Creation and Release of Liens

Creation of a Lien
Missouri law states that for a lien to be perfected the date it is created, and to protect the creditor from the buyer's/debtor's possible bankruptcy, the notice of lien should be perfected (received by the Department) within 30 days from the date of the loan.

Perfecting a Lien

- A lien is a claim on the property of another, i.e., vehicle, vessel, etc., as security for payment of a debt.
- To perfect a lien on a motor vehicle, trailer, manufactured home, boat, or outboard motor, see the chart below.
- File your lien online at: https://dors.mo.gov/dmv/nol/loginLink.do
- All certificates of title will be mailed to the owner named on the certificate of title unless the owner designates a "Mail-to" on the application for title or provides written authorization for other handling.

Filing Notice of Lien Online
A primary (first) lienholder can file a notice of lien using the Department’s online Notice of Lien System (NOL).
- A second lienholder cannot file a notice of lien using the Department’s online NOL system as the second lienholder must obtain the written authorization from the first lienholder and provide the written authorization when filing their NOL.
- Information on how to obtain access and file notice of liens using the Department's online NOL system can be found at dor.mo.gov/motorv/liendeal/

Below is a summary of documents and fees required based on the type of transaction:

<table>
<thead>
<tr>
<th>TRANSACTION TYPE</th>
<th>REQUIRED DOCUMENTS/FEES</th>
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</table>
| FILING FIRST LIEN ONLINE WITHOUT OWNERSHIP DOCUMENT  | - Vehicle/Vessel/ObM:                                                                                       
  o Notice of Lien or Lien Release or Authorization to Add/Remove Name From Title (Form-4809); or  
  o Application for title (Form-108 or 93).   
  $2.50 processing fee.                                                                                       |
| FILING SECOND LIEN WITHOUT OWNERSHIP DOCUMENT (Cannot file online)                                       | - Same requirements as listed above.                                                                                                                                  |
| NO CHANGE OF OWNERSHIP                                | - Application;                                                                                               
  o Vehicle – Application for Missouri Title and License (Form-108) with "Title and Notice of Lien" box checked; or  
  o Vessel/ObM – Application for Missouri Boat/Vessel or Outboard Motor and Registration (Form-93) with "Title and Notice of Lien" box checked.   
  Certificate of title;                                                                                       
  Notice of Lien, Lien Release, Or Authorization to Add/Remove Name From Title (Form-4809);  
  Lien authorization or release of the existing lien is not required if the lienholder is only updating a lien (same owners  

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You may take the documents to your local license office or mail to the Motor Vehicle Bureau PO Box 100, Jefferson City, MO 65105-0100.

Releasing a Lien

On a motor vehicle, trailer, manufactured home, vessel, or outboard motor, Sections 301.640, 306.420, and 700.370, RSMo require the lienholder to release the lien on a separate document within 5 business days after the lien is satisfied. The release document shall be notarized. Each perfected second lienholder, if any, shall release such lien in the same manner.

- Lien releases made on or after July 1, 2003, may no longer be released on the face of a Missouri title, but must be released as follows:
  - If the lienholder is an individual, a notice of release (lien release section of Form-4809) must be completed, signed, and notarized. An estate executor may release the lien by submitting the above with an original or certified copy of the probate court order.
  - If the lienholder is a business entity, a completed, signed, and notarized notice of release (lien release section of Form-4809) or a notarized lien release on the lienholder’s letterhead listing the year, make, vehicle identification number, lien release date, lienholder name and signature, and vehicle owner’s information must be submitted; or
    - A faxed copy may be accepted as long as the notary information is legible.
  - If the above cannot be obtained, the original security agreement stamped “paid” with the official seal of the lienholder will be accepted. The seal must contain the lienholder’s business name (a stamp that only shows “paid” is not acceptable).

- Lien releases made prior to July 1, 2003, may be released on the face of the title or as listed above and do not have to be notarized.

- If the owner is unable to obtain a lien release, a court order instructing the director of revenue to release the lien must be submitted.

- Some states still require the lien to be released on the face of the title. For these states, Missouri will accept this method of lien release. The out-of-state title must be notarized only if that state currently requires the release to be notarized.

- To release a lien recorded on a certificate of title when the accounts/assets of the lienholder have been taken over by the FDIC due to insolvency and/or liquidation, a document from the FDIC must be submitted.
  - The document from the FDIC must grant power of attorney to the receiver of the account and list the names of the insolvent lienholder and the lienholder that took over the account. If the power of attorney references an “asset pool” only, rather than the name of the insolvent lienholder, a separate document listing the insolvent lienholder is required.
NOTICE OF LIEN OR RELEASE FORM (Form-4809)

An explanation for each required field is contained on the following pages.
INSTRUCTIONS FOR COMPLETING A NOTICE OF LIEN OR LIEN RELEASE FORM (FORM-4809)

1. For DOR Use Only – Office staff should validate this area for the appropriate processing/agent fee.

The following must be completed in order to file a lien:

2. Owner's Name – Enter the owner’s name exactly as shown on the title application in last, first, and middle sequence. To release a lien in multiple names on the title, only one is required on release.
   Street Address – Enter the owner’s street address.
   County – Enter the county in which the owner lives.
   City, State, and ZIP Code – Enter the owner’s city, state and zip code.

3. DLN, SSN, OR FEIN Number – Enter the Driver License Number, Social Security Number, or Federal Employee Identification Number (FEIN) of the owner.

4. Type of Unit – Check the appropriate block to indicate motor vehicle, ATV, trailer, manufactured home, vessel, or outboard motor.

5. Year – Enter the year of the unit, e.g., 04, 05, etc.
   Make – Enter the make of the unit, i.e., Ford.
   Identification Number – Enter the identification number of the motor vehicle, ATV, manufactured home, trailer, vessel, or outboard motor.

6. Purchase Date – Enter the purchase date of the unit.

7. Previous Title Number – Enter the previous title number, if available.

8. Net Price – Enter the net price of the unit after any trade-in credit or rebate has been deducted.

9. First Lienholder's Name – Enter the name of the first lienholder. "As agent" may be recorded following the lienholders name. Please note that only the first 20 characters (including spaces) of the name will appear on the certificate of title.
   Street Address – Enter the first lienholder’s street address.
   City, State, and ZIP Code – Enter the first lienholder’s city, state and zip code.

10. FDIC or ID Number – Enter the Federal Deposit Insurance Corporation (FDIC) number or other lienholder identification number of the second lienholder, i.e., dealer number, etc.

11. Lien Date – Enter the date of the security agreement (lien date) for the first lienholder.

12. Subject to Future Advances (First Lienholder) – Mark this block if the unit is subject to future advances.

13. Loan or Unit Number – This box is used to record the loan or unit number provided by the first lienholder.
14. **First Lienholder Authorization** – To add a second lien, the first lienholder’s authorized agent must sign.

15. **Second Lienholder’s Name** – Enter the name of the second lienholder.  
**Street Address** - Enter the first lienholder’s street address.  
**City, State and ZIP Code** – Enter the city, state and ZIP code of the second lienholder.

16. **FDIC or ID Number** – Enter the Federal Deposit Insurance Corporation (FDIC) or identification number of the second lienholder.

17. **Second Lien Date** – Enter the date of the security agreement (lien date) for the second lienholder, if applicable.

18. **Loan or Unit Number** – This box is used to record the loan or unit number provided by the second lienholder.

19. **Lienholder Authorization** – Check the box and complete owner information only if adding/removing name from the title.

20. **Lien Release** – Check this box to release a lien.

21. **Lienholders’ Name as Shown on Title** – Enter the name of the lienholder that is releasing the lien as it appears on the face of the title.

22. **Printed Name of Lienholder’s Agent** – Print the name of the lienholder’s agent that is releasing the lien.

23. **Signature of Lienholder’s Agent** – The authorized agent of the lienholder must sign.

24. **Lien Creation Date** – Enter the lien creation date.

25. **Release Date** – Record the date the lien is released.

26. **Notary Public Information** – This section must be completed by a notary public.
An explanation for each required field is contained on the following pages.
INSTRUCTIONS FOR COMPLETING A NOTICE OF LIEN FORM (DOR-108)

1. **Office Validation** – (Office Validation) this space must legibly show the office number and the date the transaction was validated.

2. **Owner's Name & Address** – Enter the name, street address, city, state, and ZIP of the owner.

3. **County** – Enter the county name in which the applicant’s address is located.

4. **DLN, SSN, or FEIN Number** – The applicant’s identification number should be entered as outlined below:
   - Individual Name - Enter the Driver License Number or Social Security Number.
   - Business Name - Enter the Federal Employee Identification Number (FEIN).

5. **Price** – Enter the gross sale price of the motor vehicle, trailer, all-terrain vehicle or manufactured home.

6. **Year** – Enter the last two digits of the vehicle’s model year, example: 04.

7. **Make** – Enter the make of the vehicle, i.e., Ford.

8. **Vehicle Identification Number** – Enter the vehicle identification number correctly and completely as listed on the surrendered Manufacturer’s Statement of Origin or the assigned certificate of ownership.

9. **Purchase Date** – Enter the purchase date of the unit; as mm/dd/yy.

10. **Previous Title Number** – Enter the previous title number of the vehicle being titled, if available.

11. **Kind of Vehicle (KOV)** – Record the correct code as listed on the title application.

12. **Net Price** – Enter the net price of the unit after any trade-in credit or rebate has been deducted.

13. **First Lien** – Mark the appropriate box to record a first lienholder.
14. **Security Agreement Date** – Record the first lien date.

15. **Lienholder’s Phone Number** – Record the lienholder’s phone number.

16. **First Lien** – Record the first lienholder’s name and complete address.

17. **Second Lien** – Mark the appropriate box to record a second lienholder. Mark this box to have title mailed to alternative address below: mailed to an address than what is listed in area of the application. This box cannot be used if second lien or STFA applies. (See MV1-1)

18. **Second Lien** – Record the second lienholder’s name and complete address.

19. **Subject To Future Advances (STFA)** – Mark this box if the unit is subject to future advances.

20. **Security Agreement Date** – Record the second lien date.

21. **First Lienholder Authorization** – To add a second lien, the first lienholder’s authorized agent must sign.

22. **OFFICE VALIDATION** – This space is used by state offices to validate the transaction for the $2.50 processing fee.

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**Name Change - No Change of Ownership**

On occasion, the owner listed on the face of a certificate of title may change his or her name because of marriage, divorce, adoption, personal reasons, etc. To reflect this change on the certificate of title, the owner must submit a completed Application for Missouri Title and License (DOR-108), the outstanding certificate of title in his or her name, and one of the documents listed below. **Because there is no change of ownership, the certificate of title is not required to be assigned.**

- A copy of the marriage certificate or newspaper clipping when a name change occurs because of marriage;

- A copy of the divorce decree that specifically states the individual’s name was restored to its previous state when a divorce occurs and the former wife changes her name to her previous (maiden) name;

- Authorized adoption papers issued through the Circuit Court, Juvenile Division, indicating a change of name when an individual is adopted and a name change occurs; or
Adding or Deleting Names

A certified document from the Circuit Court Division when an individual elects to have his or her name changed because of personal reasons. The order from the court must state the name the individual formerly used and the full name currently being used by the individual.

To add or delete a name on a certificate of title, the following must be submitted:

- All copies of the completed Application for Missouri Title and License (DOR-108), or Application for Missouri Watercraft or Outboard Motor Title and Registration (DOR-93) with the title type marked as “ORIGINAL;”
- The properly assigned certificate of title;
  - The lien is not required to be released in this case, but must be shown on the application for title.
- The appropriate title and processing/agent fee.
- Notice of Lien, Lien Release, or Authorization to Add/Remove Name from Title

In most cases, the license plates currently being used on the vehicle may remain on the vehicle. Please contact your local Department of Revenue license office for complete instructions.

On occasion, the purchaser of a newly acquired motor vehicle or trailer will request the Department to add or delete another individual’s name to or from the ownership document at the time an application for title is submitted to a license office.

Adding or deleting an owner name from the title does not affect a perfected lienholder’s security interest, the lienholder’s ability to obtain a repossession title, or the lienholder’s rights in bankruptcy.

When a name is being deleted, a statement must be submitted by the individual whose name is being deleted.

Upon presentation of the required documents and fees, an individual’s name may be added or deleted on an application for title.

House Bill 269, which went into effect August 28, 2009, requires Authorization from Lienholder when adding or dropping a name from a title. Use Form 4809 (Notice of Lien, Lien Release, or Authorization to Add/Remove Name from Title) signed by a lienholder or a statement on a lienholder’s letterhead for authorization.
A copy of a certificate of title with the lien released is not acceptable proof for releasing a lien at the time application is made for a duplicate title unless the lienholder shown is no longer in business. A statement from the Secretary of State’s Office, the Federal Deposit Insurance Corporation (FDIC), or Federal Savings and Loan Association stating the lienholder is no longer in business must be submitted with the copy of the certificate of title showing the lien released.

**General Information**

On occasion, a lienholder will release the lien on a vehicle before the original certificate of title reflecting the lien issues in the owner’s name. This usually happens when the applicant fails to pay his or her taxes in a timely manner. In this situation, the lien may be released after the taxes are paid by submitting one of the lien release documents referenced on page 6-2, under “Releasing a Lien.” If the vehicle was purchased for less than $6,000 and six years has elapsed since the creation of the lien, a lien release may not be required as outlined below.

Section 301.640.3, RSMo provides that if the purchase price of a motor vehicle or trailer did not exceed $6,000 at the time of purchase, a lien shown on the certificate of title shall be considered satisfied within six years from the date the lien was originally perfected. In this case, the lien does not have to be released by the lienholder. These provisions do not apply in the following situations:

- If the lienholder was a bank, credit union, savings and loan, or other depository institution, or a motor vehicle financing company whose net worth exceeds $100,000,000, i.e., GMAC, Ford Motor Credit, etc.
  - The liens that **do qualify** under this provision are those made by dealers, individuals, and other entities not excluded above.

- If the certificate of title has “Subject to Future Advances” recorded in the second lienholder area of the title; or

- If the lien has been re-perfected since the original date of perfection or a new lien has been perfected on the title.

**EXAMPLE:** Mike Smith purchased a motor vehicle on June 27, 1995, from a dealer for $5,500. The dealer financed the vehicle. When the title issued on July 20, 1995, it was mailed to the dealer showing the lien. On August 28, 2003, Mr. Smith applies for a duplicate title to the vehicle. Because the purchase price of the vehicle was less than $6,000 and at least six years has passed since the lien was perfected, Mr. Smith may obtain a clear title without submitting a lien release from the dealer.
If a notice of lien is received from the lienholder within 30 days of the creation of lien date and the Department has issued a title that does not reflect the lien, the Department will:

- Recall the incorrect title; and
- Issue a new title with the correct lien information shown.

It is important that the lienholder promptly files the notice of lien to keep occurrences of titles being issued without the correct lien information shown to a minimum.

Sections 301.600.3, 306.400.4, and 700.350.3, RSMo provide that liens on motor vehicles, trailers, manufactured homes and marinecraft (boats and motors) may secure future advances if certain procedures are followed. For example, a lienholder may file a notice of lien on a vehicle with the Department and later allow the vehicle owner to refinance his or her vehicle, borrow additional money or extend his or her line of credit under the original security agreement. The lienholder does not have to “update” or re-perfect the lien by filing another notice of lien with the Department on the same vehicle. The lien already shown on the certificate of ownership will secure any future loan made against the vehicle as long as the loan is an extension or addendum to the original loan agreement.

For a lien on a motor vehicle, trailer, marinecraft, or manufactured home to secure future advances, the following requirements apply:

- The security agreement evidencing indebtedness must clearly state the fact that a lien may secure future advances. The Department is not required to witness the agreement.

- The lienholder must check the "STFA" block on the notice of lien form. The applicant must check the second lien block and the “STFA” block on the title application.
  - When the corresponding certificate of title issues, “Subject to Future Advances” will appear in the second lienholder area on the face of the certificate of title.

- “Subject to Future Advances” may not be recorded on any application for title or lien perfection or the subsequent certificate of title issued if a second lienholder is shown.

- If the original lien has already been released on the certificate of title, the lienholder would have to file another notice of lien on the vehicle, as the provisions to secure future advances would be terminated.
General Information

Lienholders may note the fact that a lien secures future advances on any application for an original title or notice of lien on a motor vehicle, trailer, manufactured home, boat, or motor. This includes applications for title involving a change of ownership, updating/adding a lien, or changing a name.

New Requirements Effective August 28, 2006

All DOR license offices can accept repo title applications for motor vehicles, trailers, ATVs, manufactured homes, boats/vessels, outboard motors. These applications may still be submitted to the Motor Vehicle Bureau, PO Box 1008, Jefferson City, MO 65105-1008.

To obtain a repossession title, the lienholder must submit the following documents and fees.

Repossession Titling Requirements

Motor vehicles, trailers, ATV’s, or manufactured homes:

Application/Affidavit for Missouri Repossession Title (DOR-5005);

Boats/vessels or outboard motors:

Application for Missouri Watercraft Title and Registration (DOR-93);

General Affidavit (Form-768) with item 5 completed, signed, and notarized;

All units:

A copy of the Notice of Lien (NOL) receipt or the original title reflecting the lienholder;

$10 title fee or $15 quick title fee (if applicable); and $2.50 processing fee.

Before making application, the lienholder must provide 10 days written notice to the owner and any other lienholders by first class mail; postage prepaid, of their intent to file for a repossession title, or must obtain the written consent from all parties to repossess the unit. Lienholders may access the Department’s records online to ensure they have notified all interested parties of record. Applications for online access can be obtained at http://www.dor.mo.gov/mvdl/motorv/liendeal/.