86B.835 DEALER ACQUISITION AND TRANSFER.

Subdivision 1. **Certificate of origin required.** (a) A dealer may not purchase or acquire a new titled watercraft without obtaining a manufacturer's or importer's certificate of origin from the seller.

(b) A manufacturer, importer, dealer, or other person may not sell or otherwise dispose of a new titled watercraft to a dealer for purposes of display and resale without delivering to the dealer a manufacturer's or importer's certificate of origin.

Subd. 2. **Contents of certificate.** The manufacturer's or importer's certificate of origin must be of a form prescribed by the commissioner and contain:

(1) a description of the watercraft, including its trade name, if any, year, series or model, hull material, length, and hull identification number;

(2) certification of the date of transfer of the watercraft and the name and address of the person to whom the watercraft was transferred;

(3) certification that the transfer of the watercraft was in ordinary trade and commerce;

(4) the signature and address of a representative of the person transferring the watercraft;

(5) an assignment form, including the name and address of the person the watercraft is to be transferred to, a certification that the watercraft is new, and a warranty that the title at the time of delivery is subject only to the security interests stated on the title; and

(6) other information required by the commissioner.

Subd. 3. **Sale of new watercraft.** A dealer selling or exchanging a new titled watercraft, before delivering the watercraft to a purchaser, shall apply to the commissioner for a new title in the name of the purchaser. The application must contain the name and address of any secured party holding a security interest created or reserved at the time of sale and the date of the security agreement and must be accompanied by a manufacturer's or importer's certificate of origin. The application must be signed by the dealer and the owner, and the dealer shall promptly mail or deliver the application to the commissioner or a deputy registrar.

Subd. 4. **Used watercraft acquired for resale.** (a) If a dealer buys or acquires a used titled watercraft for resale, the dealer must apply to the commissioner or deputy registrar and obtain a title number before selling or exchanging the watercraft in the same manner as a new watercraft on forms the commissioner provides or apply for and obtain a certificate of title.

(b) If a dealer acquires a used titled watercraft for resale and the watercraft is covered by a certificate of title that is surrendered to the dealer by the owner at the time of delivery of the watercraft, the dealer need not send the certificate of title to the commissioner. Upon transferring the watercraft to another person, the dealer must promptly execute the assignment, showing the name and address of the person to whom the watercraft is transferred and forward the certificate to the commissioner or deputy registrar with the application for a new certificate of title.

Subd. 5. **Watercraft with foreign registration.** (a) Except as provided in paragraph (b), an application for a certificate of title for a watercraft last registered in another state or foreign country must contain or be accompanied by:

(1) a certificate of title or registration issued by the other state or foreign country; and

(2) other information or documents the commissioner requires to establish the ownership of the watercraft and the existence or nonexistence of security interests.

(b) If the state or foreign country where the watercraft was last registered does not issue certificates of title, the application must contain or be accompanied by:

(1) a proper bill of sale or sworn statement of ownership, certificate of registration, or evidence of ownership as required by the law of the state or foreign country; and

(2) any other information or documents the commissioner requires to establish the ownership of the watercraft and the existence or nonexistence of security interests.

History: *1989 c 335 art 1 s 225; 1990 c 391 art 10 s 3*