

Washington Repairman's Lien



What is a lien?	This is your right to keep, repossess, and/or sell repaired equipment to make sure you get paid for repair work you do for the customer.
When is a lien needed?	When you repair equipment but the customer doesn't pay you when the work is finished. However, it is imperative to get permission from the owner of the equipment before you repair it. Find out whether the equipment is leased, and—if so—get the owner's permission, not the renter's permission.
How do I get a lien?	<p>If you hold onto the equipment, you will have a lien on the equipment.</p> <p>If you release the equipment, you will lose your lien unless you file a Notice of Lien in the office of the auditor of the county in which the equipment is kept within 90 days after you deliver the equipment to the owner. If your customer is not the owner, do not release the equipment until you have been paid.</p> <p>For an example of the Notice of Lien, please use the following link: Notice of Lien</p>
How do I lose the lien?	If you no longer have the equipment in your possession and you fail to file the Notice of Lien before the deadline. You will also lose your lien if you do not start legal action to enforce your lien within 9 months of the date you filed your Notice of Lien.
How do I get paid?	<p>You may sell the equipment by following these steps:</p> <p>Before the sale, deliver a Notice of Sale to the owner of the equipment and anyone that has filed a UCC financing statement with the State of Washington covering the equipment. There is no specific time frame in which the Notice of Sale must be mailed to the owner and lien holders, so long as it is commercially reasonable. For an example of a Notice of Sale, please use the following link: Notice of Sale.</p> <p>The sale may take place at any time and place and on any terms so long as the method, manner, time place and terms are commercially reasonable.</p> <p>You can also sell by filing a lawsuit. To learn more about this option, please contact an attorney.</p> <p>Important Note: It is recommended that you add the following statement to your repair work ticket documentation that the customer signs: "Customer acknowledges and agrees that if the equipment is sold to satisfy all or part of the amount due for the work performed by Dealer, Customer will be liable for any outstanding balance remaining after such</p>

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	sale." Without this language, a delinquent customer may be able to take the position that they are not liable for the balance due.
When does my lien have priority over the bank's security interest?	Your lien will only have priority over liens filed after you began repairing the equipment.
These materials are intended to be general summaries only. Contact your attorney for your specific situation.	