ( <i>page 97</i> )	M. McConnell	09/02/04
2004 Series Rev. 1	06/04	Revised Annexes 5 ( <i>pages 65-72</i> ) & 17 ( <i>pages 87-91</i> ) to reflect the acceptance of credit cards for any type of payments; revised Annex 18 (form MI-127) ( <i>page 92</i> ) to reflect the issuance of the tonnage tax receipt by email; revised Annex 19 (form MI-101PY) ( <i>page 94</i> ) to reflect the addition of verbiage regarding the importance of email addresses	M. McConnell	06/18/04
2004 Series	12/03	Revised Ch. II; added verbiage on ISPS Code (Ch. III, Sections 2 & 6, item b) & CSR (Ch. III, Sect. 2, item b, Sect. 6 items b & c, Sections 7 & 8, item a & Ch. IV, Sect. 2, items b & h); added "Bikini" to choice of home port for yachts (Ch. III, Sect. 5, item 2(b) & Ch. VII, Sect. 2, item I); revised Ch. VII, Sect. 2, item D; updated Annex 16 and all other address references to reflect new address for New York office; updated forms in Annexes 1, 2, 5, 6, 11A, 17, 18 & 19; added 8.3, 9.2, new 12.4 & new 16.18 to Annex 5; added new Annexes 20-22	M. McConnell	12/30/03
2003 Series Rev. 1	02/03	Revised Chapter 1, Section 2 (items B & F (new)) ( <i>pages 2-3</i> ), Chapter 3, Section 2 (items A2, B1a, B4a & b, B6 (new) & C) ( <i>pages 11-14</i> ), Section 3 (item C) ( <i>page 15</i> ), Section 4 (item D3) ( <i>page 16</i> ), Section 5 (items B1 & 2, 3f (new) & 4e) ( <i>pages 17-19</i> ), Section 6 (item C4a & b) ( <i>page 20</i> ) & Annex 5 (items 8.1, 10.2 (new), 16.5 & 17.4 (new)) ( <i>pages 64-68</i> ) to reflect new registration policy	M. McConnell	02/20/03



## VESSEL REGISTRATION AND MORTGAGE RECORDATION (MI-100)

## ISSUE AND REVISION HISTORY (IRH)

2003 Series	12/02	Revised Annex 5 (pages 63-69) to reflect optional Schedule B fees for registration; revised Annex 16 (page 83) to reflect change in Piraeus office numbers; revised Chapter III, Section 4: deleted D4 & E3 and revised the wording in D2 & E2 (pages 16-17)	M. McConnell	12/16/02
2002 Series Rev. 2	08/02	Revised Annex 17 (pages 83-87) to reflect the change in the Federal ABA & SWIFT Numbers for SunTrust Bank when sending wire transfers (entries on pages 83, 85 & 86)	M. McConnell	08/28/02
2002 Series Rev. 1	07/02	Revised Annex 5 (pages 63-68) to reflect increase in fee for issuance of Certificate of Ownership and Encumbrance for vessels engaged in commerce (entry on page 66 under item 10. Miscellaneous).	M. McConnell	07/01/02
2002 Series	01/02	Chapter 3: new Section 4 "Vessels Sold at Admiralty Auction", other sections renumbered; revised Annexes 5, 11B, 12, 13 & 16; revised TOC to reflect above changes.	M. McConnell	01/01/02
2001 Series (T7)	07/01	Revised Chapter I, Section 1; revised Chapter III, Sections 1B(2), 2A(1) & 4B(4e); revised Chapter VI, Sections 1 & 3D; replaced "sample form" in Annex 7 with MI-245; added form MSD-336MI(MODU) to Annex 11 thereby creating Annexes 11A & 11B; updated form MSD-336MI in Annex 11A; revised Annex 16; revised TOC to reflect addition to Annexes; IRH page added to document.	M. McConnell	06/29/01

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**LINKS TO REFERENCED DOCUMENTS:**

- [MI-101A](#), Application for Registration
- [MI-101BCR](#), Application for Bareboat Charter Registration
- [MI-101B](#), Application for Official Number, Call Sign and Provisional Certificate of Intended Registration of Newbuilding, during Construction at Builder’s Yard
- [MI-101C](#), Application for Official Number, Call Sign and Registration of Vessel Under Construction
- [MI-101Y](#) Application for Yacht Registration
- [Sample Form - Registration as a Foreign Maritime Entity](#)
- [Sample Acknowledgment Forms](#)
- [MI-245](#), Affidavit Re: Confirmation of Class
- [Sample Form - Oath of Owner, Managing Owner or Part Owner \(or Agent\)](#)
- [MI-104](#), Application for Ship Radio Station License
- [MI-104Y](#), Application for Yacht Radio Station License
- [MI-126](#), Acceptance of Certificate of Tonnage Measurement
- [MI-336](#), Application for Minimum Safe Manning Certificate
- [MI-336MOU](#), Application for Minimum Safe Manning Certificate - MOU
- [MI-297A](#), Declaration of Company
- [MI-297B](#), Combined Declaration Form
- [MI-106A](#), Affirmation Re Markings
- [Samples - Memorandum of Particulars for Mortgages or Financing Charters](#)
- [Office Locations](#)
- [Schedule of Fees, Tonnage Tax and Charges](#)
- Payment [Methods](#)
- [MI-127PY](#), Declaration of Private Use – Not for Hire
- [MI-127PYLC](#), Declaration Private Use with Intent to Engage in Limited Charter
- [MI-127CC](#), Declaration of Intent to Maintain Commercial Compliance

[MI-127PAXY](#), Declaration of Intent to Maintain Passenger Yacht Compliance  
[MI-127YET](#), Declaration of Private Use with Intent to Request a Temporary Certificate of Registry for Yacht Engaged in Trade  
[MI-203](#), Amendments to the Continuous Synopsis Record (CSR)  
[MI-204](#), Index of Amendments to the Continuous Synopsis Record (CSR)

## CHAPTER I

### REPUBLIC OF THE MARSHALL ISLANDS REGISTRY: AN OVERVIEW

Maritime, financial and legal centers throughout the world have full access to the Republic of the Marshall Islands (RMI) registry through the world wide [offices](#) of International Registries, Inc.<sup>1</sup> (“Regional Office(s)”). Under the [Maritime Act](#), a ship may be registered and a mortgage, financing charter, Bill of Sale, or related instrument in proper form may be recorded at any [Regional Office](#).

#### **SECTION 1: The Trust Company of the Marshall Islands, Inc.**

Pursuant to Section 1.01 of the RMI [Maritime Regulations](#), the Government of the RMI has appointed The Trust Company of the Marshall Islands, Inc. (TCMI) to act as the RMI Maritime Administrator (the “Administrator”).

#### **SECTION 2: Vessels Eligible for Registration in the RMI**

Seagoing vessels of any tonnage engaged in foreign trade and yachts are eligible for registration in the RMI. (See Section 203, the Maritime Act.) Inquiries and applications for the registration of vessels in the RMI may be submitted to any Regional Office.

**However, all applications for provisional registration are subject to approval by the Administrator. Accordingly, the mere submission of an application for provisional registration does not ensure that a vessel will be accepted for entry into the registry or RMI flag.**

##### **A. Vessel Classification**

All vessels, except certain yachts, are required to be classed by a Classification Society which is recognized by the Administrator as being in full compliance with the International Maritime Organization (IMO) Code for Recognized Organizations (Resolutions [MSC. 349\(92\)](#) and [MEPC.237\(65\)](#)). A list of the Classification Societies currently approved for the issuance of International Convention Statutory Certificates on behalf of RMI may be found in RMI Marine Guideline [2-11-15](#).

##### **B. Vessel Age**

Vessels should not be more than 20 years of age at the time of registration; however, vessels older than 20 years may be granted a Waiver of Age for registration on application by the owner accompanied by a written confirmation from the vessel’s Classification Society confirming that the vessel is in class and that the Classification Society will issue all statutory certificates to the vessel. Any vessel being offered for registration may be subject to a pre-registration inspection for a waiver of age limitation or as deemed necessary by the Maritime Administrator. The following additional limitations and requirements, however, shall also apply:

1. Single hull, double bottom and double sided tank vessels not meeting International Convention for the Prevention of Pollution from Ships (MARPOL), Annex I, regulation 13f or 13g, double hull requirements (hereafter referred to as “Single Hull Tank Vessels”) that are 15 years of age or more and certified to transport MARPOL Annex I or II regulated cargoes shall have been issued and maintain current Condition Assessment Program (CAP) 1 certification or equivalent or a Condition Assessment Scheme (CAS) Statement of Compliance with supporting documentation from the losing flag administration and the vessel’s Classification Society where required to be considered for registration.

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<sup>1</sup> International Registries, Inc. provides administrative and technical support to the RMI Maritime and Corporate Registries.



2. Bulk carriers 15 years of age or more shall be required to undergo a pre-registration inspection prior to registration. Single Hull Tank Vessels and Bulk Carriers 15 years of age or more, if accepted for registration, shall be subject to a comprehensive initial inspection and at least one (1) additional follow-up inspection during the first year in the registry. Satisfactory completion of conditions of class requirements due during the course of the first year in the registry and statutory survey deficiency recommendations shall also be verified by the vessel's Classification Society as one of the requirements for the issuance of a Permanent Certificate of Registry.
3. A Single Hull Tank Vessel more than 20 years of age shall only be considered for registration if such vessel has been issued and maintains a current CAS Statement of Compliance or is only used to transport liquid cargoes that are not regulated by MARPOL Annex I, or is employed in support of offshore exploration and production.
4. Tank Vessels and Bulk Carriers more than 20 years of age shall be subject to pre-registration inspection prior to granting a waiver of the age limitation to registration established in RMI maritime statutes. Pre-registration inspection results, CAP Certification ratings, Ship Inspection Report Program (SIRE) Reports, Chemical Distribution Institute (CDI) Inspection Reports, RightShip Risk Rating or similar vetting scheme results shall also be taken into consideration before granting such a waiver.
5. Any vessel granted a Waiver of Age shall be subject to a comprehensive initial inspection and at least one (1) additional follow-up inspection during the first year in the registry. No exceptions or dispensations to RMI minimum safe manning requirements shall be permitted. All conditions of class requirements and statutory survey deficiency recommendations shall be satisfied during the course of the first year in the registry and verified by the vessel's classification society as one of the requirements for the issuance of a Permanent Certificate of Registry.

Registration applications for vessels 15 years of age or older should be submitted with a Status Report of the vessel's Statutory Certification and a copy of its latest Intermediate or Special Survey. The Administrator, Vessel Registration, must review the Survey before authorizing the vessel registration application process to begin.

### **C. Vessel Name**

An applicant may wish to check the availability of a name and reserve that name for a period of up to six (6) months for an existing vessel and up to two (2) years for a newbuilding, before beginning the vessel registration application process. There is no charge for this name reservation service.

Only one (1) active vessel at a time in each of the three (3) Ports of Registry may use a name that is spelled or pronounced the same at any one time. For example, one (1) deep sea vessel in the Port of Majuro; one (1) yacht each in the Port of Jaluit and in the Port of Bikini and one (1) fishing vessel in the Port of Jaluit. If the name is available in the appropriate Port of Registry for the vessel type or in one or either of the Yacht Ports of Registry, it may be reserved.

### **D. Vessel Ownership**

As described in Section 203 of the [Maritime Act](#), vessels should be owned by an RMI citizen or national or a qualified foreign maritime entity. (See [Chapter II](#).) The term "citizen" or "national" includes RMI corporations, limited liability companies, partnerships, limited partnerships and associations of individuals.

## **E. Fishing Vessels**

Only those fishing vessels that are operated by an entity resident in RMI and that land their catches solely in RMI waters will be considered for registration. Special local regulations and licensing applies to such vessels.

## **SECTION 3: Vessel Registration, Mortgage Recordation, and Financing Charter Recordation**

### **A. Closings**

Arrangements for vessel registration, and for the recordation of mortgages, Bills of Sale, financing charters, and other instruments at a [Regional Office](#), require adequate advance notice, usually 48 hours or two (2) business days, to that office or offices. This advance notice is necessary in order to ensure that the documents issued to the parties concerned can be prepared in a timely manner.

The issuance of a Provisional Certificate of Registry for a vessel registration may also be accomplished at many ports throughout the world. Such registration may be arranged by contacting any of the Regional Offices at least one (1) week prior to the anticipated closing date. This time is necessary to ensure the availability of a nautical inspector or special agent. Additional fees and charges will be added for the services of a nautical inspector or special agent in connection with the registration.

### **B. Registration Forms**

Forms required for application to register a vessel in the RMI may be obtained from a Regional Office. Several [forms](#) are also available at [www.register-iri.com](http://www.register-iri.com).

### **C. Facsimiles and Electronic Documents**

Application forms and related documents may, be transmitted by facsimile or email to any Regional Office. Any application form and any other documentation required to be in the original are to be delivered in due course, and not later than five (5) business days after their application transmittal to an office.

### **D. Authentications**

Some of the forms and documents required in order to register a vessel or record a preferred ship mortgage, financing charter, or related instrument under RMI laws must either be authenticated or acknowledged. Where applicable, the requirement of authentication or acknowledgment is described elsewhere in this booklet. Consularization is never required.

A formal authentication, acknowledgment, proof of due execution or oath, where required for any document, may be made by or before any one of the following persons in accordance with [Chapter V, Section 2\(B\)](#) herein and Sections 106 and 209 of the [Maritime Act](#) or may be done by Apostille:

1. Notary Public or other officer authorized to administer oaths and to take acknowledgments by law in the country in which the documents are executed;
2. Special Agent, which includes personnel available in any [Regional Office](#);
3. Deputy Commissioner of Maritime Affairs for the Republic of the Marshall Islands; or
4. Apostille taken in accordance with the provisions of the Hague Convention by a State party to that Convention.

Please refer to [Chapter V, Section 2\(B\)\(2\)](#), which explains the nature of an acknowledgment (see [Sample Acknowledgment Forms](#)). If obtaining an authentication or an oath presents a problem, please contact a [Regional Office](#).

## **E. Memorandum of Agreement**

When preparing for the sale of a vessel, clients should pay special attention to the drafting of a Memorandum of Agreement. Many Memoranda of Agreement are prepared on forms similar or identical to the Norwegian Shipbrokers' Association's Memorandum of Agreement for Sale and Purchase of Ships adopted by the Baltic and International Maritime Council (BIMCO), generally sold under the code name SALEFORM 1987.

Forms such as this, as well as many vessel construction contracts, usually contain a Documentation Clause (Clause 8 in the case of SALEFORM 1987), providing that the Bill of Sale or Builder's Certificate shall be "...duly notarially attested and legalized by the (flag State) consul...." This provision may lead to unnecessary extra cost and waste of time, because consularization is not required for any registration-related documents under RMI law.

Such Memoranda of Agreement should not include a prohibition to flag State pre-registration inspection for those vessels required by Regulation to undergo same.

Where opportunity exists to review a Memorandum of Agreement, contract of sale or construction contract before documents are prepared for registration and recordation under the [Maritime Act](#), provisions such as the above should be **struck out**, or modified.

## **F. Closing Agenda**

The registration of a vessel in the RMI, as well as the drafting, signing and recording of mortgages, financing charters, and related instruments may be less time-consuming if the parties prepare their own agreed agenda or checklist of documents and work assignments beforehand.

A checklist of documents should include, if required, the necessary corporate good standing certificates; opinions of counsel; corporate resolutions; records of payment of all fees and expenses; all required vessel classification certificates, including survey reports, if needed; closing arrangements; scheduled telephone and facsimile communications; arrangements for change of name of the vessel; payment of taxes, fees and expenses in connection with the deregistration of the vessel from its previous registry; proof that the vessel is free and clear of all liens and encumbrances; the protocol of delivery and acceptance, where desired by the parties; and, if possible, the approximate date and time of the registration of the ship in the RMI, and, where applicable, necessary documentation for the recordation of mortgages, financing charters, and other instruments.

## CHAPTER II

### VESSEL OWNERSHIP

A ship, like a person, does not stay in one place; therefore, it must carry a document with a function quite like that of a passport: a **Certificate of Registry**. This document is issued to the vessel by the RMI Administrator, so that its RMI citizenship will be recognized by other nations. The process by which a ship is registered is discussed in [Chapter III](#). This Chapter describes how to form and maintain the ownership of an RMI vessel by a qualified entity such as a corporation, foreign maritime entity, limited liability company, partnership or limited partnership.

The rights and benefits of ownership, like the nationality of the ship itself, depend upon international recognition of their validity under RMI law. In addition, the international legal requirements incidental to proof of title, and therefore the marketability of the ship, require registration of ownership in accordance with established national law. The procedure by which this status is achieved in the RMI is described in this Chapter and applies both to registration and to bareboat registration under Sections 260-264 of the [Maritime Act](#). A copy of the RMI Associations Law 1990, as amended, is available upon request from any [Regional Office](#).

A vessel registered in the RMI may only be owned or bareboat registered by one (1) of the following:

- a. a corporation formed under the Business Corporations Act (BCA);
- b. a foreign maritime entity qualified to own a vessel as provided in Section 119 of the Business Corporations Act, and Section 203 of the Maritime Act;
- c. a partnership formed under the Revised Partnership Act, as provided in Section 203(a) of the Maritime Act, or is otherwise qualified to own a vessel under Marshall Islands law;
- d. a limited partnership formed under the Limited Partnership Act, as provided in Section 203(a) of the Maritime Act, or is otherwise qualified to own a vessel under Marshall Islands law; or
- e. a limited liability company formed pursuant to the Limited Liability Company Act.

TCMI in Majuro, Republic of the Marshall Islands, is the Registrar of Corporations for non-resident domestic entities formed and foreign maritime entities registered under the Associations Law.

Although the Associations Law does not provide for a statutory name reservation process, an entity name may be reserved, at no cost, through a Regional Office.

#### **SECTION 1: RMI Corporations**

RMI corporations formed through TCMI under the BCA are called non-resident domestic corporations. Such corporations are exempt from taxes in the RMI, as provided in Section 12 of the BCA. In addition, payments, including wages, made by a non-resident domestic corporation to persons who are not RMI citizens or residents are exempt under Section 12 of the BCA from any tax or withholding provisions of RMI law.

Under Section 2(o) of the BCA, certain activities of a non-resident domestic corporation may be undertaken within the RMI without subjecting the corporation to RMI tax liability, including maintenance of an office, rental property, shares and other securities, and the holding of meetings within RMI.

Many of the basic principles of RMI corporate law are derived from the United States (US) and

United Kingdom and include concepts found in the US Model Business Corporation Act. For example, the secretary of a corporation may, itself, be a corporate entity; officers may be designated in a flexible and economic fashion (BCA §62); and facsimile filings are permitted so long as the signature is legible and the name and title of the signer are clearly typed (BCA §5). This allows great flexibility in obtaining a rapid filing date, where business considerations require speedy filing of an instrument to change the capital structure, name or other legal attributes of the corporation.

Documents submitted for filing may be executed by any person authorized to do so on behalf of the corporation. Acknowledgments may be made:

- a. before a person who is authorized by RMI law or the law of the place of execution to take acknowledgments;
- b. by means of a signature over the typed or printed name and title of the person signing the instrument, in which case such signature shall constitute the affirmation or acknowledgment of the signatory, (BCA §5(4)(b)); or
- c. by an Apostille issued in a country party to the Hague Apostille Convention.

**Documents filed in connection with registration of a ship in the RMI do not require consular authentication!**

The following Sections provide a description of the procedures used to create and maintain RMI corporations and other entities.

**SECTION 2: Creating a Corporation**

**A. Incorporation Instructions**

An RMI corporation may be formed through a [Regional Office](#) in one (1) business day whether or not a corporation will own a ship. The BCA permits the formation of general purpose companies, which may be used for *any lawful purpose*. The broad “General Powers,” enumerated in Section 15 of the BCA, provide a company with freedom to conduct business without having to plan for every possible transaction at the outset. There is no need to state a specific corporate purpose or specific powers; however, specific corporate purposes may be included in the Articles of Incorporation.

***Please note that corporations formed under the BCA need not have purposes relating to shipping.***

The following information is required for incorporation:

1. Corporate Name: The corporate name may be in any language provided that Roman letters are used. The name must indicate that the entity is a corporation although any standard corporate suffix is acceptable.
2. Capital Structure:
  - a. The standard incorporation allows either 500 authorized shares with no par value OR any number of authorized shares provided the total par value does not exceed US\$50,000. Where the number of shares exceeds 500 of no par value or a total par value of US\$50,000, additional capitalization tax is due.
  - b. The articles of incorporation may authorize the issuance of shares in registered and/or bearer form.

## **SECTION 3: Registration of Foreign Maritime Entities**

### **A. Method of Registration**

Foreign Maritime Entities (FMEs) are legal entities created under the laws of a jurisdiction other than RMI that are eligible to own vessels when registered in the RMI pursuant to Section 119 of the BCA. The procedures are as follows:

1. Name of FME: Names for FMEs may be reserved by the same process as that used for corporations.
2. Application: The application should be prepared in English with one (1) original, signed and acknowledged copy and two (2) duplicate copies. Photocopies are acceptable as duplicate copies provided the signatures are legible. Applications may be submitted to any [Regional Office](#) for filing. A sample application form may be found at [FME form](#).
3. Acknowledgment: These documents must be acknowledged:
  - a. before a notary public;
  - b. by the person signing the instrument under penalty of perjury pursuant to Section 5 of the BCA; or
  - c. by Apostille issued in a country party to the Hague Apostille Convention.
4. Supporting Documents:
  - a. *Certified Copies* - Each FME application should be accompanied by a certified copy of the Articles, Charter or other document upon which the existence of the foreign entity is based, certified by an officer, or where appropriate, a director of the entity. If such certification cannot be timely obtained, then the document may be verified by an attorney authorized to practice law in the State or jurisdiction in which the foreign entity was formed.
  - b. *Certificate of Good Standing* – A FME application should also include evidence of the foreign entity’s current existence under the laws of the State of its formation. This may be in the form of a government document (e.g., Certificate of Good Standing) or, if a government certificate is not possible, by certification of an attorney of the jurisdiction that to his/her knowledge, the foreign entity has current legal existence.

## **SECTION 4: Partnerships and Limited Partnerships**

### **A. Creation of a Partnership**

A partnership is formed pursuant to the RMI Revised Partnership Act (the “Act”) when two (2) or more persons agree to carry on as co-owners a business for profit and file a Certificate of Partnership Existence pursuant to section 29 of the Act. A Certificate of Partnership Existence shall include the following information:

1. the name of the partnership, which must contain the word “Partnership”;
2. the name and address of the Registered Agent in the RMI and a statement that the partnership’s Registered Agent is to be its agent upon whom process against it may be

served;

3. a statement that the partnership will file a Certificate of Cancellation upon the dissolution and completion of winding up of the partnership; and
4. **OPTIONAL:** any other matter the partnership wishes to list, including, but not limited to, the names of the partners authorized to execute an instrument transferring real property held in the name of the partnership and the authority, or limitations on the authority, of some or all of the partners to enter into other transactions on behalf of the partnership.

## **B. Creation of a Limited Partnership**

Limited partnerships are registered by filing a Certificate of Limited Partnership pursuant to section 10 of the RMI Limited Partnership Act. Section 10 requires that the following provisions be included in the Certificate of Limited Partnership:

1. the name of the limited partnership: the name must include either “A Limited Partnership,” “LP” or “L.P.” in its title;
2. the address of the registered office and the name and address of the limited partnership’s registered agent in the RMI;
3. the name and the business, residence or mailing address of each general partner, and
4. any other matters the partners determine to include in the Certificate of Limited Partnership.

## **SECTION 5: Limited Liability Companies**

### **A. Creation**

Limited liability companies may be formed pursuant to the RMI Limited Liability Company Act by filing a Certificate of Formation. Section 9 of the Limited Liability Company Act requires that the following information be included in the Certificate of Formation:

1. the name of the limited liability company: the name must contain the words “Limited Liability Company” or the abbreviation “LLC.”
2. the address and name of the Registered Agent in the RMI; and
3. **OPTIONAL:** any other information the members of the limited liability company decide to include, such as a copy of the Limited Liability Company Agreement, excerpts from the Agreement, a statement incorporating the Agreement, the names of members or a specific date of dissolution.

## **SECTION 6. Payments**

**All payments shall be made in US Dollars.** (See [Methods of Payment.](#))

## **SECTION 7. Unique IMO Registered Owner Number**

Companies and registered owners of ships engaged on international voyages must be assigned an unique IMO Company identification number as required by SOLAS Chapter XI-1/3-1. Exceptions to this requirement include:

1. cargo ships of less than 500 gross tonnage;

2. ships not propelled by mechanical means;
3. pleasure yachts not engaged in trade (i.e., private yachts); and
4. fishing vessels.

This unique number is included on the Continuous Synopsis Record (CSR) wherever the Registered Owner's name should appear.

Corporate entities formed or registered under the BCA for the purposes of vessel registration must obtain the unique IMO Company Number from IHS Maritime & Trade ([IHSM&T](#)). Details on how to obtain a Number are in RMI Marine Notice [2-011-12](#).



## CHAPTER III

### VESSEL REGISTRATION

#### SECTION 1: Intended Registration of a Newbuilding Under Construction

A vessel may receive a Certificate of Intended Registry during the period that it is under construction. This allows for continued extended participation of the Administrator or its representatives, such as Class, to assist with interested parties to ensure the project will meet the construction, safety, international, RMI, Class and other relevant requirements during the construction phase.

This also allows certain asset-based lending procedures to be accomplished before the vessel's delivery date, and may also be useful in obtaining an export license. Virtually all lenders require that where a vessel is under construction and pledged as security for the owner's debt, it be granted a form of certificate identifying it as part of the financing process. The financing divisions of shipyards are often familiar with local lenders specializing in the financing of ship construction. In many countries where ships are built, it is possible to obtain loans during the construction period, secured by a lien on the vessel under construction and sometimes by an assignment of the construction contract and other collateral.

This Certificate also assures outside parties that the Administrator has reviewed the construction project and has preliminarily accepted the vessel and owner to be registered when the construction is complete, providing all other requirements are met. In such cases, it is important that the prospective flag chosen by the future owner be acceptable to the lender, the yard, the Classification Society or any other interested party.

The issuance of a Certificate of Intended Registry may be useful to the parties to such a transaction, prior to the delivery of the vessel.

#### A. Application for Intended Registration of Newbuilding

To obtain a Certificate of Intended Registry of Newbuilding During Construction at Builder's Yard, the prospective owner should submit an application on RMI form [MI-101B](#), indicating its intention to qualify as such under Section 203 of the [Maritime Act](#), or if not, its intent to dispose of the vessel upon its completion.

A Certificate of Intended Registry of Newbuilding During Construction at Builder's Yard will be issued upon acceptance of the application, the shipbuilder's letter and payment of the required fee. This certificate is valid for the period of construction or until the expected date of delivery, whichever is later.

#### B. Shipbuilder's Letter

1. The prospective owner of a newbuilding must also provide, together with the application and fees, a letter from the yard or builder of the vessel, confirming:
  - a. that a contract has been signed between the proposed owner and the yard;
  - b. the date of such contract;
  - c. the hull number of the vessel;
  - d. the expected date of delivery; and
  - e. the estimated gross tonnage.

2. The application, fees and shipbuilder's letter should be sent to the following address:

Republic of the Marshall Islands Maritime Administrator  
c/o Vessel Registration  
11495 Commerce Park Drive  
Reston, Virginia 20191-1506 USA

or to any other [Regional Office](#).

### **C. Fees**

See the [Fee Schedule](#). The Certificate of Intended Registry Fee will include the registration fee and the fee for issuing and delivering the Certificate of Intended Registry. Using one of the [methods of payment](#), payment should be made to *The Trust Company of the Marshall Islands, Inc.*

The registration fee portion of the original payment will be credited when the vessel is registered under the RMI flag, upon delivery of the vessel to the owner.

### **D. Delivered Vessel Not Registered under the RMI Flag**

If the newbuilding is not registered under the RMI flag, a letter of Deletion of the Intended Registry Notation will be issued, with a refund of 50% of the intended registry fee.

## **SECTION 2: Vessels Under Construction**

A vessel may receive a Construction Certificate of Registry during the period that it is under construction.

### **A. Application for a Construction Certificate of Registry**

To obtain a Construction Certificate of Registry, the prospective owner or the party making application for registration should submit an Application for Official Number, Call Sign and Registration of Vessel Under Construction on RMI form [MI-101C](#), pursuant to Section 203 of the [Maritime Act](#)

A Construction Certificate of Registry may be issued upon receipt of the application, receipt of a certified copy of the construction contract, receipt of proof that construction of the vessel has begun, and payment of the initial registration fee. The Construction Certificate of Registry shall remain valid while the vessel remains under construction, until the Construction Certificate of Registry is replaced with a Provisional Certificate of Registry, or until the Construction Certificate of Registry is cancelled by the Administrator.

### **B. Proof that Construction of the Vessel has Begun**

The prospective owner or the party making application for registration of a vessel under construction must also provide (together with the application, certified copy of the construction contract, and initial registration fee) proof that physical construction of the vessel has begun by one of the following means:

1. Classification Society statement, oath, or affidavit, that physical construction of the vessel has begun;
2. builder statement, oath, or affidavit, that physical construction of the vessel has begun;
3. owner or party making application for registration statement, oath or affidavit, that

physical construction of the vessel has begun;

4. as otherwise stated or evidenced by any other document; or
5. at the Administrator's discretion, a construction contract or the issuance of a hull number may be accepted as proof that construction of a vessel under construction has begun or commenced.

### **C. Fees**

See the [Fee Schedule](#). The Initial Registration Fee will be credited toward the registration fee if, upon delivery of the vessel to the owner or party making application for registration, the vessel is issued a Provisional Certificate of Registry under the RMI flag.

Payment should be made to *The Trust Company of the Marshall Islands, Inc.* Payment of the initial registration fee and the Construction Certificate of Registry Fee may be submitted together or separately. (See [Methods of Payment](#).)

The application, certified copy of the construction contract, proof that vessel construction has begun and fees should be sent to the following address:

Republic of the Marshall Islands Maritime Administrator  
c/o Vessel Registration  
11495 Commerce Park Drive  
Reston, Virginia 20191-1506 USA

or to any other [Regional Office](#).

### **D. Delivered Vessel Not Registered under the RMI Flag**

If, upon delivery, the vessel under construction is not registered under the RMI flag, a Certificate of Cancellation will be issued and the Construction Certificate of Registry shall be surrendered to the Administrator.

## **SECTION 3: Provisional Registration**

Under Section 214 of the [Maritime Act](#), Provisional Certificate of Registry is the name given to the initial navigational document issued by RMI to a vessel that is either a newbuilding, or is being transferred from another registry. An unexpired Provisional Certificate of Registry has the same validity and legal standing as a Permanent Certificate of Registry, and is *prima facie* evidence that the vessel to which it has been issued is duly registered. The requirements for issuance of both a Provisional and Permanent Certificate of Registry should be included in the recommended Closing Agenda described in [Chapter I, Section 3\(F\)](#).

All applications for Provisional Registration are subject to approval by the Administrator. Accordingly, the mere submission of an application does not ensure that a vessel will be accepted for entry into the RMI registry or flag.

### **A. Application for Registration**

1. Application Document: The RMI form [MI-101A](#) is the application form for registration. The registration process begins with the submission of the application with the supporting documents itemized in [Section B](#) below.

Applications may be submitted to any Regional Office. Electronic submission of any application form and supporting documents can be accepted for initial registration with

required originals to follow within five (5) business days.

2. Registration through Regional Offices: Vessels which meet the requirements for registration in the RMI may be registered through the Regional Offices. In addition to the application, the documents required to be submitted are those listed in [Section 3\(B\)](#) of this Chapter. Upon receipt of satisfactory documents, along with the payment of the requisite fees, the Regional Offices may issue a Provisional Certificate of Registry and a Temporary Authority Ship Radio Station License to a vessel.

**B. Required Documents to be submitted with Application for Registration**

1. Proof of Ownership may be demonstrated by one of the following:
  - a. Bill of Sale or Certificate of Ownership and Encumbrance - Proof of ownership is usually the Bill of Sale transferring title to the present owner. A Certificate of Ownership and Encumbrance from the current flag State registry is also acceptable, if no change in ownership will be occurring.
  - b. Builder's Certificate or Master Carpenter's Certificate should be submitted in the case of a newbuilding.

**Please Note:** Proof of ownership of a vessel must be submitted when the ship is registered or re-registered in the RMI, even where there has not been a change of ownership. If the Bill of Sale, Builder's Certificate or Master Carpenter's Certificate is to be recorded, then one (1) original and two (2) counterparts each duly executed and acknowledged or with proof of due execution should be submitted. (See [Chapter V, Section 2\(A\)\(8\)](#).)

2. Continuous Synopsis Record (CSR) File: The CSR File is a new record keeping requirement for all SOLAS Ships. This File is not an International Ship and Port Facility Security (ISPS) Code requirement but is a separate and independent SOLAS documentation requirement within which ownership and operational information is provided and tracked. It is also used to verify the need for the issuance of an Interim International Ship Security Certificate (ISSC), thus the reason for its being mentioned here. It must be on board all SOLAS vessels and it must be kept up to date. Therefore, vessel registration procedures shall require:
  - a. The submission of a copy of the vessel's current CSR Document and Index of Amendments with the application for registration.
  - b. The subsequent submission of a copy of the vessel's current complete CSR File certified by the flag administration from which the vessel is being transferred along with an [Amendment Form](#) and a new [Index of Amendments](#).
  - c. For transactions involving only a change of ownership and not a change of flag, the new owner need only submit an Amendment Form and a new Index of Amendments.

The Administrator shall in turn, upon receipt of the certified CSR File with the last CSR Document from the losing flag administration, issue a new CSR Document. There is a 90-day limit from the date of registration within which this must occur.

3. Power of Attorney or Secretary's Certificate of Corporate Resolution: This document should state the authority of an agent or officer to act for or on behalf of the owner in making application for registration of the vessel and to perform all acts necessary to accomplish the registration. If the vessel owner is not an entity, he/she must submit an

Oath of a Managing Owner or Part Owner (or Agent of Owner, Managing Owner or Part Owner).

4. Certificate of Confirmation of Class: A Certificate of Confirmation of Class for an existing vessel, or a Certificate of Seaworthiness, or an Interim Certificate of Class for a newbuilding, dated not more than 10 days prior to registration, must be submitted at time of registration.
5. Classification Society Statement or Affidavit: This statement or affidavit (dated not more than 10 days prior to registration) is in addition to the confirmation of class and is issued by the Classification Society with which the vessel is classed at the date of registry. Such classification statement must contain the following four (4) key elements:
  - a. A list of all existing conditions, recommendations and deficiencies against the vessel's classification that are outstanding at the date of the statement.
  - b. A list of the Statutory Certificates, which the vessel's Classification Society is prepared to issue on behalf of the RMI.
  - c. The status of all current relevant Statutory Surveys, setting forth the dates of completion of each.
  - d. An indication of any reasons, to the extent known by the Society, why the vessel is presently not fit to proceed to sea prior to the completion of outstanding as noted in 5(a). If there are no apparent reasons known to the Society, this should be so stated.
6. Survey Reports of Classification Society: Vessels that are 15 years of age or older must also submit a copy of the most recent intermediate or special survey (Hull and Machinery).
7. As-built Construction Drawings: As-built construction drawings must be made available to the Administrator as needed, including after a vessel is registered.
8. MARPOL Annex I Condition Assessment Scheme (CAS) Statement of Compliance: If a ship to which a valid Statement of Compliance has already been issued is transferring to the RMI flag, for the Administrator to consider reinstating the Statement of Compliance to that ship on the basis of that Statement of Compliance, the Administrator must receive:
  - a. a verified copy of the Statement of Compliance that the ship was issued with at the time of the transfer from the losing administration;
  - b. a statement from the losing administration certifying that the Classification Society that provided the CAS Final Report to it, is a Recognized Organization (RO) authorized to act on its behalf;
  - c. an attestation from the Classification Society, which provided the CAS Final Report to the losing administration, that at the time of transfer, all the terms and conditions justifying the issuance of the Statement of Compliance to that ship are still valid and being maintained; and
  - d. an affidavit from the shipowner affirming that it will cause a certified copy of the complete Review Record of all the CAS documentation relating to that ship, which the losing Administration has compiled for the issue or renewal and maintenance of the validity of its Statement of Compliance, to be delivered to the Administrator within 90 days of initial registration.

9. Application for Minimum Safe Manning Certificate: A Minimum Safe Manning Certificate (MSMC), required by Maritime Regulation 7.38.6, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of an application, [MI-336](#) or [MI-336MOU](#), by [Seafarers' Documentation](#) in [Reston, Virginia](#). The MSMC must be issued to each vessel at registration or shortly thereafter setting forth the required minimum numbers of officers and crew, in specified grades and ratings, which have been prescribed for the safe navigation and operation of that vessel.
10. Declaration of Company and Designated Person(s).
- a. [Maritime Regulation](#) 1.07.6 requires the owner or manager of all registered vessels to provide the Administrator with current information on person(s) sufficient to enable direct and immediate contact at any time (24 hours/day) with regard to matters relating to vessel operations, marine safety, security and protection of the marine environment.

If, at any time during its period of registration, the owner of a vessel documented under the [Maritime Act](#) and subject to the ISM Code determines to change the Company it has declared as responsible for the operation of the vessel, notice of such proposed change, including the name, address, telephone and facsimile numbers and email address of the Company proposed to become responsible for the operation of the vessel, shall be provided to the Administrator no less than two (2) weeks in advance of any proposed change.

b. **Vessels subject to the ISM Code**

- i. ISM Code Declarations of Company and Designated Person(s) Ashore (DPA): The ISM Code means the “International Management Code for the Safe Operation of Vessels and for Pollution Prevention.”
- ii. Compliance requirements pertain to tank vessels, chemical carriers, gas carriers, bulk carriers, cargo high-speed craft of 500 gross tonnage and upwards; all passenger ships, including passenger high speed craft; all other cargo ships and self-propelled mobile offshore units (MOUs) of 500 gross tonnage and upwards on international voyages. If in doubt, contact Marine Safety for clarification.
- iii. If applicable, ISM Code Declarations designed to collect the initial information required on the [Company](#) and for [Designated Person Ashore \(DPA\)](#), are to be completed prior to vessel registration.
- iv. The Declaration of Company (form [MI-297A](#) or included in the [MI-101A](#) Application for Registration) provides for the inclusion of the IMO Unique IMO Company Identification Number (the “Number”). Details on how to obtain a number can be found in RMI Marine Notice [2-011-12](#).
- c. Vessels Not Subject to the ISM Code. Owners or managers of all non-ISM Code vessels, including private yachts, not voluntarily participating in the ISM Code regulated requirements, shall provide the contact information required in section (a), above, by filling out and submitting RMI form MI-297B to the Administrator or included on the [MI-101A](#) Application for Registration. Yachts shall provide the contact information required in section (a) above on the RMI application form [MI-101Y](#).

- d. Change in Designated Person (DP). Any change in the Designated Person or the contact information for a person designated as required by this section shall be made in writing and submitted by facsimile or email to any [Regional Office](#). The change will be acknowledged within 24 hours after being received by the Administrator.
11. ISPS Code Declaration of Company Security Officer (CSO): The ISPS Code means the “International Ship and Port Facility Security” Code. The Company shall appoint a Company Security Officer and shall provide the Administrator with the full name of the CSO and information to enable direct and immediate contact at all times between the Administrator and the CSO with regard to matters related to the ISPS Code.
- a. The ISPS Code applies to Passenger ships, including high-speed passenger craft; Cargo ships, including high-speed craft, of 500 gross tonnage and upwards; and self-propelled MOUs capable of making international voyages unassisted and unescorted when underway and not on location.
- b. The ISPS Code does not apply to cargo ships of less than 500 gross tonnage as measured by the 1969 International Convention on Tonnage Measurement of Ships (ITC) '69; ships not propelled by mechanical means; private pleasure yachts not engaged in trade; fishing vessels; non-self-propelled MOUs, nor to MOUs of any description whilst on location, making field moves, or in port; mobile and immobile floating production, storage and offloading units (FPSOs) and floating storage units (FSUs), but should have some security procedures in place; and single buoy moorings (SBMs) attached to an offshore facility that are covered by the facility’s security regime, or if connected to a port facility, covered by the port facility security plan (PFSP). For specific details, refer to RMI [2-011-16](#).  
Marine Notice
- c. If applicable, the Company should use RMI form [MI-297B](#), Combined Declaration Form or include the information on the [MI-101A](#) or [MI-101Y](#)
12. Proof of Liability Insurance: Under RMI [Maritime Regulations](#) 2.23.2 and 7.52.1, each vessel owner is required to maintain, at all times, satisfactory third-party liability insurance coverage. This proof of coverage usually takes the form of a “cover note” or similar confirmation, provided by a member of the International Group of P & I Clubs, which verifies that liability insurance coverage is currently in full force and effect for the vessel. In the case of a self-insurer, proof of coverage may be a duly acknowledged statement (see [Chapter V, Section 2\(B\)\(2\)](#)) with an attached auditor’s report, setting forth the type and amount of the vessel’s liability reserve, and the nature of security provided. In either case, this proof shall cover the following:
- a. protection and indemnity cover in force with respect to the vessel and issued by either:
- i. a member Club of the International Group of P & I Clubs;
- ii. a non-member Club of the International Group of P & I Clubs with a contractual agreement for re-insurance with member/members of the International Group of P & I Clubs;
- iii. a publicly traded Insurer with verifiable reserves that fulfill the obligations required under the various International Conventions to

which RMI is a party; or

- iv. a non-member Club of the International Group of P & I Clubs P & I Club with verifiable financial reserves that fulfill the obligations required under the various International Conventions to which RMI is a party.
- b. in the case of a pleasure yacht, third party liability and hull and machinery insurance issued by an underwriter in policy form acceptable to the Administrator; or
- c. in the case of a self-insurer, the nature, amount and security of the liability reserve.
- d. the owner's repatriation obligations as required under Section 843 of the [Maritime Act](#) and social protections as required under Section 7.52 of the [Maritime Regulations](#);
- e. for vessels carrying 2,000 tons or more of oil in bulk as cargo, oil pollution damage liability as required by Article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1992. A Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Oil Pollution Damage (CLC), required by Maritime Regulation 2.11.2, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of this proof of liability insurance. The CLC, form MI-233, must be issued to each vessel at registration or shortly thereafter setting forth the required security;
- f. for vessels over 1,000 tons, bunker oil pollution damage liability as required by Article III of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001. A Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Bunker Oil Pollution Damage (CLBC), required by Maritime Regulation 2.11.2, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of this proof of liability insurance. The CLBC, form MI-234, must be issued to each vessel at registration or shortly thereafter setting forth the required security;
- g. for vessels of 300 gross tons and above, wreck removal liability as required by Article 12 of the Nairobi International Convention on the Removal of Wrecks, 2007. A Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Wreck Removal (WRLC), required by Maritime Regulation 2.11.2, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of proof of liability insurance. The WRLC, form MI-237, must be issued to each vessel at registration or shortly thereafter setting forth the required security; and
- h. for vessels certified to carry more than 12 passengers, liability in respect of the death of and personal injury to passengers as required by Article 4bis of the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974 and the Protocol of 2002 to the Convention. A Certificate of Insurance or Other Financial Security in Respect of Liability for the Carriage of Passengers (PLC), required by [Maritime Regulation](#) §2.11.2, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of proof of liability insurance. The PLC, form MI-238, must be issued to each vessel at registration or shortly thereafter setting forth the required security.



- i. The proof of coverage may be sent by mail, email or facsimile to any [Regional Office](#).
13. Permission to Transfer or Cancellation Certificate: A Permission to Transfer document is issued by the competent authority of the registry from which the vessel is being transferred, approving and providing proof of consent to the transfer of the vessel to the RMI flag. If actual proof of the vessel's cancellation from her present registry is submitted in the form of an official Cancellation Certificate reflecting that the vessel is free and clear of recorded liens and encumbrances, then proof of consent is not required. If the ship's present registry does not issue such a consent, then an Affirmation or Letter of Opinion of that fact, given by a person admitted to the practice of law in the State of the present registry, may be required in lieu of proof of consent.
14. Certificate of No Liens: Proof that the vessel is free of recorded liens is required in the form of an official statement to be issued by the registry from which the vessel is being transferred. This statement may be included in the Consent to Transfer, Transfer of Registry or in the Cancellation Certificate. Please refer to [Chapter V, Section 4](#), if the intent is to grant a preferred mortgage or financing charter on the vessel in continuation of a prior mortgage or financing charter.

**Please Note:** Section 203(h) of the [Maritime Act](#) allows the Administrator, for good cause shown, to temporarily amend or modify requirements with respect to the submission of Permissions to Transfer and Deletion Certificates issued by the State from which the vessel is being transferred.

15. Long-Range Identification and Tracking (LRIT) Conformance Test Report: Upon the transfer of the flag of a vessel which is required to transmit LRIT information from another State to RMI, the Administrator must be able to provide to the RMI LRIT National Data Centre (a) the effective date and time (Universal Coordinated Time (UTC)) of transfer; (b) the State whose flag the ship was formerly entitled to fly; and (c) the technical details on the terminal being used for LRIT transmissions. Points (b) and (c) are contained in the vessel's LRIT Conformance Test Report which must be assessed for continued validity. This information is essential to the vessel's continuing compliance with the SOLAS regulation V/19-1 on LRIT. It must be provided at the earliest possible opportunity BEFORE registration so that at the time of registration the vessel can be activated in the RMI LRIT National Data Centre without undue delay. The early submission of the information will avoid any possible delay in the vessel entering service once it has been registered in the RMI.
16. Maritime Labour Convention, 2006 (MLC, 2006): although not necessarily required for registration, it would facilitate subsequent compliance with ML certification if copies of the current MLC, 2006 documents (Declaration of Maritime Labour Compliance (DMLC) Part I, DMLC Part II and the Maritime Labour (ML) Certificate), if applicable, were to be provided to the Administrator prior to change of flag registration.

NOTE: A DMLC Part I will need to be issued by the Administrator. The registrant should be instructed to request a DMLC Part I by following the procedure outlined in section 6.0 of RMI Marine Notice [2-011-33](#). As applicable, copies of relevant inspection reports should be requested and obtained within three (3) months after registration.

### **C. Registration Fees, RMI International Participation Fee, Marine Services Fee and Tonnage Tax**

See [Schedule of Fees, Tonnage Tax and Charges](#).

For details regarding fees for the registration and tonnage tax of yachts, please refer to [Chapter](#)

[VII](#)  
of this publication.

All remittances are payable in US dollars. (See [Methods of Payment](#).) Checks or bank drafts must be drawn on a bank or branch of a bank located in the US. Checks may be sent to any of the [Regional Offices](#). Checks should be made payable to *The Trust Company of the Marshall Islands, Inc.*

Where a ship is to be registered upon transfer from a foreign flag, or is a newbuilding, both registration fees and the first year's RMI tonnage taxes and annual fees are payable upon registration.

#### **D. Issuance of Certificate of Registry**

A Provisional Certificate of Registry, a Temporary Authority Ship Radio Station License and a Minimum Safe Manning Certificate will be issued at the time of registration, provided the completed application, [MI-101A](#), required documents, and fees are received and accepted by the Administrator.

This Provisional Certificate of Registry is valid for a period of 12 months. The Temporary Authority Ship Radio Station License is valid for 90 days.

### **SECTION 4: Registration in Laid-Up Status**

A vessel that has been taken out of service and is moored or to be moored in a fixed position for a prolonged period or is out of class is eligible for registration in laid-up status in accordance with RMI [Maritime Regulation](#) 1.11, Tax Exemption for Laid-Up Vessels.

#### **A. Application for Registration in Laid-Up Status**

The application for registration of a vessel in laid-up status should be submitted on the appropriate [Application Form for Official Number and Call Sign](#). The letter transmitting the application should specify the date the vessel was actually placed in laid-up status or the date of withdrawal from service and the exact location of the vessel's lay-up site. The application is to be submitted to any Regional Office.

#### **B. Required Documents to be submitted with Application for Registration in Laid-Up Status**

1. Proof of Ownership.
2. Continuous Synopsis Record (CSR) File.
3. Authority of Agent of Owner or Oath of Owner if vessel owner is not an entity.
4. Proof to be Provided from Present State of Registry:
  - a. Permission to transfer or Cancellation Certificate of the vessel; and
  - b. Proof that vessel is free of recorded liens.
5. Classification Society Statement: A statement from the Vessel's Classification Society that in the opinion of the Classification Society the vessel, if surveyed at the time of lay-up, would have met the requirements for the issuance of Classification and Tonnage Measurement Certificates.
6. Affidavit Re: Confirmation of Class: This notarized [statement](#) is prepared by the owner stating that the vessel will not be moved or navigated while out of Class.

7. Proof of Liability Insurance
8. MLC, 2006 documents: although not necessarily required for registration, copies of the documents, if applicable, would facilitate subsequent compliance with ML Certification.

**C. Registration Fees, RMI International Participation Fee, Marine Services Fee and Tonnage Tax**

See [Schedule of Fees, Tonnage Tax and Charges](#).

Where a vessel has been in laid-up status for less than a full calendar year (1 January to 31 December) at the time of its registration, the full annual tonnage tax is payable. This requirement remains until the vessel has been in lay-up for one (1) full calendar year.

Exemption from tonnage taxes at the time of registration will apply only to those vessels for which the owner has made a specific request for exemption and has provided documented evidence of a lay-up period covering at least the complete calendar year prior to registration (1 January to 31 December) continuing up to and beyond the time of registration.

**D. Issuance of Certificate of Registry**

A Provisional Certificate of Registry in Laid-Up Status shall be issued for a period of up to one (1) year, provided the completed application, required documentation and the stated [fee](#) are received by the Administrator. The certificate shall be endorsed to show: “This Certificate is Only Valid while the Vessel Remains in Laid-Up Status and is Not Valid for Navigation.”

The Provisional Certificate of Registry may be extended for periods up to six (6) months upon written request from the owner, and payment of the extension fee.

**SECTION 5: Registration of Vessels sold at Admiralty Auction**

**A Application for Registration of Vessels in Admiralty Auction**

The application for registration of a vessel sold at Admiralty Auction should be submitted on RMI form [MI-101A](#). The letter transmitting the Application should specify the date the vessel will be sold at Auction and the location or Jurisdiction of the Admiralty Court. The application should be submitted to any [Regional Office](#).

**B. Required Documents to be submitted with Application for Registration of Vessels in Admiralty Auction**

Documentation requirements for initial registration are the same as those outlined in [Sections 2B](#) and [2C](#) of this Chapter except for the following:

1. Proof of Ownership: As Proof of Ownership, three (3) certified copies of the Marshall’s Bill of Sale or three (3) certified copies of the Court Order certified by the Admiralty Court may be submitted. The Unique IMO Registered Owner Number should also be provided (see [Chapter II, Section 7](#)).
2. Transfer of Title/Certificate of No Liens: As proof of Free from Liens or Encumbrance, the three (3) certified copies of the Marshall’s Bill of Sale or the three (3) certified copies of the Court Order are acceptable vehicles for transfer of title free from liens.

### **C. Issuance of Provisional Certificate of Registry**

A Provisional Certificate of Registry shall be issued for a period of up to one (1) year, provided the completed application, [MI-101A](#), required documents and fees are received and accepted by the Administrator.

### **D. Application for Re-registration in Admiralty Auction**

For a vessel already registered that has been sold by Order of a Court of Admiralty or Maritime Jurisdiction, the vessel's owner following the sale of Admiralty Auction, should submit the same documents as outlined in [Section 7C](#) of this Chapter, including the following:

1. Bill of Sale issued by the Court of Admiralty, three (3) certified copies: The Bill of Sale or Court Order will be accepted as evidence of change in ownership and recorded as required for a Re-registration.
2. Free and Clear: The Bill of Sale issued by the Court will be accepted as proof that the vessel is free and clear of recorded liens or encumbrances. All taxes, fees and charges outstanding to the RMI must be satisfied prior to the issuance of a new Certificate of Registry in the name of the new owner. If the vessel is subject to a recorded preferred mortgage or financing charter, the Marshall's Bill of Sale or the Court Order certified by the Admiralty Court reflecting the vessel transferred to the purchaser free of all liens and encumbrances, will be accepted as evidence that the mortgage, financing charter, or lien was discharged. If the Marshall's Bill of Sale or the Court Order does not reflect the vessel is transferred to the purchaser free of all liens and encumbrances, the client must submit for recording to any [Regional Office](#) an instrument of Satisfaction, Release or Discharge of such preferred mortgage, financing charter, or preferred lien, if available. Three (3) certified copies per preferred mortgage or financing charter must be submitted to release or discharge such preferred mortgage, financing charter, or preferred lien, or a Release of Mortgage or Financing Charter or Discharge of Mortgage or Financing Charter may be used.
3. Re-registration Fees and any outstanding tonnage taxes and fees: When a ship is re-registered following an Admiralty Auction, the standard [re-registration fee](#) is payable to *The Trust Company of the Marshall Islands, Inc.*
4. Permission for Sale: Please note that a Permission for Sale is not required.

### **E. Transfer of Vessel from the RMI Registry**

If a vessel is already registered and the purchaser at Admiralty Auction wishes to cancel the vessel's registration, the following must be submitted:

1. Marshall's Bill of Sale or Court Order issued by Admiralty: Three (3) certified copies as evidence of transfer of title.
2. Satisfaction of Mortgages or Financing Charters: If the vessel is subject to a recorded preferred mortgage or financing charter, the Marshall's Bill of Sale or the Court Order certified by the Admiralty Court reflecting the vessel transferred to the purchaser free of all liens and encumbrances, will be accepted as evidence that the mortgage, financing charter, or lien was discharged. If the Marshall's Bill of Sale or the Court Order does not reflect the vessel is transferred to the purchaser free of all liens and encumbrances, the client must submit to any [Regional Office](#) an instrument of Satisfaction, Release or Discharge of such preferred mortgage, financing charter, or preferred lien, if available. Three (3) certified copies per preferred mortgage or financing charter must be submitted

to be used as a release or discharge of such preferred mortgage, financing charter, or preferred lien, or a Release of Mortgage or Financing Charter or Discharge of Mortgage or Financing Charter may be used.

3. Surrender of Original Vessel Documents: the current Certificate of Registry; the RMI Ship Radio Station License, and other certificates of Registry.

Please note that the copies of the Marshall's Bill of Sale or the Court Order, from those jurisdictions that pass title free of liens or encumbrances through said order, should be certified by the Admiralty Court. However, if that is not possible, the Administrator will accept copies certified by a Law Firm that has viewed the original document and confirmed that the copy is a true copy of that original.

If the vessel's present jurisdiction does not issue a Marshall's Bill of Sale or Court Order, then an Affirmation or Letter of Opinion of that fact, given by a person admitted to the practice of law in the State of the present registry, may be required in lieu of an Admiralty Bill of Sale or Court Order.

## **SECTION 6: The Permanent Certificate of Registry**

A Permanent Certificate of Registry, as provided in Section 208 of the [Maritime Act](#), is the navigational document issued by the Administrator to a vessel that has previously received a Provisional Certificate of Registry, and that now has fulfilled all of the additional requirements listed in this Section. Like a Provisional Certificate of Registry, a valid Permanent Certificate of Registry constitutes *prima facie* authority that the vessel is registered under the laws of the RMI. A Permanent Certificate of Registry will be issued to shipowners upon compliance with the following requirements. This certificate is valid for an indefinite period of time.

### **A. Application for Permanent Certificate of Registry**

A Letter of Request for a Permanent Certificate of Registry should be submitted with the certificates described in the following subpart B to a Regional Office.

### **B. Required Documents to be submitted for a Permanent Certificate of Registry**

1. Report of Satisfactory Completion of RMI Safety Inspection: An initial safety inspection must be performed before the Administrator issues a Permanent Certificate of Registry. The initial safety inspection is required within 30 days (90 days for mobile offshore units and support equipment) after either the date of registration, or, if both the owner and management is changed, the re-registration of the vessel. For vessels subject to additional inspection(s) during the first year of registration, all inspections must be completed before the issuance of a Permanent Certificate of Registry.
2. Classification Certificates: The vessel owner should request from the Classification Society a current certified copy of the vessel's classification certificate(s), showing:
  - a. the present name of the vessel, if different from the name in which the certificates were originally issued; and
  - b. the home port of "Majuro, Republic of the Marshall Islands," or in the case of yachts, either "Jaluit, Republic of the Marshall Islands" or "Bikini, Republic of the Marshall Islands" and fishing vessels, "Jaluit, Republic of the Marshall Islands."

For Single Hull Tank Vessels and Bulk Carriers 15 years of age or more and any vessel granted a waiver of the age limitation to registration, the vessel owner shall also provide verification from the Classification Society that all outstanding conditions of class have been addressed to its satisfaction during the course of the first year in the registry.

3. International Convention and Other Certificates are those that formally confirm the vessel's compliance with applicable international maritime conventions. These certificates are accepted only when issued by the vessel's Classification Society, or another authority authorized to issue statutory certificates on behalf of the Administrator. (See [Chapter I, Section 2\(A\)](#) and RMI [Maritime Regulation](#) 2.17.) Certificates will be issued by the Classification Society concerned only upon successful completion of survey and upon request of the owner, or its agent or representative. International regulation of shipping, as well as port State control authorities, have imposed increasing certification requirements on merchant ships, such as Certificates of Financial Responsibility (COFRs) under the US Oil Pollution Act of 1990 (OPA 90).
  - a. RMI certificates issued under the provisions of the **International Tonnage Convention (1969)**: The shipowner or its authorized agent should signify acceptance of the certificate by signing it.
  - b. RMI certificates issued under the provisions of the **International Convention on Load Lines, 1966, as amended**: These certificates must be full term and valid.
  - c. RMI certificates issued under the provisions of **MARPOL, Annex I through VI**: The International Oil Pollution Prevention (IOPP) and/or the Noxious Liquid Substances (NLS) Certificates must be full term and valid. When applicable, the Condition Assessment Scheme (CAS) Statement of Compliance must be reinstated and valid. An International Sewage Pollution Prevention (ISPP) for newbuildings must be full term and valid. A Garbage Management Plan must be in place. The requirement for a full term International Air Pollution Prevention Certificate (IAPPC), in accordance with MARPOL Annex VI, is required, bearing in mind that Annex VI, Regulation 13 is retroactive to 1 January 2000.
  - d. RMI certificates issued under the provisions of **SOLAS**: The applicable and relevant certificates to cover the requirements of the above convention with respect to Safety Construction, Safety Equipment, Safety Radio, Carriage of Grain, Bulk Chemicals and Gas, Safety Management, Security, and their mandatory Codes, etc., must be full term and valid.
  - e. **RMI National or International Maritime Organization Code or Resolution Certificates**: These certificates may be required for vessels under 500 gross tons (GT), or non-propelled vessels, fishing vessels, yachts, MOUs, or other vessels not covered by (c) or (d) above.
  - f. All statutory survey deficiencies must be addressed to the satisfaction of the certificate issuing authority during the course of the first year in the registry and verified as one (1) of the requirements for the issuance of a Permanent Certificate of Registry.
4. Other Certificates and Documents Required for Permanent Registration:
  - a. **RMI Ship Radio Station License**: This license will be issued by the Administrator upon receipt and approval of an application by a [Regional Office](#).
  - b. **Certificate of Cancellation of Vessel's Former Registry**: This document, issued by the previous State of registry, is, of course, not required if the vessel is a newbuilding or if it has been submitted under [Section 2\(B\)](#) of this Chapter. When required, it must be submitted within 30 days of the date of the vessel's initial registration.

- c. **Civil Liability Certificate for Oil Pollution Damage (1992):** RMI is a State Party to the International Convention on Civil Liability for Oil Pollution Damage (1992). Under Article VII of the Convention, a Civil Liability Certificate (CLC) attesting that insurance or other financial security is in force in accordance with the provisions of the Convention is issued to each ship. The certificate must be carried on board with a copy deposited with the authorities of the State of registry. The CLC is required for vessels carrying more than 2,000 tons of oil in bulk as cargo.
- d. **Civil Liability Certificate for Bunker Oil Pollution Damage (2001):** RMI is a State Party to the International Convention on Civil Liability for Bunker Oil Pollution Damage (2001). Under Article VII of the Convention, a Civil Liability Bunker Certificate (CLBC) attesting that insurance or other financial security is in force in accordance with the provisions of the Convention is issued to each ship. The certificate must be carried on board with a copy deposited with the authorities of the State of registry. The CLBC is required for all vessels more than 1,000 tons.
- e. **Nairobi International Convention on the Removal of Wrecks, (2007):** RMI is a State Party to the Nairobi International Convention on the Removal of Wrecks, (2007). Under Article 12 of the Convention, a Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Wreck Removal (WRLC), attesting that insurance or other financial security is in force in accordance with the provisions of the Convention is issued to each ship. The certificate must be carried on board with a copy deposited with the authorities of the State of registry. The WRLC is required for all vessels of 300 gross tons and above.
- f. **Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974 and the Protocol of 2002 to the Convention:** RMI is a State Party to the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974 and the Protocol of 2002 to the Convention. Under Article 4bis of the Convention, a Certificate of Insurance or Other Financial Security in Respect of Liability for the Carriage of Passengers (PLC), attesting that insurance or other financial security is in force in accordance with the provisions of the Convention is issued to each ship. The certificate must be carried on board with a copy deposited with the authorities of the State of registry. The PLC is required for all vessels certified to carry more than 12 passengers.
- g. **Acceptance of Certificate of Tonnage Measurement:** This [document](#) is furnished by the vessel owner and is required only in cases of existing vessels which have undergone a change of ownership and have been re-registered under the RMI flag and where there already exists an RMI Certificate of Tonnage Measurement, submitted by the prior owner.
- h. **Minimum Safe Manning Certificate:** This document is administered by Seafarers' Documentation in Reston, Virginia, USA. No exceptions or dispensations to RMI minimum safe manning requirements shall be permitted for any vessel granted a waiver of the age limitation to registration.
- i. **ISM Code Declarations of Company and Designated Person:** In addition to the full-term ISM Code Certificates required as a part of the preceding subsection B(3)(d), these documents are to be submitted at registration or shortly thereafter. The Unique IMO Company Number should be applied.
- j. **ISPS Code Declaration of Company Security Officer:** In addition to the full term ISPS Code International Ship Security Certificate (ISSC) required as part of

the preceding sub-section B(3)(d), this [document](#) is to be submitted at registration or shortly thereafter.

- k. **Continuous Synopsis Record (CSR) File:** A complete certified copy of the vessel's CSR File provided by the flag administration from which the vessel was transferred along with an [Amendment Form](#) and a new [Index of Amendments](#) is required within 90 days of registration.
  - l. **Condition Assessment Scheme (CAS) File:** For tank vessels to which the MARPOL Annex I CAS regulations apply, a complete certified copy of the CAS Final Report and Review Record provided by the flag administration from which the vessel was transferred is required within 90 days of initial registration.
  - m. **ML Certificate:** For a newbuilding or an existing vessel to which a six (6) month Interim ML Certificate has been issued, a full-term ML Certificate shall have been issued and presented to the Administrator prior to the expiry of the Interim ML Certificate.
  - n. **Music License Certificate:** Cruise ships that elect to have music played or performed onboard in public areas are subject to licensing requirements which are administered for the RMI by the Australasian Performing Right Association (APRA). The RMI falls within the mandated territory of APRA and the comprehensive blanket license authorizes the public playing and/or performance of copyrighted musical works, no matter where the vessel is sailing. A copy of the official certificate from APRA attesting that the license has been obtained must be sent (electronically or otherwise) to the Administrator.
5. **Affirmation Re-Markings:** This [document](#) is required when an RMI flag vessel has undergone a change of name, Official Number, Home Port and/or draft as per RMI Maritime Act 1990 ([MI-107](#)) Section 230.

## **SECTION 7: Re-registration of an RMI Vessel**

The procedures for re-registration are almost identical to those for registration. When an RMI registered ship is transferred to new ownership, a new Certificate of Registry and a revised CSR Document will be issued in the name of the new owner upon completion of the re-registration process. The vessel will retain its current Official Number and Radio Call Sign.

### **A. Permission for Sale**

When an owner has entered into an agreement to sell a vessel presently registered in the RMI, and the buyer has stated his/her intention to re-register the vessel under the RMI flag, the seller should request a Permission for Sale for the Purpose of Re-registration, from any [Regional Office](#), setting forth the name and domicile of the prospective purchaser and submitting payment of the [fee](#). Although such request must be submitted in writing, no formal "Request Form" is utilized.

### **B. Application for Re-registration of Vessel**

The application for Official Number, Call Sign and Registration of Vessel is to be submitted on RMI form [MI-101A](#). If the name of the vessel is to be changed, all forms should be filed using the new name of the vessel, and should also list the vessel's present name in the space provided on the form. The Unique IMO Registered Owner Number should be applied. (See [Chapter II, Section 7.](#))

### **C. Required Documents to be submitted with Application for Re-registration**

- 1. **Bill of Sale:** When a ship presently registered in the RMI is transferred and re-registered



in the RMI, the Bill of Sale or other instrument transferring the vessel must be recorded. Upon re-registration of the vessel, one (1) executed original, and two (2) counterparts each duly executed and acknowledged or with proof of due execution of the Bill of Sale transferring title to the new owner must be submitted for recordation at any [Regional Office](#). One (1) of the printed forms of a Bill of Sale commonly seen and approved by the international maritime community is acceptable for recordation.

**Please note:** For recordation under RMI laws, the Bill of Sale **need not be consularized**. The Bill of Sale, however, **must be acknowledged or bear proof of due execution**. (See [Chapter V, Section 2\(B\)](#).) A copy of the vessel's currently valid RMI Certificate of Registry **must be attached**, as provided in Section 306 of the [Maritime Act](#).

2. Power of Attorney or Corporate Resolutions: This document authorizes one or more named persons to act for or on behalf of the shipowner in making an application for re-registration of the vessel and the performance of all acts necessary to complete the registration. If the shipowner is not an incorporated company, then the owner should complete and submit the form entitled [Oath](#) of Owner, Managing Owner or Part Owner or Agent of Owner, Managing Owner or Part Owner.
3. CSR Amendment Form and a new Index of Amendments: For transactions involving only a change of ownership and not a change of flag, the new owner need only submit an [Amendment Form](#) and a new [Index of Amendments](#) referred to in the preceding [Section 3, sub-section B\(2\)\(b\)](#) to the Administrator for the issuance of a new CSR Document.
4. Certificate of Confirmation of Class: The vessel's Certificate of Confirmation of Class, issued by a Classification Society listed in RMI Marine Guideline [2-11-15](#) is to be dated not more than 10 days prior to re-registration. If the certificate cannot be produced or the vessel is not fully in class, please see [Chapter III, Section 4](#) for the procedures for registration of vessels in laid-up status.
5. Classification Society Statement or Affidavit: This statement or affidavit (dated not more than 10 days prior to registration) is in addition to the confirmation of class and is issued by the Classification Society with which the vessel is classed at the date of registry. Such classification statement must contain the following four (4) key elements:
  - a. A list of all existing conditions, recommendations and deficiencies against the vessel's classification that are outstanding at the date of the statement.
  - b. A list of the Statutory Certificates which the vessel's Classification Society is prepared to issue on behalf of the RMI.
  - c. The status of all current relevant Statutory Surveys, setting forth the dates of completion of each.
  - d. An indication of any reasons, to the extent known by the Society, why the vessel is presently not fit to proceed to sea prior to the completion of outstanding as noted in 5 (a). If there are no apparent reasons known to the Society, this should be stated.
6. Survey Reports: Vessels that are 15 years of age or older may be required to also submit a copy of the most recent intermediate or special survey (Hull and Machinery).
7. Proof of Liability Insurance: Under RMI [Maritime Regulations](#) 2.23.2 and 7.52.1, each vessel owner is required to maintain at all times satisfactory third-party liability insurance coverage. This proof of coverage usually takes the form of a "cover note" or similar confirmation, which verifies that liability insurance coverage is currently in full force and

effect for the vessel. In the case of a self-insurer, proof of coverage may be a duly acknowledged statement (see [Chapter V, Section 2\(B\)\(2\)](#)) with an attached auditor's report, setting forth the type and amount of the vessel's liability reserve, and the nature of security provided. In either case, this proof shall cover the following:

- a. protection and indemnity cover in force with respect to the vessel and issued by either;
  - i. a member Club of the International Group of P & I Clubs;
  - ii. a non-member Club of the International Group of P & I Clubs with a contractual agreement for re-insurance with member/members of the International Group of P & I Clubs;
  - iii. a publicly traded Insurer with verifiable reserves that fulfill the obligations required under the various International Conventions to which RMI is a party; or
  - iv. a non-member Club of the International Group of P & I Clubs P & I Club with verifiable financial reserves that fulfill the obligations required under the various International Conventions to which RMI is a party.
- b. in the case of a pleasure yacht, third party liability and hull and machinery insurance issued by an underwriter in policy form acceptable to the Administrator; or
- c. in the case of a self-insurer, the nature, amount and security of the liability reserve.
- d. the owner's repatriation obligations as required under Section 843 of the [Maritime Act](#); and
- e. for vessels carrying 2,000 tons or more of oil in bulk as cargo, oil pollution damage liability as required by Article VII of the International Convention on Civil Liability for Oil Pollution Damage, 1992. A Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Oil Pollution Damage (CLC), required by Maritime Regulation 2.11.2, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of this proof of liability insurance. The CLC, form MI-233, must be issued to each vessel at registration or shortly thereafter setting forth the required security.
- f. for vessels over 1,000 tons, bunker oil pollution damage liability as required by Article III of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001. A Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Bunker Oil Pollution Damage (CLBC), required by Maritime Regulation 2.11.2, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of this proof of liability insurance. The CLBC, form MI-234, must be issued to each vessel at registration or shortly thereafter setting forth the required security.
- g. for vessels of 300 gross tons and above, wreck removal liability as required by Article 12 of the Nairobi International Convention on the Removal of Wrecks, 2007. A Certificate of Insurance or Other Financial Security in Respect of Civil Liability for Wreck Removal (WRLC), required by Maritime Regulation 2.11.2,

will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of proof of liability insurance. The WRLC, form MI-237, must be issued to each vessel at registration or shortly thereafter setting forth the required security.

- h. for vessels certified to carry more than 12 passengers, liability in respect of the death of and personal injury to passengers as required by Article 4bis of the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974 and the Protocol of 2002 to the Convention. A Certificate of Insurance or Other Financial Security in Respect of Liability for the Carriage of Passengers (PLC), required by Maritime Regulation 2.11.2, will be issued by the Administrator, or an official who is authorized to act for and on behalf of the Administrator, upon receipt and approval of proof of liability insurance. The PLC, form MI-238, must be issued to each vessel at registration or shortly thereafter setting forth the required security.
- i. The proof of coverage may be sent by mail, email or facsimile to any [Regional Office](#).

- 8. ML Certificate, DMLC Parts I and II: If there has been a change of name for the vessel, a DMLC Part I will need to be re-issued by the Administrator, otherwise only the DMLC Part II will need to be revised by the shipowner and the ML Certificate re-issued by the Class. The registrant should be instructed to request a DMLC Part I by following the procedure outlines in section 6.0 of RMI Marine Notice [2-011-33](#).

#### **D. Re-registration Fees and Tonnage Taxes**

See [Schedule of Fees, Tonnage Tax and Charges](#).

**Please Note:** Tonnage taxes become due and owing in full by 1 January of a given year. Accordingly, where ownership of a vessel is to be transferred shortly after the commencement of a calendar year, the buyer and seller should take particular care, in advance of closing, to provide for payment of those taxes payable for that year to RMI.

#### **E. Issuance of Provisional Certificate of Registry for Re-registration**

A *Provisional Certificate of Registry*, valid for six (6) months minus one (1) day, and a *Temporary Authority Ship Radio Station License*, valid for 90 days, will be issued to the new owner upon receipt of the completed application and fees.

### **SECTION 8: Change in Name of Vessel**

When a vessel is already registered in the RMI and there is a change of name without a change in vessel ownership, although the vessel does not need to be re-registered, a new Provisional Certificate of Registry, CSR Document and DMLC Part I must be issued to reflect the new name. The DMLC Part II must be revised by the shipowner and the ML Certificate re-issued by the Classification Society to reflect the new name.

#### **A. Required Documentation for a Change in Name of Vessel**

- 1. Letter of Request for Approval of Name Change from the Owner: Every new vessel name must be approved in accordance with Section 232 of the [Maritime Act](#). (See Chapter I, Section 2(C).) A letter from the owner requesting approval must be submitted to the Administrator through any [Regional Office](#). This letter should state the ship's present name, its proposed new name and its official number.
- 2. Consent of Preferred Mortgagee or Financing Charter Lessor: If the ship is subject to one

(1) or more RMI ship mortgages or financing charters, a written consent from each mortgagee, or each financing charter lessor if the vessel is subject to a financing charter, agreeing to the proposed change of name, must be filed with the Administrator before approval is granted.

3. CSR Amendment Form and a New Index of Amendments: For transactions involving only a change of vessel name, the owner must submit an [Amendment Form](#) and a new [Index of Amendments](#) referred to in the preceding [Section 3, sub-section B\(2\)](#)(b) to the Administrator for the issuance of a new CSR Document.

## **B. Fee for Change in Vessel Name**

See [Schedule of Fees, Tonnage Tax and Charges](#) for the fee required for changing a vessel's name.

When a ship is initially entering the RMI flag under a new name, there is no charge for that change of name.

The change of name [fee](#), payable to *The Trust Company of the Marshall Islands, Inc.* (see [Methods of Payment](#)) should be submitted with the Letter of Request to any of the Regional Offices.

## **C. Issuance of Provisional Certificate of Registry for a Change in Name of Vessel**

When the change of name has been approved, the Administrator will issue a Provisional Certificate of Registry, valid for a period of six (6) months minus one (1) day from the date of the change of name, or, if the ship already has a Provisional Certificate of Registry valid for more than six (6) months, a new Provisional Certificate will be issued to expire on the same date. See [Schedule of Fees, Tonnage Tax and Charges](#) for the fee for this re-issuance.

## **SECTION 9: Change in Name of Owner**

When a vessel is registered in the RMI and there is a change in the name of the owning entity (e.g., corporation, partnership, limited liability company, foreign maritime entity), without a change in vessel ownership, although the vessel does not need to be re-registered, a new Certificate of Registry and CSR Document must be issued. The DMLC Part II must be revised by the owner and the ML Certificate re-issued by the RO.

### **A. Required Documentation for Change in Name of Owner**

1. Change in Name of RMI Entity: All name changes including those due to merger or consolidation must be filed in accordance with the RMI Associations Law. Please contact our [Corporate Department](#) in Reston, Virginia, USA or any of the Regional Offices for further information.
2. Required Documentation: Three (3) certified copies of the Articles of Amendment, Merger or other documentation effecting the name change must be submitted to:

Republic of the Marshall Islands Maritime Administrator  
c/o Vessel Administration  
11495 Commerce Park Drive  
Reston, Virginia 20191-1506 USA

3. CSR Amendment Form and a New Index of Amendments: For transactions involving only a change of owner name, the owner must submit an [Amendment Form](#) and a new

[Index of Amendments](#) referred to in the preceding [Section 3, sub-section B\(2\)\(b\)](#) to the Administrator for the issuance of a new CSR Document.

**B. Fee for Change in Name of Owner**

The required documentation should be submitted along with the [fees](#) payable to *The Trust Company of the Marshall Islands, Inc.* (See [Methods of Payment](#)). When processing is completed, the Administrator will issue a new Certificate of Registry to expire on the same date as the original certificate and a new CSR document to reflect the new name of the owner.

## CHAPTER IV

### **BAREBOAT CHARTER REGISTRATION**

Bareboat charter registration in essence temporarily permits a vessel to fly the flag of another country while ownership continues to be registered in the owner's State. It provides a welcome element of flexibility in a number of commercial situations.

While registered pursuant to a bareboat charter, a vessel is allowed, with the consent of its owner's State of registry, to fly the flag of its bareboat charterer's State for a period determined by that State's law or, if for a shorter time, by the term fixed in the bareboat charterparty.

The attributes of registration are therefore divided between the registry of the owner (sometimes called the "underlying" registry), and that of its "user," the bareboat charterer.

Bareboat charter registration is specifically recognized in international law, as reflected in the *International Convention on Maritime Liens and Mortgages, 1993*, and the provisions of the *U.N. Convention on the Law of the Sea*. Under this system, the laws of both the State of bareboat charter registry and the State of underlying registry should contain provisions for maintaining the status of existing mortgages and other encumbrances during the period that the vessel is subject to bareboat charter registration. The laws of both States should also recognize, at least in general terms, the **exclusive** right of enforcement and jurisdiction by the bareboat charterer's State, whose flag the vessel flies, of its rules and standards for the enforcement of safety and security at sea, the protection of the marine environment, licensing, and other duties of the flag State, as outlined in Article 94 of the *U.N. Convention on the Law of the Sea*.

Bareboat charter registry into or from the RMI is not available where the laws of the State into or from which registry is sought do not generally coincide with the provisions of Sections 260 through 274 of the [Maritime Act](#). In particular, the laws of both States should explicitly recognize that the law of the State of underlying registry is exclusively applicable to mortgages or financing charters and related instruments recorded therein.

#### **SECTION 1: Bareboat Charter Registration into the RMI Flag**

Where the laws of both States permit, a vessel registered in another State can be bareboat charter registered under the flag of the RMI, giving it the right to fly the RMI flag as provided in Sections 260-264 of the [Maritime Act](#). RMI law will apply to all aspects of the vessel's operation, navigation, and management during this period of bareboat charter registry. The law of the State of underlying registry (not RMI), however, shall apply to the vessel's mortgage or financing charter and related recorded instruments, in accordance with Section 264 of the [Act](#).

A notice that a mortgage, financing charter, or related instrument has been recorded in the State of underlying registry may itself be recorded by the Administrator if the parties so desire. During the period of bareboat charter registration under the RMI flag, the vessel may not fly any flag other than that of RMI, nor show any home port other than Majuro.

In order for the application for bareboat charter registration to be granted, the vessel entering the RMI flag must satisfy the requirements for the issuance of a Provisional Certificate of Registry, except of course for ownership and cancellation from present country of registry. Registration will be in the name of the bareboat charterer. The following are additionally required prior to granting RMI bareboat charter registration:

## A. Application for Bareboat Charter Registration

The application for bareboat charter registration should be completed on the application for Official Number, Call Sign and Registration of Bareboat Charter Vessel, RMI form [MI-101BCR](#). The information relating to the bareboat charterer should be entered in Part 1 (Name of Bareboat Charterer(s), Domicile and Citizenship), as well as the underlying flag registered owner. The application should be signed and dated by the charterer. The application, with all required documents, fees, and payment of tonnage tax should then be submitted to any [Regional Office](#).

## B. Required Documents to be submitted with Application

1. Bareboat Charter Registration Documents: The documentation for a bareboat charter registration is almost identical to that for an initial registration (see [Section 3\(B\) of Chapter III](#)). The vessel must meet all the requirements for initial vessel registration before the issuance of a Provisional Certificate of Bareboat Charter Registry, except for:
  - Proof of Ownership - registration will be in the name of the bareboat chartering entity, and
  - Cancellation from present country of registry is not required.
2. Bareboat Charterer's Letter of Request: Copies of a letter of request should be prepared and submitted, typed on the letterhead of and signed by the RMI bareboat charterer of the vessel, requesting RMI bareboat charter registration, and containing:
  - a. the present name and official number of the vessel;
  - b. the present country of registry of the vessel with address, telephone or telefax number of the country's vessel registration bureau or department;
  - c. the names, addresses, email addresses and telephone/telefax numbers of the registered shipowner and vessel's shipmanager;
  - d. the names, addresses and telex/telefax numbers of all holders of any registered mortgages, financing charters, hypothecations or similar recorded charges upon the vessel; and
  - e. the dates contemplated for commencement, and earliest lawful termination, of the bareboat charterparty.
3. Bareboat Charterer's Oath or Affirmation of Undertaking: This is a duly acknowledged letter addressed to the Administrator, (see [Chapter V, Section 2\(B\)](#)) pursuant to Section 261 of the [Maritime Act](#), containing statements that:
  - a. The vessel will not fly any flag other than the RMI flag, nor show any home port other than Majuro, while the vessel is subject to bareboat charter registration under RMI laws.
  - b. During the period of Bareboat Charter registration, the bareboat charterer recognizes that RMI has exclusive jurisdiction over the vessel, in its capacity as flag State.
  - c. The bareboat charterer will promptly notify the Administrator, to the attention of Vessel Administration, whenever the charterparty has been terminated for whatever reason or that another country has accorded to the vessel the right to fly

its flag.

- d. Within 30 days of the termination of the bareboat charterparty or the current RMI Provisional Certificate of Registry, whichever is earlier, the charterer will return, to a [Regional Office](#), the vessel's Provisional Certificate of Bareboat Charter Registry and all other certificates issued to it by or on behalf of RMI.
  - e. The bareboat charterer recognizes that, under Section 263 of the [Maritime Act](#), it shall be liable to pay an administrative penalty as a result of its failure to comply with that section of the Act.
4. Recordation of Charterparty: Section 260 of the Maritime Act, requires that the bareboat charterparty be recorded. The original charterparty, together with any annexes, should be submitted, with English translation if in any other language, with proof of due execution (see [Chapter V, Section 2\(B\)](#)), to any Regional Office. Certification of copies of charterparties and related instruments may be made by a notary public or any other officer authorized to take acknowledgments or authenticate documents, as described in [Chapter V, Section 2\(B\)](#).
- a. Proof of recordation of the charterparty, in the form of a certified copy of such recording issued by a Regional Office, will constitute *prima facie* evidence of recordation of the charterparty as required by Section 260(1) of the Maritime Act.
  - b. Please note that any subsequent amendments or addenda to the charterparty or any subsequent bareboat sub-charterparties must be submitted for recording within 30 days of execution with proof of due execution and English translation, if applicable.
5. Official certificate issued by the present country of registry setting forth the ownership of the vessel and recorded encumbrances.
6. Written consents, with proof of due execution, of the shipowner and the mortgagee(s) and/or financing charter lessor, if any, to the RMI registration; and
7. Withdrawal of the Right to Fly Present Flag: Satisfactory evidence that the present country of registry will withdraw from the vessel the right to fly its flag while the vessel is under RMI bareboat charter registration.

#### **C. Registration Fees and Tonnage Tax**

1. Initial registration fees and tonnage tax are payable when the vessel is to be bareboat charter registered in the RMI.
2. See [Methods of Payment](#).
3. See the [full schedule of fees](#) required at vessel registration.

#### **D. Issuance of Provisional Certificate of Bareboat Charter Registry**

1. Name and Official Number of Vessel: A Provisional Certificate of Bareboat Charter Registry, a Temporary Radio Authority and a Minimum Safe Manning Certificate are issued to the bareboat charterer after satisfaction of the above requirements. The RMI Provisional Certificate of Bareboat Registry will bear the name and official number of the vessel as they appear on the RMI register.



2. Expiration of Provisional Certificate of Bareboat Charter Registry: Although the Provisional Certificate of Bareboat Charter Registry is issued initially for two (2) years, it may be reissued for further periods of two (2) years, from time to time, upon application of the bareboat charterer, provided that all the requirements of this Section have been and continue to be met.
3. Termination of Charterparty: The Provisional Certificate of Bareboat Charter Registry will not be issued or reissued to a date beyond the termination date of the bareboat charterparty, but as explained above, will be reissued where a bareboat charterparty has been extended.

#### **E. Renewals or Extensions of Bareboat Charter Registrations**

1. Issuance of Provisional Certificate of Bareboat Charter Registry: A new Provisional Certificate of Bareboat Charter Registry may be issued for a further period of not more than two (2) years, upon written request from the Bareboat Charterer and provided the Bareboat Charterer and shipowner meet all the requirements for Bareboat Charter Registration, as stated in this [Chapter IV, Section 1\(B\)](#). The date of expiration of each such Certificate of Bareboat Charter Registry will not be later than the termination date of the bareboat charterparty in effect at that time.
2. Renewal or Extension Fees: The fees for a renewal or extension of a Bareboat Charter Registration, payable to *The Trust Company of the Marshall Islands, Inc.*, should be submitted with the required documents. The fees include a charge for the issuance of another Provisional Certificate of Bareboat Charter Registry, plus any documentation or other outstanding fees receivable. See [Methods of Payment](#).

#### **F. Mortgage or Financing Charter on Vessel Under RMI Bareboat Charter Registration**

The status of a mortgage, financing charter, or related instrument secured by or with respect to a bareboat charter registered vessel is subject to the law of the owner's State (i.e., that of the "underlying" registry), a fact reflected in Article 16 of the *International Convention on Maritime Liens and Mortgages, 1993*. Under Section 264 of the [Maritime Act](#), the Administrator will accept for recordation a Notice of Foreign Ship Mortgage, or of a similar recorded instrument, such as a financing charter, that has been recorded or registered in the State of underlying registration of the vessel. When a vessel is bareboat charter registered in the RMI, and a Notice of Foreign Ship Mortgage or similar instrument, such as a financing charter, is to be recorded as provided in Section 264 of the Act, such notice prepared by one (1) of the parties, in the same manner as a Memorandum of Particulars (see [sample](#)), should contain the following:

- a. the name and official number of the vessel as it appears in the State of underlying registry;
- b. the name of the State of underlying registry;
- c. the type of instrument so registered or recorded;
- d. where applicable, the time, date of reception, and place in the State of underlying registry in which the mortgage, financing charter, or related instrument was recorded or registered;
- e. the book and page, or other relevant particulars, locating and identifying the said instrument in the registry of the foreign State; and

- f. where applicable, the amount(s), maturity date and parties to the instrument.

A certified copy of the foreign mortgage, financing charter, or related instrument must be submitted with the notice described above; however, the notice itself must be executed and acknowledged by counsel or another agent for one (1) of the parties (either the owner or bareboat charterer of the vessel), pursuant to a Power of Attorney, in the same form as any other recorded instrument, in the same manner as set forth in Section 305 of the [Maritime Act](#). (See [Chapter V, Section 2\(B\)](#).)

The foreign ship mortgage, financing charter, or similar instrument will be subject only to the laws of the foreign State of registration of the vessel. If there is more than one (1) such mortgage, financing charter, or similar instrument, then notices of all such instruments must be filed as provided under Section 264, of the Maritime Act, in the same order as they are registered in the foreign State of registration. Notice of any mortgage, financing charter, or similar instrument that is subsequently recorded in accordance with the laws of the foreign State of registration of the vessel must also be promptly submitted for filing in accordance with this Section.

## **SECTION 2: Bareboat Registry in a Foreign State**

Bareboat charter registration, under the flag of a foreign State, of a vessel registered in the RMI, is governed by Sections 270-274 of the Maritime Act. Under these Sections, all preferred ship mortgages and financing charters recorded in the RMI remain in full force and effect, and are governed exclusively by RMI law during the period of bareboat charter registration in the foreign State.

### **A. Permission for Bareboat Charter Registration in a Foreign State**

A Permission for Foreign Bareboat Charter Registration will be issued to the Shipowner when all requirements noted in the following Parts B and C of this Section have been satisfied.

### **B. Application for Permission to Bareboat Charter Out of the RMI**

Letter of Application: A letter of application for permission to obtain foreign bareboat charter registration should be submitted to one of the [Regional Offices](#). No application form is used.

One (1) signed original letter of application should be submitted, containing:

- a. the name and official number of the vessel;
- b. the name, address, telefax and telephone numbers of the bareboat charterer;
- c. the vessel's intended service, the nature of the cargo and geographical regions in which it will navigate;
- d. the dates contemplated for commencement of the charterparty and for its earliest termination; and
- e. a request for the submission of a certified copy of the vessel's CSR File to the bareboat charter registry.

### **C. Required Documents to Accompany Letter of Application**

1. Letter of Consent of Preferred Mortgagees or Financing Charter Lessors: If the vessel is already subject to one (1) or more RMI preferred ship mortgages or financing charters, the written consent of each mortgagee and/or financing charter lessor to the proposed foreign bareboat charter registration, usually in the form of a letter, must be presented to a Regional Office.

2. Owner's Undertaking: This statement is in letter form, and must be acknowledged as generally described in accordance with [Chapter I, Section 3\(D\)](#), and [Chapter V, Section 2\(B\)\(2\)](#). In the statement, the owner undertakes:
  - a. to furnish the existing RMI Certificate of Registry to the Administrator, within 60 days of the issuance of the Permission for Foreign Bareboat Charter Registration or within 30 days of the date of commencement of the charterparty, whichever is later; and
  - b. to notify the Administrator immediately whenever the charterparty has terminated, for whatever reason, or when the owner has otherwise retaken possession of the vessel.

#### **D. Agreement Between Owner and Charterer**

Pursuant to Section 273 of the [Maritime Act](#), the Administrator must have evidence in its possession that both the owner and the bareboat charterer are aware that the RMI's jurisdiction over the vessel has been withdrawn during the period of foreign bareboat charter registration, and that as soon as that period ends, the safety, security and equipment standards required under RMI law, in accordance with the applicable international conventions and agreements to which the RMI is party, will be immediately and fully implemented and observed by the owner.

The agreement between the owner and the bareboat charterer, acknowledged in accordance with [Chapter V, Section 2\(B\)](#), must contain the following statements:

- a. **Waiver of the Vessel's Right to Fly the RMI Flag:** During the period of foreign bareboat charter registration, the owner and bareboat charterer will neither permit the vessel to fly the flag of the RMI, nor show Majuro as her home port while the vessel remains in the service of the bareboat charterer under the charterparty, and that the owner and bareboat charterer acknowledge and agree that the vessel shall immediately revert to the jurisdiction and control of RMI when the charterparty is terminated or expires, or possession and control of the vessel is retaken by the owner.
- b. **The Vessel's RMI Standards Will Be Maintained:** At all times pending the vessel's return to the RMI flag, it will be equipped, maintained and navigated to standards which are no less than those laid down in the Maritime Act and [Maritime Regulations](#), including the relevant International Conventions to which RMI is a party.

#### **E. Charterparty**

As provided in RMI Maritime Regulation 2.30, the charterparty upon which foreign bareboat charter registration is to be based must be submitted for filing at a [Regional Office](#).

- a. **Authentication of Charterparty:** This charterparty, and any amendments thereto, must be accompanied by proof of due execution, which is a statement that the charterparty was signed in accordance with the laws of the country or State in which it was signed, and the signature, name and title of the notary public or other official must be legible.
- b. **Proof of Due Execution:** Please note that this is a legal certification - not an oath - that the instrument was duly executed by the person signing it. Time and expense may be saved if the charterparty itself is signed and acknowledged before a Special Agent of the Administrator, who can be contacted at a Regional Office. Authentication may also be by Hague Convention Apostille or by a notary public or other officer authorized to take acknowledgments.

## **F. Filing of Charterparty**

1. Initial Charterparty: A copy of the bareboat charterparty, acknowledged or with proof of due execution, together with all annexes or addenda thereto and any bareboat sub-charter parties, with English translation if in any other language, shall be filed with the Administrator. Filing of these documents with the Administrator does not make them a part of the public record.
2. Amendments to Charterparty: Subsequent amendments or addenda to the bareboat charterparty, with an English translation if they are in any other language, are to be filed as provided above together with a letter noting which sections, if any, have been altered, together with consent(s) thereto by the mortgagee(s) and/or financing charter lessor(s) of the vessel.

## **G. Other Conditions of Foreign Bareboat Charter Registration**

Section 274 of the [Maritime Act](#), provides that after the vessel's current RMI Certificate of Registry has been surrendered to a [Regional Office](#), a new restricted Provisional Certificate of Registry shall be issued, showing that the right to fly the flag of the RMI has been withdrawn. This legally establishes that upon termination of the underlying bareboat charterparty, for whatever reason, the underlying jurisdiction of the RMI shall be reinstated by operation of law. Thus, there is no time that the vessel is stateless. When foreign bareboat charter registration terminates, for whatever reason, the full jurisdiction of the RMI as flag State is immediately restored by law.

Accordingly, the restricted Provisional Certificate of Registry issued under Section 274(1) of the Maritime Act, is retained in the custody of the Administrator during the period of foreign bareboat charter registration, together with the RMI Ship Radio Station License.

## **H. Fees and Annual Tonnage Tax**

See [Fee Schedule](#) and [Methods of Payment](#).

## **I. Issuance of Restricted Provisional Certificate of Registry**

1. Endorsement: The restricted Provisional Certificate of Registry of a vessel registered in the RMI and operated under a Foreign Flag pursuant to a Bareboat Charter Agreement will be endorsed to show that, "This Provisional Certificate of Registry grants no right whatsoever to fly only the RMI Flag while the vessel is subject to this Certificate under the bareboat charter filed on the date of issuance with the Administrator."
2. Term of Restricted Provisional Certificate of Registry: While the restricted Provisional Certificate of Registry is valid for a term not exceeding two (2) years, it may be reissued upon application for further periods of not more than two (2) years each; but the date of expiration of each such certificate will not be later than the termination date of the bareboat charterparty in effect at that time.

## **J. Termination of Bareboat Charter Registration in a Foreign State**

Upon termination of the bareboat charter, or when the vessel's owner retakes possession, the following documents are to be submitted to a Regional Office.

1. A Letter of Application for a new unrestricted Provisional Certificate of Registry, together with the issuance [fee](#).

2. An Affidavit of the Owner acknowledged in accordance with [Chapter V, Section 2\(B\)](#), advising that the bareboat charter has been terminated, or that the owner is in possession and control of the vessel (see [sample acknowledgment forms](#)).
3. Evidence of satisfactory completion of:
  - a. a change of flag survey by the vessel's Classification Society, and
  - b. a safety inspection of the vessel conducted by a Nautical Inspector under the instructions of the Administrator through Marine Safety, in Baltimore, Maryland, USA.
4. A Current CSR File Copy, certified by the bareboat charter registry and submitted to the Administrator along with a CSR [Amendment Form](#) and new [Index of Amendments](#), upon the owner's retaking of possession.

Upon receipt of the above mentioned required documents, a new Provisional Certificate of Registry without a restrictive endorsement, a Temporary Authority Ship Radio Station License, a reinstated Minimum Safe Manning Certificate and a new CSR Document shall be issued.

## CHAPTER V

### RECORDATION OF MORTGAGES, FINANCING CHARTERS, AND OTHER INSTRUMENTS

The RMI [Maritime Act](#) incorporates a range of provisions for the recordation of security-related instruments and documents of title. Recordation gives notice to creditors, purchasers, suppliers and other parties with an interest in such transactions, and furnishes an internationally enforceable structure for the protection of those legal rights recorded with respect to an RMI vessel. Preferred status, accorded to a mortgage or financing charter under Chapter 3 (Sections 302-321) of the Act, gives priority to the lender's mortgage or financing charter lien over those of certain other claimants.

In March 2000 there were amendments to the Maritime Act, Sections 303 and 318, which codified certain circumstances where the priority of a foreign security interest will continue with preferred status on a vessel registered in the RMI. In March 2013, amendments to sections 112, 317, and 302A of the Act were passed to allow a financing charter to be recorded in the RMI to perfect the lessor's security interest and to provide a financing charter with the same priority as a preferred mortgage.

A vessel, subject to a foreign mortgage or financing charter lien in its present country of registry, is now permitted to register into the RMI flag and have its foreign mortgage or financing charter lien accompany it into the RMI registry. This "tacking" legislation provides for the continuation of the preferred status of the mortgage or financing charter without interruption. Under the statute, the mortgage or financing charter deletion or release of record by the prior State of registry as a condition of the vessel's deletion from that registry does not affect the priority of the mortgage or financing charter lien in the RMI for a 30-day period following the vessel's registration in the RMI. If not recorded when the vessel is registered in the RMI, an RMI mortgage or financing charter given in continuation of the foreign mortgage or financing charter may be recorded within such 30-day period, and, in either case, the RMI mortgage or financing charter given in continuation of the foreign mortgage or financing charter will have the status of a preferred mortgage lien on the vessel with priority dating from the original recording date of the foreign mortgage or financing charter. (See [Section 4, of this Chapter.](#))

In October 2012, Section 303 of the [Maritime Act](#) was amended to provide for the recordation of a mortgage on a vessel under construction registered with the RMI. Unless otherwise noted, all applicable laws and procedures for the recording, assignment, subordination, satisfaction, release, or discharge of a mortgage or financing charter remain the same for mortgages or financing charters on vessels under construction.

The Act, in harmony with International Conventions, provides for the maintenance of a public register at which those documents specified in Sections 107, 302, 306, 307, and 315 of the Act, may be recorded. As provided in the Act, such recordations may be made at any [Regional Office](#). Documents that may be recorded include: Bills of Sale (Section 306); Mortgages (Section 307); Financing Charters (Section 302A); Satisfactions, Releases or Discharges of Mortgages (Section 315); Assignments, and other instruments relating to mortgages on RMI vessels (Sections 107 and 302).

The [Act](#) is designed to facilitate the recordation and enforcement of credit facilities that embody modern asset-based financing techniques. An RMI preferred mortgage or financing charter may secure sale and lease transactions, contingent and future obligations (Section 309); the Japanese "ne-teito" type of "floating mortgage" facility (Section 309(2)); advances and repayments; guarantees; and multiple types of collateralization incidental to the diversified ownership of more than one (1) vessel.

Mortgages (Section 307), financing charters (Section 302A), or other instruments submitted for recordation at a Regional Office may be acknowledged as described in [Section 2\(B\)\(2\)](#) of this Chapter before a Special Agent or a Deputy Commissioner of Maritime Affairs in any of those [offices](#).

For the purpose of conducting closings, conference facilities are available at all of the [Regional Office](#). A closing may be held at more than one (1) of the [offices](#), by prearrangement, on a 24-hour basis, together with telephone, telefax and email hookup. There is no charge for the use of our conference facilities.

## **SECTION 1: RMI Preferred Ship Mortgage or Financing Charter**

### **A. Rights Secured under the [Maritime Act](#)**

1. An RMI preferred ship mortgage or financing charter may, among other rights, secure:
  - debts owed to a party, including a corporation, other than the vessel owner (Section 303);
  - contingent obligations (Section 303; Section 309(1)(a));
  - charter hire (Section 303);
  - future advances, and future debts (Section 309(2));
  - an agreed maximum amount even when there is no present commitment to lend (Section 309(2)), including “account current” and “ne-teito” facilities;
  - a pledge or assignment of monies or rights, either presently owing or to become due in future (Section 303), including but not limited to hire, insurance and freights;
  - revolving credit facilities, including multiple advances and repayments (Section 309(1));
  - fees, costs or charges incidental to the sale, operation or charter of an RMI vessel (Section 303);
  - guarantee fees (Section 303);
  - amounts denominated in one (1) or more currencies, as well as options to fund mortgage payments in one (1) or more alternate currencies (Section 310);
  - currency losses arising from fluctuations between designated currencies where a unit of account is altered (Section 310(4));
  - a right arising from a contract to construct, purchase, sell or charter a ship (Section 309(2)(b)); and
  - property other than a vessel. (Sections 308(2), 309(2)(b), and 319(1)).
2. **Please note:** The above list does not enumerate all mortgage or financing charter-related features of Chapter 3 of the Maritime Act.

### **B. Characteristics**

1. Recordation:
  - An RMI preferred ship mortgage or financing charter may be recorded in any

Regional Office. (See Sections 302, 302A, and 306 of the Maritime Act.)

- Preferred ship mortgages and financing charters are recorded in the public register of the Administrator through any of the Regional Office, located in maritime and financial centers around the world, and which are electronically linked to one another and to the central office of the Administrator (Sections 302, 302A, and 306).
- Mortgages or financing charters so recorded (see Sections 107 and 307 of the Maritime Act), are open to public inspection (see Article 1 of the *International Convention on Maritime Liens and Mortgages, 1993*), in accordance with the laws of maritime nations governing the recognition and enforcement of ship mortgages or related instruments, such as financing charters (Sections 302 and 307).
- All mortgages and financing charters are recorded (Sections 302(1), 302A(1)) to show the time and date of such recordation, the name of the vessel, the names of the parties, and the amount(s) secured by the instrument (Section 302(3)). For financing charters, the amount secured by the instrument shall be the aggregate of the nominal amount of all charter payments and purchase options payable, or which may become payable, under the financing charter, exclusive of any interest, indemnities, expenses, or fees (Section 302A(1)).
- In accordance with the provisions of Chapter 2, section 203(h) of the [Maritime Act](#), an RMI ship mortgage or financing charter may be recorded by the Administrator, despite the parties' inability to comply with the requirements of Section 305 of the Maritime Act.
- Recordation of an RMI preferred ship mortgage or financing charter entitles the parties, where appropriate, to receive a Certificate of Ownership and Encumbrance and a Certified Extract of the Preferred Mortgage Index as official evidence of recordation, containing the above information (Section 307).

2. Acknowledgment:

- a. RMI ship mortgages or financing charters may be acknowledged before an RMI Special Agent or Deputy Commissioner of Maritime Affairs in any [Regional Office](#) or as prescribed in [Section 2\(B\)\(2\)](#) of this Chapter. (See Section 108 of the [Maritime Act](#))
- b. Consularization is never required when recording an RMI ship mortgage or financing charter. (See [Chapter I, Section 3\(D\)](#), herein.)

3. Construction of Terms and Conditions: The provisions of an RMI preferred ship mortgage, financing charter, or a related instrument, may be interpreted in accordance with the decisions of the admiralty courts of the United States. (See Section 113 of the Maritime Act.)

4. Other: In addition, an RMI ship mortgage or financing charter need not set forth a maturity or termination date, unless so required by the parties. (See Sections 302(3), 302A(1), or 309(2)(a)) The mortgage or financing charter may be executed before the date of its recordation (Section 303), and it may be secured by more than one (1) vessel as provided for under Section 308(2). An RMI Similar in Para #4change in the mortgaged or leased vessel's status in the RMI registry (Section 304).



## SECTION 2: Contents, Execution and Recordation of Recordable Instruments

### A. Contents of Recordable Instruments

An RMI ship mortgage must contain the **name of the vessel, hull number** for a vessel under construction, the **names and identities** of the parties to the mortgage, the **interest in the vessel** affected, and the **amount(s)** of the **direct or contingent obligations** that are or may become secured under its terms. (See Section 302(2) and 305 of the Maritime Act.) A RMI financing charter must contain the **name and official number of the vessel, contract date, names and addresses of the documented owner and the finance charterer, the amount secured by the financing charter** (i.e. the aggregate of the nominal amount of all charter hire payments and purchase options payable, or which become payable, exclusive of any interest, indemnities, expenses, or fees), and must be **signed by the documented owner and charterer**. (See .302A(1)) A preferred ship mortgage or financing charter must also be duly **acknowledged** or contain **proof of due execution** or an **apostille**.

**Note on Drafting:** *Documents to be recorded under the provisions of the Maritime Act, need not be of unusual length, attention to quality of draftsmanship should prevail over quantity.*

1. English Language: All documents recorded under the provisions of the Maritime Act, are required to be in the English language, with the sole exception of notices of foreign language ship mortgages or financing charters recorded pursuant to the bareboat registry provisions of Section 264 of the [Maritime Act](#). In that case, only the cover page and execution page(s) need to be translated into English.

2. Parties to the Mortgage:

a. **Who May be a Party to a Mortgage or Financing Charter:** Any legal entity or individual may be a mortgagee, mortgagor, or a party to a financing charter; no restriction exists as to nationality of such entity or individual, except as otherwise restricted by trade compliance policies.

It is the view of the Administrator that in the case of a consortium or syndicate of banks, one such bank may be a mortgagee or lessor under a financing charter, whether or not it is a trustee, if it is so designated, because this does not affect the recordability of such a mortgage or financing charter. Accordingly, if there is an express agreement giving that bank the authority to sign on behalf of the other lenders, a mortgage or financing charter so executed will be recorded by the Administrator.

It should, however, be noted that in a number of countries, courts have held that in certain cases an agent for other lenders may not itself be a mortgagee; accordingly, it may be advisable to consider naming the principals for whom the agent acts as mortgagees, if it is thought that a court in a State in which the mortgage is to be enforced may adhere to this view. The same may apply to financing charters.

b. **Written Consent of Mortgagees or Financing Charter Lessors:** The written consent of current mortgagees and/or financing charter lessors is required when a junior, new, or subordinate mortgage and/or financing charter is recorded, or an existing mortgage or financing charter is assigned. No new mortgage, financing charter, or assignment will be recorded unless the **written consents of all** current preferred mortgagees and/or financing charter lessors are also presented for filing.

3. Interest Transferred or Affected:

- a. **The Vessel:** Under Section 302(3)(d) of the Maritime Act, a preferred ship mortgage or financing charter gives public notice of “the interest transferred or affected,” (see also Sections 305 and 307), which in practice, is a grant, conveyance and mortgage of the “whole of the vessel,” including vessels under construction, as stated in Sections 302A and 303 of the [Act](#).
- b. **Non-Vessel Property:** The mortgage or financing charter may, where appropriate, contain a statement as to whether it secures any non-vessel property. (See Section 316(4) of the Maritime Act.) Provision for separate discharge is, however, not required, and such statement is not a requirement of the Maritime Act. (See Section 308(2) of the Act.)

4. Evidence of Debt: Under Section 307 of the Maritime Act, a preferred ship mortgage, or the documentation recorded with it, must contain “written proof,” of the “amounts and dates of any documents or evidence of debts in support thereof.” For a financing charter, under Section 302A(1), the charter must contain the aggregate of the nominal amount of all charter hire payments and purchase option amounts payable, or which may become payable, under the financing charter, exclusive of any interest, indemnities, expenses, or fees.

- a. **Description of Evidence:** In practice, this requirement is usually satisfied by reciting a description of the appropriate mortgage, financing charter, or loan agreement provision(s), such as:

*Shipowner’s acknowledgment of indebtedness in “Whereas” Clauses C and D and the covenant to repay in Clause 3 of the first preferred mortgage.*

- or -

*Loan Agreement dated March 27, 1995, in the amount of US\$20,000,000.00 and recitals and covenants in the first preferred mortgage.*

A statement evidencing debt should include a full description of the **amounts, dates, and commitment or agreement to lend** (the “mortgage recitals”). If such a description is not contained in the mortgage or financing charter, this information may be furnished by means of a form or copy of a promissory note, facility letter or other written instrument, which can be described in the Memorandum of Particulars (see [sample](#)).

- b. **Date of Maturity:** Under Section 302 of the [Maritime Act](#), it is **no longer** a requirement that each mortgage or financing charter holding preferred status set forth a “date of maturity.” The parties to a loan, however, may require that a date of maturity be fixed in the loan agreement. Where a loan “pursuant to agreement” is made under Section 309(2), a statement of either the maturity date or the date of termination is required.
- c. **Pursuant to Commitment:** If a mortgage financing charter deals with a loan made “pursuant to commitment,” and secures future advances and repayments, such as a revolving credit facility (see Section 309(1)(b)), in order to confer preferred status on the mortgage or financing charter lien, the mortgage or financing charter shall include a statement that:

*the maximum amount that may be outstanding under the*

*[mortgage/financing charter] at any one (1) time is **(insert)**;*

- or -

*the aggregate of all possible advances that may be made under the [mortgage/financing charter] is **(insert)**;*

- d. **Pursuant to Agreement:** If a mortgage or financing charter secures a loan made “pursuant to agreement,” the mortgage or financing charter secures an indebtedness that may arise within some specified time in the future (sometimes referred by lawyers in Asia as a “ne-teito”). (See Section 309(2).) Such a mortgage or financing charter must include a statement that:

*the maximum indebtedness that may in future arise under the [mortgage/financing charter] is **(insert)**.*

5. **Amount of the Mortgage or Financing Charter:** As stated above, an RMI preferred ship mortgage or financing charter (see Section 302(3)(e)) furnishes public notice of “the amount or amounts of the direct or contingent obligations” that it secures. The amount secured is usually described in the mortgage recitals, as well as in the **recordation clause**.
6. **Recordation Clause:** Mortgages, financing charters, amendments, and related instruments should contain a clause, (often called a “recordation clause”), containing the basic information to be inscribed on the public register. The following is an example of a mortgage recordation clause, for the purpose of illustration only:

*For the purpose of recording this first preferred mortgage as required by Section 302 of the RMI Maritime Act, 1990, (as amended), the amount is Three Million Nine Hundred and Thirty Thousand Dollars (US\$3,930,000.00) together with interest and performance of mortgage covenants.*

7. **Attachment of Other Documents:** An RMI preferred ship mortgage generally takes a form which is, in some ways, similar to that known in some countries as a **deed of covenant**. Because it is common for the parties to enter into a loan agreement, and because Section 302(1) provides that a mortgage or financing charter shall not be valid against third persons until “the instrument evidencing such transaction is recorded,” lawyers may attach such agreements, particularly those containing provisions for default and other covenants, to the mortgage or financing charter itself.

Accordingly, it may be prudent to attach, and incorporate by reference in the mortgage or financing charter, as an exhibit a **loan agreement, Construction Contract**, or similar instrument unless all relevant provisions are included in the mortgage or financing charter itself. A loan agreement, Construction Contract, or similar document should always be attached when it is the only way in which third parties can determine the total amount of the mortgage.

8. **Number of Copies:**
- a. One (1) original and three (3) counterparts of an RMI **preferred ship mortgage** or **financing charter** duly executed and acknowledged or with proof of due execution, are necessary for recordation under the [Maritime Act](#).
- b. **Amendments, Addenda, Assignments, Subordination Agreements,**

**Coordination Agreements**, and similar documents are recorded in the same manner as a preferred ship mortgage, that is, in the form of one (1) original and three (3) counterparts, all duly executed and acknowledged or with proof of due execution.

- c. A **Satisfaction, Release or Discharge** should be submitted in the form of one (1) original and two (2) counterparts, each duly executed and acknowledged or with proof of due execution.
- d. A **Bill of Sale** or **Builder's Certificate** submitted for recordation should be submitted in the form of one (1) original and two (2) counterparts each duly executed and acknowledged or with proof of due execution.
- e. A **certified copy of the Construction Contract** submitted for recordation should be submitted in the form of one (1) original and two (2) counterparts each duly executed and acknowledged or with proof of due execution.

## **B. Execution: The Signature and Acknowledgment of Recordable Instruments and Related Documents**

A Power of Attorney or instrument to be recorded under the provisions of the Maritime Act, must be **signed by an officer or authorized agent of the shipowner**.

- 1. Authority to Execute the Instrument: Recordation of an instrument **other than a satisfaction, release or discharge of mortgage or financing charter**, in accordance with the provisions of RMI law, requires evidence of the signer's authority, such as a Certified Resolution of the Board of Directors, or other body, or a Power of Attorney in favor of the signer. A Board of Directors Resolution must be signed by an officer other than the person who shall execute the mortgage, financing charter, or related instrument.

**Please Note:** The requirements of [Chapter V, Section 3](#) for authorization to satisfy, release or discharge a preferred ship mortgage or financing charter, differ from those governing authority for the execution and recordation of other instruments under the [Maritime Act](#).

- 2. Signature and Acknowledgment: All recorded instruments, including mortgages, financing charter, Bills of Sale, and related instruments, must be **acknowledged or bear proof of due execution**, a procedure certifying that the document submitted for recordation has been duly executed in accordance with the requirements of RMI law. There are a number of different ways in which this can be done. (See Sections 306 and 307 of the Maritime Act.)

Administration of an acknowledgment or proof of due execution may be performed by an RMI Special Agent of the Administrator or a Deputy Commissioner of Maritime Affairs. (See Section 108 of the Maritime Act.) Such an official is present at any [Regional Office](#) and is authorized to perform this service by pre-arrangement at any location to which he or she may travel at the request of the parties. There is no charge for the acknowledgement of recordable instruments.

- a. **Acknowledgment**: An acknowledgment may also be administered by any official empowered by the local or national law of the State in which the instrument is signed, to administer an oath or affirmation or make a similar certification, such as a notary public. No consularization of a recordable instrument, or Power of Attorney executed for that purpose, is ever required under the Maritime Act. An [accepted form of acknowledgment](#) is set forth in RMI [Maritime Regulation](#) 3.30.

- b. **Proof of Due Execution:** Proof of due execution (see Sections 108, 305, 306 and 307 of the Maritime Act), is an optional form of certification if an oath is not obtainable under the law of the nation or district in which the document is executed. Accordingly, an instrument to be recorded, or a Power of Attorney required to be acknowledged under RMI law, may instead bear such proof of due execution.

Proof of due execution is essentially an acknowledgment without an oath, stating that the instrument was duly executed in accordance with the laws of the nation or place of execution, and is subscribed (signed and sealed) by an RMI Deputy Commissioner of Maritime Affairs, Special Agent, local notary or other official authorized to take such acknowledgments or legally certify that the instrument was duly executed by the person signing it. An acceptable example of such proof of due execution is as follows:

*I, (name of official), being a Notary (or other qualified official) of the (name of nation or State) in (name of town or city), duly appointed and qualified, do hereby certify that on this (date, month and year) before me personally appeared (name), who identified himself/herself to me to be the individual described in, and whose name is subscribed to, and who executed the annexed instrument, and being informed by me of the contents of said instrument, did duly acknowledge to me that he/she executed the same freely and voluntarily for the uses and purposes therein mentioned.*

*In witness whereof, I have hereunto set my hand and official seal on this \_\_\_ day of \_\_\_\_\_, (year).*

(Signature of Official)  
(Title of Official)

The above example is intended as an illustration, and not a rigid form of words.

- (c) **Apostille:** RMI is a State Party to the *Hague Convention of 5 October 1961*, as amended, and the apostille of the competent authority in another such State Party will be acceptable if affixed to the instrument.

### C. **Recordation of Documents**

1. **The Preferred Mortgage Index:** Under Sections 107, 302, 302A, 306, 307 and 315 of the [Maritime Act](#), mortgages, financing charter, Bills of Sale and related instruments may be recorded in the Preferred Mortgage Index, at any [Regional Office](#). All of these offices, located in maritime and financial centers around the world, are electronically linked to one another and controlled by the central office of the Administrator (see Sections 302 and 307 of the Act, and [Chapter I](#) of this publication), and are protected from unauthorized interference during the recordation process. Proof of the recorded lien status of an RMI registered vessel may be furnished at any Regional Office. Recordation in the Preferred Mortgage Index (see Sections 107 and 307 of the Act), open to public inspection (see Article 1 of the *International Convention on Maritime Liens and Mortgages, 1993*), conforms to requirements established for the recognition and enforcement of foreign ship mortgages under international maritime law (see Sections 302 and 307 of the Act).
2. **Closings:** Arrangements for vessel registration and for the recordation of mortgages, financing charters, Bills of Sale and other instruments at a Regional Office, require **not**

**less than 48 hours' notice** (two (2) business days) to that office or offices. This notice is necessary in order to assure adequate time to prepare the documents issued to the parties concerned at each office engaged in the closing, as provided in Sections 107, 302, 302A, 306, 307 and 315 of the Maritime Act. Conference and communications facilities exist at each office for the convenience of clients desiring to conduct such closings on our premises.

3. **Memorandum of Particulars:** With each mortgage, financing charter, or related instrument, such as an addendum, amendment, supplement, subordination or coordination agreement, a short document known as a Memorandum of Particulars (see [sample](#)) is submitted to a Regional Office for use in preparation of the Preferred Mortgage Index. The memorandum should be *signed on behalf of the mortgagor (the shipowner)*, and contain the information described in the sample Memorandum.

The information to be inscribed on a Memorandum of Particulars (see sample) includes a brief recital of the intended effect of the instrument to be recorded. Several examples of such a statement follow:

- a. **For an Assignment of a Mortgage:**

*Assigns the preferred mortgage dated 30 March 1995, and recorded in Book PM 3 at page 287 to (name of bank), with a reduced total amount of US\$3,000,000 and interest and performance of mortgage and loan agreement covenants.*

- b. **For an Amendment of a Mortgage:**

*Amends mortgage covenants; reflects assumption of mortgage by \_\_\_\_\_, ; reduced total amount to US\$7,600,000.00 and interest and performance of mortgage covenants.*

- c. **For a First Preferred Mortgage:**

*To establish a first preferred mortgage lien on the whole of the vessel or*

*To establish a first preferred mortgage lien on a vessel under construction.*

- d. **For a Financing Charter:**

*To create and perfect a financing charter lien on the whole of the vessel.*

4. **Review by Administrator:** It is prudent for the parties to submit draft documents to be recorded for review by a [Regional Office](#) prior to the scheduled closing date. Such review is, of course, not a determination as to the enforceability of such an instrument in a court of law, but is useful as a means of checking to ensure that the document meets the legal requirements necessary for recordation under RMI law.
5. **Recordation:** Recordation (see Section 302(1) of the [Maritime Act](#)), affects the registration of such relevant data as the time and date of recordation of the instrument, the name of the vessel or hull number, the names of the parties, the amount(s) secured by the instrument, and its date of maturity, if any. (See Section 302(3).)
6. **Evidence of Recordation:** Each Regional Office, is authorized under Section 307 of the Maritime Act, upon timely request, to issue:
  - a. **Certified Extracts of the Preferred Mortgage Index**, of the public register

maintained by the Administrator, as evidence of recordation of preferred ship mortgages and financing charters under RMI laws;

- b. **Certificates of Ownership and Encumbrance**, setting forth the status of all recorded mortgages, financing charters, and related instruments with respect to a particular vessel as of the time and date inscribed on the certificate. More than one (1) such certificate may be issued, if it is desired to obtain a written record of the recorded lien status of an RMI vessel before and after recordation of a particular instrument or instruments; and
- c. **Certified and Recorded Copies of Recorded Instruments**, which are usually issued at the time of their recordation.

**Please Note:** *To avoid any undue delay, requests for additional certificates, certified copies or authentications should be made in advance.*

### **SECTION 3: Satisfaction, Release or Discharge of Mortgage**

The Maritime Act, requires that special procedures be followed when documents evidencing debt are released, discharged, or satisfied, in order to protect lenders and owners from the dangers of a mistaken release or discharge of a mortgage or financing charter, or even possible fraud.

A mortgagee and/or financing charter lessor, such as a bank, may directly issue a satisfaction, release or discharge signed by one of its duly authorized officers or officials. However, the mortgagee and/or financing charter lessor may prefer to give a Power of Attorney to someone else, such as a lawyer, to prepare, sign and record the satisfaction, release or discharge at a Regional Office.

To be acceptable, one (1) original and two (2) counterparts, each duly executed and acknowledged or with proof of due execution of the satisfaction, release or discharge must be presented a [Regional Office](#)., in recordable form.

#### **A. Satisfaction, Release or Discharge of Mortgages by an Attorney-in-Fact**

1. **Attorney-in-Fact:** If a Power of Attorney is issued by the mortgagee or financing charter lessor, it must authorize the attorney-in-fact, usually a named lawyer or lawyers, or an employee of the bank, to satisfy the mortgage or financing charter or release the lien of the mortgage or financing charter. A Power of Attorney *must identify the vessel and the mortgage or financing charter*. The mortgage or financing charter is identified in a Power of Attorney by stating the book and page number and date of recordation and/or execution of the instrument.
2. **Bank Employees:** The mortgagee or financing charter lessor may also issue a Power of Attorney to a person or persons who are employees of the bank or who are otherwise employees of the mortgagee or financing charter lessor, or to any other person(s).
3. **Form of Power of Attorney:** A Power of Attorney in acceptable form contains the signature of an officer or officers of the mortgagee or financing charter lessor, either (1) acknowledged or, (2) with proof of due execution. (See [Chapter V, Section 2\(B\)](#).)

A telefax from a person admitted to the practice of law in the place of execution of the power, confirming that a Power of Attorney has been executed and reciting the contents thereof, will be temporarily accepted upon an undertaking, which shall be stated in the telefax, that the original instrument (or a certified copy) and three (3) copies thereof will be presented in due course to a Regional Office.

## **B. Satisfaction, Release or Discharge of Mortgage by Official of the Mortgagee**

A satisfaction, release or discharge of a ship mortgage, financing charter, or similar instrument can be signed by an officer or other duly authorized official of the mortgagee or financing charter lessor. When this is done, the mortgagee or financing charter lessor must supply the Administrator with a certified copy of the document authorizing that officer or official to sign the document.

The term “certified” means that the genuineness and validity of the document authorizing signature by the official of the mortgagee or financing charter lessor is confirmed in writing by a second officer or official of the mortgagee or financing charter lessor.

The document itself can be a certified copy of the page of the signature book, issued by the bank, showing a specimen signature, together with a statement authorizing his or her power to sign on behalf of the mortgagee or financing charter lessor. If this signature book, or page thereof, has already been given to the Administrator, a written statement that it is still in effect will save the trouble of transmitting a new specimen signature.

In place of a certified specimen of the officer’s signature, other evidence of basic authority of the signing officer or official may be accepted by the Administrator

This **other evidence** may be either:

- a. a sworn or affirmed statement by a senior officer of the mortgagee or financing charter lessor that the signer is authorized, or
- b. a statement by the signer, acknowledged under oath and specifying the source of his or her authorization.

## **SECTION 4: First Preferred RMI Ship Mortgage Granted in Continuation of Prior Foreign Mortgage**

### **A. Notification**

Upon completion of the application for registration of a vessel in the RMI, provision has been made to allow the applicant to give the required notice the Administrator that a foreign mortgage will be transferred to the RMI.

### **B. Required Documentation to be submitted with Application for Registration**

If an applicant intends to grant a preferred mortgage or financing charter on the vessel in continuation of a prior foreign mortgage or financing charter, the applicant shall comply with all requirements generally relating to RMI preferred ship mortgages. In addition, the following information shall be provided to the Administrator at the time of submitting the application for registration:

1. the name and registry number of the vessel as it appears in the State of foreign registry as well as the name of the State of foreign registry;
2. the type of instrument so registered or recorded;
3. the time and date of registration or recordation, and place in the State of registry in which the mortgage or related instrument was registered or recorded;
4. the book and page, or other relevant particulars, locating and identifying registration or



- recordation particulars of the said instrument;
5. where applicable, the amount(s), maturity date and parties to the instrument;
  6. a copy of the foreign mortgage, financing charter, or related instrument certified or issued by the appropriate governmental agency in the State of foreign registry (or certified by the mortgagee);
  7. evidence of registration or recordation of the prior foreign mortgage or financing charter (in that regard, a transcript of registry, certified or issued by the appropriate governmental agency in the State of foreign registry shall be accepted as evidence of the granting and recordation of a prior foreign mortgage, hypothecation or similar charge, including the date of recordation (similar to a Certificate of Ownership and Encumbrance) issued by such Administrator);
  8. consent(s) of mortgagee(s) of the prior foreign mortgage and/or of the financing charter lessor(s) of the prior foreign financing charter to the deletion of the vessel from the foreign registry, the sale and transfer of the vessel to the entity applying to register the vessel in the RMI, if applicable, the registration of the vessel in the RMI and the granting of the RMI mortgage or financing charter in continuation of the prior foreign instrument; and
  9. the Memorandum of Particulars (see [sample](#)).

### **C. Status of Mortgage or Financing Charter**

The statute provides that the effect of the RMI mortgage or financing charter is not affected if the prior foreign mortgage or financing charter is deleted from the prior registry as a condition of, or in connection with, deletion of the vessel from the foreign registry. However, in the event of the transfer of ownership, it would be anticipated that the instrument of transfer will refer to the prior foreign mortgage or financing charter and that the applicant will not wish to have the prior foreign mortgage or financing charter deleted from the foreign registry until after the execution and recording of the RMI mortgage or financing charter granted in continuation.

If the foreign mortgage or financing charter satisfies all of the requirements of the statute, the preferred status of the mortgage or financing charter on the vessel will continue for a period of 30 days following registration of the vessel in the RMI allowing time to record an RMI mortgage or financing charter instrument in continuation of the prior foreign mortgage or financing charter. A sample RMI mortgage or financing charter may be obtained through any of the [Regional Offices](#).

### **D. Acknowledgment**

The RMI mortgage or financing charter must be acknowledged or bear proof of due execution pursuant to Section 307 of the [Maritime Act](#). (See [Section 2\(B\)](#) of this Chapter.)

## CHAPTER VI

### TRANSFER OF VESSEL FROM THE RMI REGISTRY

#### SECTION 1: Application for Transfer

When an owner of an RMI registered ship has entered into an agreement to sell its ship, and the purchaser has stated his or her intention to register the vessel in a country other than the RMI, the **seller** submits a written request for Permission to Transfer, containing the **name and domicile of the purchaser** and the **name of the country to which the vessel's registry will be transferred and the contact agency to which the vessel's CSR File should be sent.**

If the vessel is being sold for the purpose of scrapping, this must be stated in place of the new country of registry.

Should the current owner only wish to transfer the vessel's registry, the request includes the wording "for transfer of the vessel to (name of country) registry and flag, without change of ownership." Requests for Permission to Transfer are sent to the following address:

Republic of the Marshall Islands Maritime Administrator  
c/o Vessel Administration  
11495 Commerce Park Drive  
Reston, Virginia 20191-1506 USA

#### SECTION 2: Certificate of Permission to Transfer

A Certificate of Permission to Transfer valid for 90 days may be issued upon formal request of the owner when all the annual tonnage taxes, MIIP fees and Marine Services fees outstanding against a vessel have been paid. Should the requirements for issuance of a Cancellation Certificate not be met within the 90-day period, a subsequent Permission for Transfer must be requested and paid for.

#### SECTION 3: Certificate of Cancellation of Registry

A Certificate of Cancellation of Registry will be issued once the following requirements have been met:

##### A. Certificate of Permission to Transfer

A certificate must be issued to the owner. (See Section 2, above.)

##### B. Satisfaction of Mortgages or Financing Charters

If the vessel is subject to one (1) or more preferred ship mortgages, financing charters, hypothecations, or similar charges, there must be recorded in a [Regional Office](#), an instrument of satisfaction, release or discharge of such preferred mortgage, financing charter, or preferred lien.

##### C. Fees

Payment must be made for the Permission to Transfer, Cancellation Certificate and any other transfer related fees as well as payment in full of any previous outstanding fees, penalties or charges of whatever nature due against the vessel. See [Methods of Payment](#).

**D. Surrender of Original Vessel Documents**

Submission to Vessel Administration in Reston, Virginia, USA of the following original RMI vessel documents:

- a. the current Certificate of Registry;
- b. the Ship Radio Station License;
- c. the Minimum Safe Manning Certificate;
- d. the CAS Statement of Compliance, if issued;
- e. one (1) copy of the Bill of Sale, transferring title to the purchaser, where a change of ownership has occurred; and
- f. CSR Amendment Forms, if applicable.

Confirmed possession of the original documents by a [Regional Office](#) or Closing Agent will be considered surrender.

## CHAPTER VII

### YACHT REGISTRATION

#### SECTION 1: Commercial and Passenger Yachts

##### A. Registration Documentation

Commercial and passenger yachts are registered under the laws of the RMI in the same manner as any other vessel engaged in trade. The standard application requirements outlined in Chapters I, II and III apply, except for classification as indicated in Section D below and registration fees as listed in Section O below in this Chapter.

##### B. Application of Requirements for Registration

The registration of commercial yachts is limited to those of 24 meters or more in length which are carrying less than 12 passengers. The Administrator may, however, consider waiving the minimum size limitation and other requirements for commercial yachts less than 24 meters in length given the necessary justification.

A passenger yacht is any yacht certified to carry more than 12 but not more than 36 passengers. Registration of passenger yachts is limited to those which have a class certificate with a passenger ship or passenger yacht notation.

##### C. Ownership

As described in Section 203 of the [Maritime Act](#), an RMI citizen or national or a qualified foreign maritime entity must own the vessel. (See [Chapter II](#).) The term “citizen” or “national” includes RMI corporations, limited liability companies, partnerships, and limited partnerships.

##### D. Suitability for Intended Service

All commercial yachts and passenger yachts are subject to the applicable requirements of SOLAS, MARPOL, International Load Line Convention, 1966 (ILLC '66), ITC '69, International Regulations for Preventing Collisions at Sea, 1972 (COLREGS '72), Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW), MLC, 2006, and all other applicable international conventions.

All yachts intending to register as a commercial yacht shall be able to demonstrate that their hull and machinery was built to a known high standard. This is typically accomplished by having the yacht built to Classification Society standards and issued a classification certificate. Commercial yachts of 500 GT or more must maintain classification and statutory certification with a Classification Society. Submission of a Certificate of Confirmation of Classification will satisfy this requirement. See RMI Marine [Guideline 2-11-15](#) for a list of approved Classification Societies. The RMI [Yacht Code](#) provides guidelines for the establishment of suitability for intended service.

Furthermore, under SOLAS, any vessel carrying more than 12 passengers for consideration on board is considered to be a passenger ship, subject to the passenger ship rules and regulations, regardless of tonnage. All yachts certified to carry more than 12 but less than 36 passengers may be registered as passenger yachts. Passenger yachts must be classed by and maintain classification with an organization recognized by the Administrator in order to satisfy the suitability requirements for registration. Submission of a Certificate of Confirmation of Classification will satisfy this requirement. See RMI Marine [Guideline 2-11-15](#) for a list of approved Classification Societies.

Yachts or other vessels certified to carry more than 36 passengers would not be considered for registration as a passenger yacht, but as a passenger ship.

## **E. National and Statutory Compliance**

1. RMI Yacht Code (MI-103): The RMI [Yacht Code](#) has been established with the intent of providing International Convention equivalents that address the special circumstances with respect to the design and operation of yachts. All commercial and passenger yachts must comply with the applicable requirements of the RMI Yacht Code and all other applicable RMI laws and regulations.
2. SOLAS: Compliance with the applicable provisions of SOLAS, is as follows:
  - a. Commercial yachts of 500 GT or more must maintain classification and statutory certification with a Classification Society and be certified as a cargo ship under the cargo ship regulations of SOLAS utilizing the RMI Yacht Code for equivalents that address the special circumstances of yacht design and operation.
  - b. A yacht of any gross tonnage carrying more than 12 passengers for consideration on an international voyage will be considered a passenger yacht that must be classed as such and must meet the applicable SOLAS passenger ship regulations.
  - c. All SOLAS yachts must comply with the ISM Code and ISPS Code requirements.
  - d. All non-SOLAS yachts of 100 GT and over must comply with applicable coastal State security regulations.
  - e. All commercial yachts of less than 500 GT are required to implement and maintain a Mini-ISM system as outlined in Annex 1 of the RMI Yacht Code.

Appropriate SOLAS Convention certificates are to be issued by an organization recognized by the Administrator.

3. Ship Radio Station License: An RMI Ship Radio Station License is required on all yachts with a radio station on board. An appropriately certified radio operator must also be on board. A SOLAS Chapter IV Convention Safety Radio Certificate is required for all commercial yachts of 300 GT or over which will entail GMDSS compliance and SOLAS Chapter V AIS compliance. National requirements apply to yachts of less than 300 GT. Guidelines to meet these requirements are provided in the RMI Yacht Code.
4. MARPOL: Compliance with MARPOL, is required as follows:
  - a. Annex I is applied to all yachts regardless of size unless expressly provided otherwise. All yachts are required to maintain an oil record book.
  - b. All yachts of 400 GT or more are required to be issued and carry on board an International Oil Pollution Prevention Certificate (IOPPC) in accordance with Regulation 5 of Annex I.
  - c. Annex IV is applied to all yachts certified to carry more than 15 persons on board and to all yachts of 400 GT or more regardless of the number of persons on board in accordance with Regulation 2.

- d. Annex V is applied to all yachts regardless of size unless expressly provided otherwise.
- e. Annex VI is applicable to all yachts of 400 GT or more and diesel engines with a power output of more than 130 kW installed on yachts constructed and delivered on or after 1 January 2000 and carry on board an International Air Pollution Prevention Certificate (IAPPC) and/or an Engine IAPPC as required.

In addition, all yachts are required to meet local coastal state requirements for the control of pollution in their domestic waters that may exceed those of MARPOL.

- 5. COLREGS '72: RMI requires all yachts regardless of size to comply with COLREGS '72, as may be amended from time to time. The yacht's Classification Society or an Appointed Representative (AR) must verify COLREGS '72 compliance.
- 6. ILLC '66: Compliance with ILLC '66, is mandatory for all commercial and passenger yachts regardless of size. The RMI [Yacht Code](#) provides guidelines for the establishment and application of this load line requirement.
- 7. Minimum Safe Manning Certification: Minimum safe manning levels are established for every commercial or passenger yacht of 80 GT and over. Levels are determined by yacht size and propulsion power on either long or short international voyages and operating distance limitations from a port of safe haven. Minimum guidelines are provided in the RMI Yacht Code.
- 8. Seafarer STCW Certification: Officer and crew certification shall be in accordance with RMI [Maritime Regulations](#) and STCW requirements. Guidelines are provided in the RMI Yacht Code.
- 9. ML Certificate: RMI requires all commercial and passenger yachts regardless of size to comply with the MLC, 2006, as may be amended from time to time. The commercial or passenger yacht's Classification Society or an AR must verify MLC, 2006 compliance. All commercial and passenger yachts of 500 GT or more shall carry onboard an ML Certificate evidencing compliance.

For a full list of the applicable statutory requirements, registrants should reference [MI-103A](#).

## **F. Tonnage Measurement**

Compliance with the ITC '69 and the issuance of a 1969 Certificate of Tonnage Measurement is required for commercial and passenger yachts. A recognized Classification Society surveyor or an Authorized Surveyor may perform the measurements and certification.

Yachts operating exclusively in the domestic waters of the RMI will not require an international certificate of tonnage measurement regardless of size.

## **G. Insurance**

Proof of liability coverage from a P & I club or other underwriter, as applicable, in policy form acceptable to the Administrator is required. (See [Chapter III, Section 3\(B\)\(11\)](#).)

## **H. Home Port**

Either Jaluit or Bikini, Republic of the Marshall Islands, shall be the home port for commercial and passenger yachts at the owner's option.

## **I. Tonnage Taxes**

Commercial and passenger yachts are assessed an annual tonnage tax payable in one (1) payment at registration for the first calendar year, and by the 1st of January each year thereafter. Upon receipt of payment, and subject to the requirements of Section 2.20 of the RMI [Maritime Regulations](#) as outlined in Section 1(K) of this Chapter, the Administrator will issue an annual tonnage tax receipt to the owner as proof of payment. A copy of the current tonnage tax receipt must be attached to the Commercial or Passenger Yacht Certificate of Registry to maintain its validity.

## **J. Declaration of Intent to Maintain Commercial or Passenger Yacht Compliance**

The Administrator recognizes that commercial and passenger yachts do not always operate in a commercial capacity, the Declaration of Intent to Maintain Commercial Compliance ([MI-127CC](#)) and the Declaration of Intent to Maintain Passenger Yacht Compliance ([MI-127PAXY](#)) refer to the underlying Compliance Verification and establishes a compliance code for the yacht in the RMI Registry. It is for purposes of establishing, maintaining and measuring compliance with the RMI [Yacht Code](#) and does not interfere with the Certificate of Registry and/or usage of the yacht in any private capacity.

## **K. Issuance of Certificates of Registry**

1. Certificate of Registry: Issuance of a Commercial Yacht Certificate of Registry or a Passenger Yacht Certificate of Registry is subject to the satisfaction of documentation requirements outlined in [Chapter III](#) as modified by this Chapter.

The owner or operator of a commercial or passenger yacht may request at any time the issuance of a Private Yacht Certificate of Registry during periods of private use, however the RMI Yacht Compliance Requirements ([MI-103A](#)), the requirements of the RMI Yacht Code and all other international and RMI requirements for a commercial yacht or passenger yacht, as applicable, must be maintained. The Commercial or Passenger Yacht Certificate of Registry is to be surrendered during the validity period of the Private Yacht Certificate of Registry.

2. Revalidation: Although issued without an expiration date, the Commercial and Passenger Yacht Permanent Certificates of Registry are subject to annual revalidation. The continued validity of the Commercial or Passenger Yacht Permanent Certificate of Registry is contingent upon the following requirements being met by the yacht owner or operator:
  - a. maintaining good standing of the registered owning entity in the RMI;
  - b. paying annual tonnage taxes and all other fees or assessments when due;
  - c. retaining current classification status as necessary; and
  - d. maintaining a valid Commercial Yacht Compliance Certificate (CYCC) or Passenger Yacht Compliance Certificate (PAXYCC) which must be endorsed on an annual basis and renewed every five (5) years.

A tonnage tax receipt will be issued each year upon receipt of payment. A copy of the current tonnage tax receipt must be maintained with the Commercial or Passenger Yacht Permanent Certificate of Registry for the certificate to be considered valid.

3. Notice of Suspension: Should any of the revalidation requirements above not be fulfilled by the yacht owner or operator, a Notice of Suspension of Registration will be issued by the Administrator.

4. **Termination:** Termination of the Commercial or Passenger Yacht Permanent Certificate of Registry will result from the following reasons:
  - a. If the nonconformance cited in a Notice of Suspension of Registration is not corrected within 90 days of the issuance of the Notice of Suspension, the Commercial or Passenger Yacht Permanent Certificate of Registry will automatically be voided and the yacht stricken from the registry.
  - b. A transfer or change in ownership will result in a termination of the Commercial or Passenger Yacht Permanent Certificate of Registry unless the yacht is properly re-registered with the RMI.
  - c. The deliberate filing of a false or fraudulent Declaration of Intent to Maintain Commercial Compliance or Declaration of Intent to Maintain Passenger Yacht Compliance with the Administrator will result in the immediate termination of the Yacht Certificate of Registry and the yacht stricken from the registry without appeal.

The Commercial or Passenger Yacht Permanent Certificate of Registry must be returned upon termination of registration for any reason.

**L. Compliance Verifications**  
(See RMI Marine Notice [2-011-53](#))

All commercial and passenger yachts are subject to an initial Compliance Verification carried out by an AR. If the yacht is found to be in compliance with all requirements, the AR will issue a Short Term CYCC or a Short Term PAXYCC, as appropriate. Upon review and approval of the Short Term Compliance Certificate, the Administrator will issue and the yacht must maintain its full term CYCC or PAXYCC.

All commercial yachts are subject to an annual Compliance Verification. Annual Compliance Verifications carried out by an AR shall be within three (3) months on either side of the anniversary date of the Initial or Renewal Compliance Verification or as otherwise deemed necessary by the Administrator. Completion of an annual Compliance Verification is a condition for the continued validity of the Commercial Yacht Permanent Certificate of Registry

All passenger yachts are subject to semi-annual Compliance Verifications. Semi-annual Compliance Verifications shall be conducted within one (1) month before or after the six (6) month interval from the date of the initial or renewal Compliance Verification. (See RMI Marine Notice [2-013-4](#), RMI Marine Notice 2-011-53 and the RMI [Yacht Code](#)). Completion of a semi-annual Compliance Verification is a condition for the continued validity of the Passenger Yacht Permanent Certificate of Registry.

**M. Recordable Instruments**

Bills of Sale, Builder's Certificates, financing charters, mortgages and related financial instruments may be recorded.

**N. Re-registration**

See [Chapter III, Section 7](#), for details on the re-registration procedures.

**O. Fees**



See [Schedule of Fees, Tonnage Tax and Charges](#) and [Methods of Payment](#).

## **SECTION 2: Private Yachts**

### **A. Application of Requirements for Registration**

1. The Administrator considers any yacht not carrying passengers for hire, not engaged in trade or commerce, and being used solely for pleasure or recreational purposes of its owner, which, at the time it is being used, is:
  - a. in the case of a yacht owned by a corporate entity, one on which the persons on the yacht are employees, officers, directors, or beneficial owners of the corporate entity, or their immediate family or friends; or
  - b. in the case of other ownership arrangements, one on which the persons on board the yacht are beneficiaries under the trust or the employees, officers, beneficial owners, or persons with similar designations of the ownership arrangement, or their immediate family or friends; or
  - c. in private use.
2. The term “private use” means that the private yacht is used on a private voyage or excursion, and during such use is not engaged in trade by transporting merchandise or carrying passengers for reward or remuneration (other than as a contribution to the actual cost of the vessel or its operation for the period of the voyage or excursion, cumulatively for not more than 84 days per calendar year where the private yacht has met the requirements of and is certified as a private yacht limited charter or a yacht engaged in trade).

### **B. Period of Registration**

The period of registration is either one (1) year or three (3) years, renewable at the option of the owner.

### **C. Minimum Size Limitation**

The registration of private yachts is limited to those of 12 meters or more in length. The Administrator may, however, consider waiving the minimum size limitation and other requirements for private yachts less than 12 meters in length given the necessary justification.

### **D. Ownership**

As described in Section 203 of the [Maritime Act](#), an RMI citizen or national or a qualified foreign maritime entity must own the vessel (see [Chapter II](#)). The term “citizen” or “national” includes RMI corporations, limited liability companies, partnerships, and limited partnerships.

### **E. Declaration of Private Use – Not for Hire**

To be registered as a private yacht, an owner must submit at registration a Declaration of Private Use – Not for Hire ([MI-127PY](#)) declaring that the yacht is **not** a commercial yacht or cargo vessel and will not be used for commercial purposes or gain. See [Section 2\(M\)\(4\)\(d\)](#) of this Chapter regarding the penalties associated with the submission of a fraudulent Declaration of Private Use – Not for Hire.

### **F. Suitability for Intended Use**

Classification by a Classification Society recognized by the Administrator is not required but is

recommended, particularly for private yachts of 24 meters or more in length overall.

Unclassed private yachts of 24 meters or more in length overall and less than 400 gross tons, are required to undergo a registration inspection to be performed by an AR within 30 days of registration. A report of the inspection must be completed by an AR.

Private yachts of less than 24 meters in length overall, regardless of tonnage, are not required to undergo a pre-registration inspection. However, the Administrator reserves the right to require a pre-registration inspection as it deems necessary.

#### **G. Tonnage Measurement**

A tonnage measurement must be performed, and a certificate of tonnage measurement issued and presented at registration.

1. Private yachts 24 meters or more in length: Compliance with ITC '69, is required. Admeasurements and certification shall be performed by a Classification Society or an AR.
2. Private yachts, regardless of size, operating exclusively in RMI domestic waters do not require an International Tonnage Certificate.

#### **H. Tonnage Taxes**

See [Schedule of Fees, Tonnage Tax and Charges](#) and [Methods of Payment](#).

#### **I. Insurance**

Proof of hull and machinery and liability coverage from an underwriter in policy form acceptable to the Administrator is required.

#### **J. Home Port**

Either Jaluit or Bikini, Republic of the Marshall Islands, shall be the home port for private yachts at owner's option.

#### **K. Registration Documentation**

1. Application: The registration process begins with the submission of the Yacht Registration form [MI-101Y](#) and the supporting documents outlined below to any of the [Regional Offices](#).
2. Required Documents to Accompany the Application: Reference should be made to [Chapters II](#) and [III](#) for details.
  - a. Power of Attorney and/or Corporate Resolutions that incorporate a Power of Attorney.
  - b. Proof of Ownership, i.e., Bill of Sale, Builder's Certificate.
  - c. Declaration of Private Use – Not for Hire. (See Section 2(E) of this Chapter.)
  - d. Tonnage Measurement Certificate.
  - e. Verification of Suitability for Intended Use -

- i. if classed, by a Certificate of Confirmation of Class issued by a Classification Society recognized by the Administrator, or
  - ii. if not classed, by a Certificate of Survey, Statement of Compliance or other document issued by a recognized Classification Society surveyor, an AR or an underwriter's assessor for the company that will be insuring the yacht.
- f. Either confirmation of Hull and Machinery and P & I coverage or Cover Note on a combined policy of insurance issued by a recognized insurance company in a form acceptable to the Administrator. See also [Chapter III, Section 3\(B\)](#), items 11(f), (g) and (h).
  - g. Proof that vessel is free of liens or encumbrances.
  - h. If the yacht is not a newbuilding and is currently documented in another country, consent from that country to the vessel's transfer to the RMI.
  - i. Payment of registration and corporate fees for either one (1) year or three (3) years at the owner's option.
  - j. Payment of tonnage tax for either one (1) year or three (3) years at the owner's option.

**L. National and Statutory Compliance**

1. COLREGS '72: All private yachts regardless of size must comply with COLREGS '72. The Administrator may, if deemed necessary, require the submission of detailed plans showing the positioning and arrangements of navigation lights for examination prior to registration.
2. RMI Yacht Code: The RMI [Yacht Code](#) should be used as a guideline for all private yachts. Upon an owner's request, a Statement of National Voluntary Compliance may be issued by a recognized Classification Society, if the yacht is classed, or by an AR, if the yacht is not classed, based on a Certificate of Survey or Statement of Compliance submitted by the owner indicating reasonably sufficient compliance with the RMI Yacht Code.
3. Radio Station License: A National Radio Station License is required on all yachts with a radio station on board. An appropriately certified radio operator must also be on board. National safety radio communications requirements apply to all private yachts regardless of size. Guidelines to meet these requirements may be found in the RMI Yacht Code. A yacht of 300 GT or more will be required to comply with SOLAS Chapter V Regulation 19.2.4, AIS.
4. MARPOL: Compliance with MARPOL, is required as follows:
  - a. Annex I applies to all yachts regardless of size unless expressly provided otherwise. All yachts are required to maintain an oil record book.
  - b. All yachts of 400 GT or more are required to be issued and carry on board an IOPPC in accordance with Regulation 5 of Annex I.
  - c. Annex IV applies to all yachts certified to carry more than 15 persons on board and to all yachts of 400 GT or more regardless of the number of persons on board

in accordance with Regulation 2.

- d. Annex V applies to all yachts regardless of size unless expressly provided otherwise.
- e. Annex VI shall apply unless expressly provided otherwise. Owners are advised to consider that the provisions of Regulation 13 are retroactive to 1 January 2000.

In addition, all yachts are required to meet local coastal State requirements for the control of pollution in their domestic waters, including those that may exceed MARPOL requirements.

- 5. Seafarer Certification: Qualification as Yacht Master or equivalent is recommended on private yachts of 24 meters or more in length or 80 GT and above, and qualification as Engineer is also recommended on private yachts of 1200 kW main engine power and/or 500 GT and above. Relevant qualifications should be according to size, propulsion power, and area of operation.

For a full list of the applicable statutory requirements, registrants should reference [MI-103A](#).

#### **M. Issuance of Certificates of Registry**

- 1. Private Yacht Certificate of Registry: A Private Yacht Certificate of Registry will be issued to all private yachts which meet the requirements of Section 2 of this Chapter.
- 2. The Private Yacht Certificate of Registry may be issued with an expiration date. The validity of the Private Yacht Certificate of Registry is contingent upon the following requirements being met by the yacht owner or operator:
  - a. maintaining good standing of the registered owning entity in the RMI; and
  - b. paying tonnage taxes, and all other fees or assessments when due for an additional one (1) year or three (3) years, at the owner's option.
- 3. Notice of Suspension: Should any of the revalidation requirements above not be fulfilled by the yacht owner or operator, a Notice of Suspension of Registration will be issued by the Administrator.
- 4. Termination: Termination of the Private Yacht Certificate of Registry will result from the following reasons:
  - a. Failure to renew registration by the expiry date of the current one (1) or three (3) year period.
  - b. Failure to pay tonnage tax and renewal fees for the Private Yacht Certificate of Registry and Radio License when due will result in the yacht being deleted from the RMI registry.
  - c. A transfer or change in ownership will result in a termination of the Private Yacht Certificate of Registry unless the yacht is properly re-registered with the RMI.
  - d. The deliberate filing of a false or fraudulent Declaration of Private Use – Not for Hire with the Administrator will result in the immediate termination of the Private Yacht Certificate of Registry and the yacht stricken from the registry without appeal.

The Private Yacht Certificate of Registry must be returned to the Administrator upon termination of registration for any reason.

**N. Compliance Verification**  
(See RMI Marine Notice [2-011-55](#))

Private yachts are not required to undergo the mandatory initial, annual, or renewal Compliance Verification, but may do so on a voluntary basis. Voluntary Compliance Verifications shall be carried out by an AR.

**O. Recordable Instruments**

Bills of Sale, Builders Certificates, mortgages, financing charters, and related financial instruments may be recorded.

**P. Re-registration**

The procedure for re-registration is identical to that for registration as outlined in [Chapter III](#), except for the following:

- a. the new owner must acknowledge acceptance of the data in the yacht's Certificate of Tonnage Measurement for tonnage tax purposes, by submitting RMI form [MI-126](#), *Acceptance of Certificate of Tonnage Measurement*; but
- b. a Consent to Transfer or Deletion Certificate would not be required since the yacht would be staying in the registry.

**Q. Fees**

See [Schedule of Fees, Tonnage Tax and Charges](#) and [Methods of Payment](#).

**SECTION 3: Private Yachts Limited Charter**

**A. Application of Requirements for Registration**

The Administrator permits a private yacht of 18 meters or more in length and less than 500 GT to be chartered out for up to 84 days in any one (1) calendar year (known as a "private yacht limited charter" or "PYLC"). This chartering privilege exempts the yacht from having to be registered as a commercial yacht. However, those who wish to have the privilege of the 84 day charter will be required to satisfy the requirements of Chapters I and IV of the RMI [Yacht Code](#) and complete, at registration, a Declaration of Private Use with Intent to Engage in Limited Charter ([MI-127PYLC](#)).

**B. Period of Registration**

The period of registration is either one (1) year or three (3) years renewable, at the option of the owner.

**C. Minimum Size Limitation**

PYLCs are limited to those of 18 meters or more in length and less than 500 GT. The Administrator may, however, consider waiving the minimum size limitation and other requirements given the necessary justification.

## **D. Ownership**

As described in Section 203 of the [Maritime Act](#), an RMI citizen or national or a qualified foreign maritime entity must own the vessel (see [Chapter II](#)). The term “citizen” or “national” includes RMI corporations, limited liability companies, partnerships, and limited partnerships.

## **E. Declaration of Private Use – Not for Hire**

An owner of a PYLC must submit, at registration, a Declaration of Private Use with Intent to Engage in Limited Charter ([MI-127PYLC](#)). See [Section 2\(M\)\(4\)\(d\)](#) of this Chapter regarding the penalties associated with the submission of a fraudulent a Declaration of Private Use with Intent to Engage in Limited Charter.

## **F. Suitability for Intended Use**

Classification by an Administrator recognized Classification Society is not required but is recommended, particularly for PYLCs of 24 meters or more in length.

The international convention statutory certificates for classed yachts are to be issued by the yacht’s Classification Society. However, the audits, surveys and inspections for compliance with the ISM Code, ISPS Code, and MLC, 2006, along with the issuance of the relevant certification, may be carried out by Class or an AR.

All unclassified PYLCs must have their applicable statutory surveys and the statutory certification carried out by an AR.

All PYLCs, regardless of GT, shall be certified to comply with the requirements of the RMI Yacht Code. See RMI Marine Notice [2-011-54](#) for additional information.

## **G. Tonnage Measurement**

A tonnage measurement must be performed, and a certificate of tonnage measurement issued and presented at registration.

1. PYLCs 24 meters or more in length: Compliance with ITC ‘69, is required. Admeasurements and certification shall be performed by a Classification Society or an AR.
2. PYLCs, regardless of size, operating exclusively in RMI domestic waters do not require an International Tonnage Certificate.

## **H. Tonnage Taxes**

See [Schedule of Fees, Tonnage Tax and Charges](#) and [Methods of Payment](#).

## **I. Insurance**

Proof of hull and machinery and liability coverage from an underwriter in policy form acceptable to the Administrator is required.

## **J. Home Port**

Either Jaluit or Bikini, Republic of the Marshall Islands, shall be the home port for private yachts at owner’s option.

## **K. Registration Documentation**

1. Application: The registration process begins with the submission of the Yacht Registration form [MI-101Y](#) and the supporting documents outlined below to any of the [Regional Offices](#).
2. Required Documents to Accompany the Application: Reference should be made to [Chapters II](#) and [III](#) for details.
  - a. Power of Attorney and/or Corporate Resolutions that incorporate a Power of Attorney.
  - b. Proof of Ownership, i.e., Bill of Sale, Builder's Certificate.
  - c. Declaration of Private Use with Intent to Engage in Limited Charter ([MI-127PYLC](#)) must be submitted to refer to the underlying Compliance Verification and establish a compliance code for the yacht in the RMI Registry. It is for purposes of establishing, maintaining and measuring compliance with the RMI [Yacht Code](#), where applicable, and does not interfere with the Certificate of Registry and/or usage of the yacht in any private capacity. (See [Section 3\(E\)](#) of this Chapter.)
  - d. Tonnage Measurement Certificate.
  - e. Verification of Suitability for Intended Use -
    - i. if classed, by a Certificate of Confirmation of Class issued by a Classification Society recognized by the Administrator, or
    - ii. if not classed, by a Certificate of Survey, Statement of Compliance or other document issued by a recognized Classification Society surveyor, an AR or an underwriter's assessor for the company that will be insuring the yacht.
  - f. Either confirmation of Hull and Machinery and P & I coverage or Cover Note on a combined policy of insurance issued by a recognized insurance company in a form acceptable to the Administrator. See also [Chapter III, Section 3\(B\)](#), items 11(f), (g) and (h).
  - g. Proof that vessel is free of liens or encumbrances.
  - h. If the yacht is not a newbuilding and is currently documented in another country, consent from that country to the vessel's transfer to the RMI.
  - i. Payment of registration and corporate fees for either one (1) year or three (3) years at the owner's option.
  - j. Payment of tonnage tax for either one (1) year or three (3) years at the owner's option.

## **L. National and Statutory Compliance**

1. RMI Yacht Code: PYLCs must comply with Chapters I and IV of the RMI [Yacht Code](#). Upon an owner's request, a Statement of National Voluntary Compliance may be issued

by a recognized Classification Society, if the yacht is classed, or by an AR, if the yacht is not classed, based on a Certificate of Survey or Statement of Compliance submitted by the owner indicating reasonably sufficient compliance with the RMI Yacht Code.

2. COLREGS '72: All PYLCs regardless of size must comply with the COLREGS '72. The Administrator may, if deemed necessary, require the submission of detailed plans showing the positioning and arrangements of navigation lights for examination prior to registration.
3. Radio Station License: A National Radio Station License is required on all PYLCs with a radio station on board. An appropriately certified radio operator must also be on board. National safety radio communications requirements apply to all private yachts regardless of size. Guidelines to meet these requirements may be found in the RMI Yacht Code. A yacht of 300 GT or more will be required to comply with SOLAS Chapter V Regulation 19.2.4, AIS.
4. MARPOL: Compliance with the MARPOL, is required as follows:
  - a. Annex I applies to all PYLCs regardless of size unless expressly provided otherwise. All PYLCs are required to maintain an oil record book.
  - b. All PYLCs of 400 GT or more are required to be issued and carry on board an International Oil Pollution Prevention Certificate (IOPPC) in accordance with Regulation 5 of Annex I.
  - c. Annex IV applies to all PYLCs certified to carry more than 15 persons on board and to all PYLCs of 400 GT or more regardless of the number of persons on board in accordance with Regulation 2.
  - d. Annex V applies to all PYLCs regardless of size unless expressly provided otherwise.
  - e. Annex VI shall apply unless expressly provided otherwise. Owners are advised to consider that the provisions of Regulation 13 are retroactive to 1 January 2000.

In addition, all PYLCs are required to meet local coastal State requirements for the control of pollution in their domestic waters that may exceed those of MARPOL.

5. Minimum Safe Manning Certificate: A certificate is required for PYLCs of 24 meters and over in length and/or 80 GT and above.
6. Seafarer Certification: Qualification as Yacht Master or equivalent is recommended on PYLCs of 24 meters or more in length or 80 GT and above, and qualification as Engineer is also recommended on PYLCs of 1200 kW main engine power and/or 500 GT and above. Relevant qualifications should be according to size, propulsion power, and area of operation.

For a full list of the applicable statutory requirements, registrants should reference [MI-103A](#).

#### **M. Issuance of Certificates of Registry**

1. Private Yacht Certificate of Registry: A Private Yacht Certificate of Registry will be issued to all PYLCs which meet the requirements of Section 3 of this Chapter.
2. The Private Yacht Certificate of Registry may be issued with an expiration date. The



validity of the Private Yacht Certificate of Registry is contingent upon the following requirements being met by the yacht owner or operator:

- a. maintaining good standing of the registered owning entity in the RMI; and
  - b. paying tonnage taxes, and all other fees or assessments when due for an additional one (1) year or three (3) years, at the owner's option.
  - c. maintaining a valid Private Yacht Limited Charter Compliance Certificate (PYLCCC) which must be endorsed on an annual basis and renewed every five (5) years.
3. Notice of Suspension: Should any of the revalidation requirements above not be fulfilled by the yacht owner or operator, a Notice of Suspension of Registration will be issued by the Administrator.
4. Termination: Termination of the Private Yacht Certificate of Registry will result from the following reasons:
- a. Failure to renew registration by the expiry date of the current one (1) or three (3) year period.
  - b. Failure to pay tonnage tax and renewal fees for the Private Yacht Certificate of Registry and Radio License when due will result in the yacht being deleted from the RMI registry.
  - c. A transfer or change in ownership will result in a termination of the Private Yacht Certificate of Registry unless the yacht is properly re-registered with the RMI.
  - d. The deliberate filing of a false or fraudulent Declaration of Private Use with Intent to Engage in Limited Charter with the Administrator will result in the immediate termination of the Private Yacht Certificate of Registry and the yacht stricken from the registry without appeal.

The Private Yacht Certificate of Registry must be returned to the Administrator upon termination of registration for any reason.

**N. Compliance Verification**  
(See RMI Marine Notice 2-011-55)

All PYLCs are subject to an initial, annual, and renewal Compliance Verification, carried out by an AR. Annual Compliance Verifications shall be conducted within three (3) months before or after the anniversary date of the initial Compliance Verification. Renewal Compliance Verifications shall be conducted within three (3) months of the expiry date of the PYLCCC (unless otherwise determined necessary by the Administrator).

**O. Recordable Instruments**

Bills of Sale, Builders Certificates, mortgages, financing charters, and related financial instruments may be recorded.

**P. Re-registration**

The procedure for re-registration is identical to that for registration as outlined in Chapter III,

except for the following:

- a. the new owner must acknowledge acceptance of the data in the yacht's Certificate of Tonnage Measurement for tonnage tax purposes, by submitting RMI form [MI-126, Acceptance of Certificate of Tonnage Measurement](#); but
- b. a Consent to Transfer or Deletion Certificate would not be required since the yacht would be staying in the registry.

**Q. Fees**

See [Schedule of Fees, Tonnage Tax and Charges](#) and [Methods of Payment](#).

**SECTION 4: Yachts Engaged in Trade**

**A. Registration Documentation**

Private yachts eligible to obtain a Temporary Certificate of Registry for Yacht Engaged in Trade ("yacht engaged in trade" or "YET") are registered under the laws of the RMI in the same manner as any other private yacht. YETs are authorized to charter for up to 84 days per calendar year in European Union (EU) waters (currently limited to French and Monegasque waters) and shall carry no more than 12 passengers. The standard application requirements outlined in Chapters I, II and III apply, except for classification as indicated in Section D below and registration fees as listed in Section O below in this Chapter.

**B. Application of Requirements for Registration**

The registration of YETs is limited to those of 24 meters or more in length which are carrying less than 12 passengers. The Administrator may, however, consider waiving the minimum size limitation and other requirements for YETs less than 24 meters in length given the necessary justification.

**C. Ownership**

As described in Section 203 of the [Maritime Act](#), an RMI citizen or national or a qualified foreign maritime entity must own the vessel. (See [Chapter II](#).) The term "citizen" or "national" includes RMI corporations, limited liability companies, partnerships, and limited partnerships.

**D. Suitability for Intended Service**

All YETs are subject to the applicable requirements of SOLAS, MARPOL, ILLC '66, ITC '69, COLREGS '72, STCW, MLC, 2006 and all other applicable international conventions. YETs, although privately registered, must maintain full commercial compliance at all times, whether or not engaged in trade and whether or not operating under a Private Yacht Certificate of Registry or a Temporary Certificate of Registry for Yacht Engaged in Trade.

YETs shall be able to demonstrate that their hull and machinery was built to a known high standard. This is typically accomplished by having the yacht built to Classification Society standards and issued a classification certificate. YETs of 500 GT or more must maintain classification and statutory certification with a Classification Society. Submission of a Certificate of Confirmation of Classification will satisfy this requirement. See RMI Marine Guideline [2-11-15](#) for a list of approved Classification Societies. The RMI Yacht Code provides guidelines for the establishment of suitability for intended service.

Furthermore, under SOLAS, any vessel carrying more than 12 passengers for consideration on board is considered to be a passenger ship, subject to the passenger ship rules and regulations, regardless of tonnage. Yachts or other vessels certified to carry more than 36 passengers would not be considered for registration as a passenger yacht, but as a passenger ship.

## **E. National and Statutory Compliance**

1. RMI Yacht Code (MI-103): All YETs must comply with the applicable requirements of Chapter I, II, and V of the RMI [Yacht Code](#) and all other applicable RMI laws and regulations.
2. SOLAS: Compliance with the applicable provisions of SOLAS, is as follows:
  - a. YETs of 500 GT or more must maintain classification and statutory certification with a Classification Society utilizing the RMI Yacht Code for equivalents that address the special circumstances of yacht design and operation.
  - b. All SOLAS yachts must comply with the ISM Code and ISPS Code requirements.
  - c. All non-SOLAS YETs of 100 GT and over must comply with applicable coastal State security regulations.
  - d. All YETs of less than 500 GT are required to implement and maintain a Mini-ISM system as outlined in Annex 1 of the RMI Yacht Code.

Appropriate SOLAS Convention certificates are to be issued by an organization recognized by the Administrator. See [RMI Marine Guideline MG 2-11-15](#) for a list of approved ARs and Classification Societies.

3. Ship Radio Station License: An RMI Ship Radio Station License is required on all yachts with a radio station on board. An appropriately certified radio operator must also be on board. A SOLAS Chapter IV Convention Safety Radio Certificate is required for all YETs of 300 GT or over which will entail GMDSS compliance and SOLAS Chapter V AIS compliance. National requirements apply to yachts of less than 300 GT. Guidelines to meet these requirements are provided in the RMI Yacht Code.
4. MARPOL: Compliance with MARPOL, is required as follows:
  - a. Annex I is applied to all YETs regardless of size unless expressly provided otherwise. All yachts are required to maintain an oil record book.
  - b. All YETs of 400 GT or more are required to be issued and carry on board an IOPPC in accordance with Regulation 5 of Annex I.
  - c. Annex IV is applied to all YETs certified to carry more than 15 persons on board and to all yachts of 400 GT or more regardless of the number of persons on board in accordance with Regulation 2.
  - d. Annex V is applied to all YETs regardless of size unless expressly provided otherwise.
  - e. Annex VI is applicable to all YETs of 400 GT or more and diesel engines with a power output of more than 130 kW installed on yachts constructed and delivered on or after 1 January 2000 and carry on board an IAPPC and/or an Engine IAPPC as required.

In addition, all YETs are required to meet local coastal state requirements for the control of pollution in their domestic waters that may exceed those of MARPOL.

5. COLREGS '72: RMI requires all YETs regardless of size to comply with COLREGS

'72.. The yacht's Classification Society or an AR must verify COLREGS '72 compliance.

6. ILLC '66: Compliance with ILLC '66 is mandatory for all YETs regardless of size. The RMI [Yacht Code](#) provides guidelines for the establishment and application of this load line requirement.
7. Minimum Safe Manning Certification: Minimum safe manning levels are established for every YET of 80 GT and over. Levels are determined by yacht size and propulsion power on either long or short international voyages and operating distance limitations from a port of safe haven. Minimum guidelines are provided in the RMI Yacht Code.
8. Seafarer STCW Certification: Officer and crew certification shall be in accordance with RMI [Maritime Regulations](#) and STCW requirements. Guidelines are provided in the RMI Yacht Code.
9. ML Certificate: RMI requires all YETs regardless of size to comply with the MLC, 2006, as may be amended from time to time. The yacht's Classification Society or AR must verify MLC, 2006 compliance. All YETs of 500 GT or more shall carry onboard an ML Certificate evidencing compliance.

For a full list of the applicable statutory requirements, registrants should reference [MI-103A](#).

## **F. Tonnage Measurement**

Compliance with ITC '69 and the issuance of a 1969 Certificate of Tonnage Measurement is required for YETs. A recognized Classification Society surveyor or an Authorized Surveyor may perform the admeasurements and certification.

Yachts operating exclusively in the domestic waters of the RMI will not require an international certificate of tonnage measurement regardless of size.

## **G. Insurance**

Proof of liability coverage from a P & I club or other underwriter, as applicable, in policy form acceptable to the Administrator is required. (See [Chapter III, Section 3\(B\)\(11\)](#).)

## **H. Home Port**

Either Jaluit or Bikini, Republic of the Marshall Islands, shall be the home port for YETs at the owner's option.

## **I. Tonnage Taxes**

YETs are assessed an annual tonnage tax payable in one (1) payment at registration for the first calendar year, and by the 1st of January each year thereafter. Upon receipt of payment, and subject to the requirements of Section 2.20 of the RMI [Maritime Regulations](#) as outlined in Section 2(K) of this Chapter, the Administrator will issue an annual tonnage tax receipt to the owner as proof of payment. A copy of the current tonnage tax receipt must be attached to the Private Yacht Certificate of Registry to maintain its validity.

**J. Declaration of Private Use with Intent to Request a Temporary Certificate of Registry for Yacht Engaged in Trade**

The Administrator recognizes that YETs do not always operate in a commercial capacity, the Declaration of Private Use with Intent to Request a Temporary Certificate of Registry for Yacht Engaged in Trade ([MI-127YET](#)) refers to the underlying Compliance Verification and establishes a compliance code for the yacht in the RMI Registry. It is for purposes of establishing, maintaining and measuring compliance with the RMI [Yacht Code](#) and does not interfere with the Certificate of Registry and/or usage of the yacht in any private capacity.

**K. Issuance of Certificates of Registry**

1. Private Yacht Certificate of Registry: Issuance of a Private Yacht Certificate of Registry is subject to the satisfaction of documentation requirements outlined in [Chapter III](#) as modified by this Chapter. Note that YETs are privately registered yachts that will maintain on board a Private Yacht Certificate of Registry at all times, but such Private Yacht Certificate of Registry is invalid for the period which the yacht carries a valid Temporary Certificate for Yacht Engaged in Trade.
2. Temporary Certificate of Registry for Yacht Engaged in Trade. Issuance of a Temporary Certificate of Registry for Yacht Engaged in Trade is subject to the following:
  - a. All requirements of this section 4 must be complied with including completion of a Compliance Verifications and the MI-127YET.
  - b. The yacht must either:
    - .1 be in possession of Valued Added Tax (VAT) paid certificate; or
    - .2 enter the EU under Temporary Admission in accordance with EU customs regulations, which allows the yacht to enter EU waters for up to 18 months.
  - c. The yacht owner, yacht manager, or their agents and representatives, must provide the Administrator with a copy of either the VAT paid certificate or the Importer/Exporter must provide the Administrator with the appropriate EU Customs documentation (Déclaration d'Importation: IM A) that states the period for which the yacht will be engaged in trade while under Temporary Admission if the yacht is not VAT paid.
  - d. The Administrator will issue a Temporary Certificate of Registry for Yacht Engaged in Trade reflecting the dates outlined on the EU Customs documentation for the period the yacht is chartered.

See RMI Marine Guideline [1-11-2](#) for further guidance.

3. Validity: The Private Yacht Certificate of Registry may be issued with an expiration date. The Temporary Certificate of Registry for Yacht Engaged in Trade will be issued for a specific time period. The continued validity of the Private Yacht Certificate of Registry and the validity of the Temporary Certificate of Registry for Yacht Engaged in Trade is contingent upon the following requirements being met by the yacht owner or operator:
  - a. maintaining good standing of the registered owning entity in the RMI;

- b. paying annual tonnage taxes and all other fees or assessments when due;
- c. retaining current classification status as necessary; and
- d. maintaining a valid Yacht Engaged in Trade Compliance Certificate (YETCC) which must be endorsed on an annual basis and renewed every five (5) years.

A tonnage tax receipt will be issued each year upon receipt of payment. A copy of the current tonnage tax receipt must be maintained with the Private Yacht Certificate of Registry for the certificate to be considered valid.

- 4. Notice of Suspension: Should any of the revalidation requirements above not be fulfilled by the yacht owner or operator, a Notice of Suspension of Registration will be issued by the Administrator.
- 5. Termination: Termination of the Private Yacht Certificate of Registry or Temporary Certificate of Registry for Yacht Engaged in Trade will result from the following reasons:
  - a. If the nonconformance cited in a Notice of Suspension of Registration is not corrected within 90 days of the issuance of the Notice of Suspension, the Private Yacht Certificate of Registry and any valid Temporary Certificate of Registry for Yacht Engaged in Trade will automatically be voided and the yacht stricken from the registry.
  - b. A transfer or change in ownership will result in a termination of the Private Yacht Certificate of Registry and any valid Temporary Certificate of Registry for Yacht Engaged in Trade unless the yacht is properly re-registered with the RMI.
  - c. The deliberate filing of a false or fraudulent Declaration of Private Use with Intent to Request a Temporary Certificate of Registry for Yacht Engage in Trade with the Administrator will result in the immediate termination of the Private Yacht Certificate of Registry and any valid Temporary Certificate of Registry for Yacht Engaged in Trade and the yacht stricken from the registry without appeal.

The Private Yacht Certificate of Registry and any valid Temporary Certificate of Registry for Yacht Engaged in Trade must be returned upon termination of registration for any reason.

**L. Compliance Verifications**  
(See RMI Marine Notice [2-011-53](#))

All YETs are subject to an initial Compliance Verification carried out by an AR. If the yacht is found to be in compliance with all requirements, the AR will issue a Short Term YETCC, as appropriate. Upon review and approval of the Short Term YETCC, the Administrator will issue and the yacht must maintain its full term YETCC.

All YETs are subject to an annual Compliance Verification. Annual Compliance Verifications carried out by an AR shall be within three (3) months on either side of the anniversary date of the Initial or Renewal Compliance Verification or as otherwise deemed necessary by the Administrator. Completion of an annual Compliance Verification is a condition for the continued validity of the Private Yacht Certificate of Registry and for the validity of a Temporary Certificate of Registry for Yacht Engaged in Trade.

**M. Recordable Instruments**

Bills of Sale, Builder's Certificates, financing charters, mortgages and related financial instruments may be recorded.

**N. Re-registration**

See [Chapter III, Section 7](#), for details on the re-registration procedures.

**O. Fees**

See [Schedule of Fees, Tonnage Tax and Charges](#) and [Methods of Payment](#).

(End)