

1. Will the lien be placed on any snowmobile prior to July 1, 2009, and will it be at the time of renewal?

The Secretary of State has no authority to place a lien on a snowmobile registration prior to July 1, 2009. The process should be similar to adding liens on a car or truck title. A snowmobile dealer is required to apply on behalf of the buyer for the first registration using an "Application to Register a Snowmobile" form R2-L, available at the www.Michigan.gov/SOS website. The dealer should ensure that the lien-holder information is on the registration application. The lender should work with the snowmobile dealer to make sure this happens.

If the lender is working directly with the borrower, the lender should take the same steps that they would with a used vehicle purchase from a private party to ensure that the lien-holder information is recorded on the snowmobile registration.

If there is already a lien on a snowmobile and the lender wishes to have their information added to the registration after July 1, the customer may do so at any time by requesting a snowmobile registration correction. This could also be done at the time of renewal at any Secretary of State office.

Unfortunately, there will be no provisions for adding a lien when renewing by mail as much of that process is automated.

2. How will you know that a lien should be placed on the registration if it was completed before July 1, 2009?

Placement of a lien on a snowmobile registration is a way for the lender to protect their interests in the snowmobile being used as collateral.

The relevant law (MCL 324.82105

[http://www.legislature.mi.gov/\(S\(dpwrmbb3dygp45qdhakxvs\)\)/mileg.aspx?](http://www.legislature.mi.gov/(S(dpwrmbb3dygp45qdhakxvs))/mileg.aspx?)

page=getObject&objectName=mcl-324-82105> (1) requires the owner of a snowmobile, or a dealer applying on the owner's behalf, to provide the name and address of any holders of a security interest on the application.

The law does not require any action on the part of a lender.

Note that if there is a pre-existing loan on a snowmobile and a lender desires to have their information placed on a snowmobile registration, the lender may request that the customer do so at any time, at any Secretary of State office. If the customer is unwilling, I believe that lenders will be able to do so upon proper proof, but I would have to check with our branch policy and procedures area to be sure.

3. How do we go about placing a lien on a registration after July 1, 2009?

As mentioned above, the legal requirement is for an owner (or snowmobile dealer) to provide the lienholder information on an application for a registration. This may be on an application for an original registration, correction, or renewal (at a Secretary of State office).