



Marshall Islands Relaxes Mortgage Recording Requirements in Light of COVID-19

In response to the disruption cause by COVID-19 and social distancing requirements, the Republic of the Marshall Islands Maritime Administrator (the Administrator) has issued a temporary modification to the mortgage recording and acknowledgment requirements set out in the Republic of the Marshall Islands Maritime Act (the Act). Under the Act, mortgages and other recordable instruments are required to be submitted in original executed copies with acknowledgments by a notary public, special agent, or other official authorized to take an oath in order to be recorded. In many jurisdictions, stay at home and lockdown orders, as well as the need to practice social distancing, have caused in person meetings to ground to a halt.

The Administrator has issued Marine Notice No. 1-004-3, a full copy of which is available here, that temporarily allows:

- Acknowledging of recordable instrument by electronic mean or processes approved by the Administrator. Under certain circumstances, the requirement for acknowledgments or notarization may be waived altogether;
- 2. When it is not possible to deliver original documents, documents may be submitted in electronic form with the originals to follow by courier; and
- 3. The Administrator reserved the right to make further modifications or waive additional requirements of the Act as needed.

The Administrator took this extraordinary step under authority granted under Section 203(h) of the Act that provides that the Administrator "may for good cause shown, including but not limited to cases of international, civil, political, or military crisis temporarily suspend or modify the requirements … for recordation of instruments under Chapter 3 and for good cause shown, … cause such instruments to be recorded under Chapter 3."

We anticipate that, in the future, other ship registries will adopt similar modifications to their mortgage recording requirements to address the COVID-19 crisis. We will keep you advised of further developments and stand ready to assist.



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