

New and Used Boat Buyer's Guide

boat buying made easy

This handy guide provides you with the essential questions that you should be asking your broker/dealer when purchasing a new or second-hand boat. Being well prepared will help to ensure that you avoid potential pitfalls.

BEFORE BUYING YOUR BOAT

- ✓ Is the broker/dealer a member of an association which operates a Code of Practice/Conduct that its members must adhere to:
 - British Marine Federation (BMF),
 - Boat Retailers and Brokers Association (BRBA) – (a group association within the BMF), or the
 - Association of Brokers and Yacht Agents (ABYA)?
- ✓ If you are buying a second hand boat, does your broker operate a properly administered designated client account¹, and will your purchase monies be kept in this account during the brokerage transaction?
- ✓ If you are buying a new boat either through a dealer or from stock, what are the payment arrangements, what stage payments, if any, are required and when does title in the boat pass to you?
- ✓ Is there marine finance on the boat and if so what are the detailed arrangements for payment and discharge of it prior to completion?
- ✓ What title documentation will the seller provide for the boat? For example;
 - Part I Registration, Builder's Certificate
 - Previous Bills of Sale
 - Evidence of RCD compliance
 - Evidence of VAT statusEnsure that you see a copy of and are satisfied with the seller's title documents before you enter into a binding agreement.
- ✓ Will your broker/dealer use an approved contract such as the standard BMF/ABYA contracts?
- ✓ Is the contract subject to a sea-trial and survey or is it unconditional? It is strongly advised that an independent survey is obtained when buying a second-hand boat.
- ✓ Will the contract contain a specification/inventory?
- ✓ At what stage does the boat become yours and when do you become responsible for insuring the boat, paying mooring fees etc?
- ✓ What are the arrangements for completion? For example, payment of monies, handover of keys and title documentation?

¹ An account in which client monies are held by a company, which should be completely separate from the company's current account.

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ONCE YOU HAVE BOUGHT YOUR BOAT:

- ✓ If the boat is registered, will your broker/dealer arrange for transfer of the registration to your name?
- ✓ If the boat is not registered, will your broker/dealer take care of registration on your behalf?
- ✓ Consider specific training courses to help you get the most out of your boat. Visit www.rya.org.uk or www.marineleisure.co.uk to find RYA registered training providers

The process can be different depending on whether you are buying a new or second-hand boat. The RYA is able to provide its members with legal advice on all aspects of buying and selling a boat. Membership of the RYA costs £39 (£36 if paying by direct debit) a year. Benefits include access to free legal advice on all aspects of boating within the UK, it also includes discounts on their books, such as 'Buying a Second-hand Yacht' and 'Buying a New Yacht'.

The BMF and BRBA Code of Practice require BMF members involved in brokerage to operate dedicated client accounts to handle customer monies².

THE BRITISH MARINE FEDERATION (BMF)

is the trade association for the boating industry. It has over 1500 members drawn from both the seagoing and inland sectors of the marine industry. Members include boat builders, holiday providers, equipment and electronics manufactures, clothing manufacturers and support services such as insurance. Members are required to abide by a Code of Practice which includes everything from providing quality goods and services to charging fair prices, which gives you peace of mind when buying from a BMF member. For a full, searchable, list of members visit www.britishmarine.co.uk

THE RYA

is for people who love being on the water, enjoying either; the freedom of cruising or the thrill of racing, whether under power or sail. Above all, the RYA is here to help beginners and experts alike get the most from their time on water through a host of excellent member services and benefits and internationally renowned training courses. For more information see www.rya.org.uk

THE ASSOCIATION OF BROKERS AND YACHT AGENTS (ABYA)

is the UK professional association for brokers, dealers and distributors for both new and second-hand boats. All members are required to hold Professional Indemnity and Public Liability insurance and operate a Client Account. Events to support members' continuous professional development are organised. The ABYA Code of Practice can be seen on the ABYA website at www.abya.co.uk, as can a full list of members and their contact details.

² Holding a client account became a requirement for BMF/BRBA members involved in brokerage in July 2008. These members must provide evidence that their bank confirms that it considers the client account to be completely separate from the company's current account or that they have an arrangement with a solicitor to hold client monies on behalf of clients during the brokerage transaction. The operation of such an account should provide better protection for client monies.

