

**THE STATE OF SOUTH CAROLINA  
In The Court of Appeals**

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APPEAL FROM CHARLESTON COUNTY

Court of Common Pleas

Deadra L. Jefferson, Circuit Court Judge

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**Jan 09 2026**

**SC Court of Appeals**

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Appellate Case No. 2025-002466

Case No. 2024-CP-10-03700

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Joseph W. Rohe,

Respondent,

v.

SHM Charleston City Marina, LLC d/b/a  
Safe Harbor Charleston City, and SHM  
Charleston Boatyard, LLC d/b/a Safe  
Harbor City Boatyard,

Appellants.

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**INITIAL BRIEF OF APPELLANTS**

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## STATEMENT OF ISSUE ON APPEAL

- I. Does the Federal Arbitration Act apply to an arbitration provision within a maritime service agreement between a professional marine service yard and a customer for the servicing, supplying, and storage of a maritime vessel?

## STATEMENT OF THE CASE

### I. NATURE OF THE ACTION AND DEFENSES THEREIN

This appeal concerns the application of the Federal Arbitration Act, 9 U.S.C. §§ 1–16 (“FAA”), relative to a maritime service agreement involving the servicing, supplying, and storage of a maritime vessel. It presents a straightforward, but consequential question: Must a court enforce a written arbitration agreement found in a maritime contract governed by the Federal Arbitration Act? The FAA answers, unequivocally, “yes.”

Respondent Joseph W. Rohe (“**Respondent**”)—owner of a forty-eight-foot (48’) 2013 SwissCat 45 catamaran—retained SHM Charleston City Marina, LLC d/b/a Safe Harbor Charleston City, and SHM Charleston Boatyard, LLC d/b/a Safe Harbor City Boatyard (collectively, “**Safe Harbor Appellants**”), two professional marine service entities operating on navigable waterways, to perform servicing on his vessel. The servicing and maintenance of the vessel also inherently required storage of the vessel as well. The contract governing that work was not an incidental contract tangentially connected to maritime activity. It was, in every respect, a maritime service agreement. And, importantly, the maritime service agreement contained a valid and enforceable arbitration provision.

In executing the service agreement, Respondent expressly consented to a broad, binding arbitration clause. In pleading seven causes of action, all explicitly arising out of the maritime service agreement, Respondent sought to litigate—rather than arbitrate—those claims. In

Respondent's view, the service agreement is not governed by the FAA. However, contrary to Respondent's position, the service agreement constitutes a maritime transaction and it also implicates interstate commerce. As a result, the FAA applies and the arbitration provision must be enforced.

As the South Carolina Supreme Court has recently reminded litigants and lower courts, the Supreme Court has "dispensed with th[e] incorrect notion" that "there is a federal and state 'policy favoring arbitration.'" *Lampo v. Amedisys Holding, LLC*, 445 S.C. 305, 317, 914 S.E.2d 139, 146 (2025) (citing *Palmetto Constr. Grp. v. Restoration Specialists, LLC*, 432 S.C. 633, 639, 856 S.E.2d 150, 153 (2021)). However, courts must also avoid overcorrection by failing to enforce valid arbitration provisions governed by the FAA. Indeed, despite the fact there is no policy favoring arbitration, "courts must [still] respect and enforce a contractual provision to arbitrate as it respects and enforces all contractual provisions." *See Palmetto Constr. Grp.*, 432 S.C. at 639, 856 S.E.2d at 153. The Circuit Court, in part, incorrectly relied upon *Lampo* in denying arbitration, thereby resulting in an unfortunate overcorrection. (Order on Motion to Alter or Amend, p. 3.) Ignoring the maritime nature of this transaction in an attempt to comply with *Lampo* constitutes an error of law that undermines both the FAA generally and the contract between the parties specifically. This Court's de novo review is not only appropriate but necessary to course correct. This Court should therefore reverse the Circuit Court's Orders, restore the proper analytical framework for arbitration provisions under the FAA, and protect and enforce the parties' maritime contract.

## **II. FACTUAL AND PROCEDURAL BACKGROUND**

### **A. The Parties**

Respondent is an attorney, residing and practicing in Greenville, South Carolina, and the

owner of a forty-eight-foot (48') 2013 SwissCat 45 catamaran (“Vessel”). (Am. Compl. ¶¶ 2, 3, 8; Motion to Dismiss, Ex. A.) Respondent alleges Safe Harbor Charleston City is a limited liability company organized and existing under the laws of the State of Delaware. (Am. Compl. ¶ 4.) Likewise, Respondent alleges Safe Harbor City Boatyard is a limited liability company organized and existing under the laws of the State of Delaware. (Am. Compl. ¶ 5.)

The Safe Harbor Appellants operate on the Ashley and Wando Rivers in and around Charleston, South Carolina, both rivers being navigable waterways.<sup>1</sup> *See, e.g., Brownlee v. S.C. Dep’t of Health & Env’t Control*, 382 S.C. 129, 138, 676 S.E.2d 116, 120–21 (2009) (“Navigable water is a public highway which the public is entitled to use for the purposes of travel either for business or pleasure.”) (quoting *State ex rel. Lyon v. Columbia Water Power Co.*, 82 S.C. 181, 189, 63 S.E. 884, 888 (1909)); *Lockwood v. Charleston Bridge Co.*, 60 S.C. 492, 38 S.E. 112, 114 (1901) (“[T]he court will take judicial notice that Ashley river, near Charleston, is a navigable stream[.]”); *Gehlken v. McAllister Towing & Transp. Co.*, No. 2:03-3935-DCN, 2007 WL 2332487, at \*7 (D.S.C. Jan. 29, 2007) (holding admiralty jurisdiction in a case recognizing the Wando River as “a navigable river”); *Cape Romain Contractors, Inc. v. Wando E., LLC*, 405 S.C. 115, 124, 747 S.E.2d 461, 465 (2013) (holding the Wando River is “a channel of interstate commerce”); *see also* S. Scott Bluestein, *Pleasure Boats and Jet Skis: Does Admiralty Law Apply?*, S.C. Law., Oct. 1999, at 33, 34 (“Navigable waters in South Carolina include the Atlantic Ocean; the Intracoastal Waterway; the Savannah, New, Beaufort, Edisto, Stono, Ashley, Cooper, Wando . . . Rivers; [and] Charleston Harbor . . .”).

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<sup>1</sup> Specifically, Respondent alleges Safe Harbor Charleston City’s address is 7 Lockwood Drive in Charleston, South Carolina and the Service Agreement has Safe Harbor City Boatyard’s address as 130 Wando Creek Lane in Charleston, South Carolina. ”). (Am. Compl. ¶ 9; Motion to Dismiss, Ex. A, p. 1.) It is indisputable these addresses are located on and have access to the Ashley and Wando Rivers, respectively.

**B. The Service Agreement and Respondent’s Allegations**

On March 18, 2024, Respondent and Safe Harbor City Boatyard executed a maritime service agreement (“Service Agreement”) for Safe Harbor City Boatyard to perform certain servicing, supplying, storing, repairing, and/or maintenance work regarding the Vessel’s shore power and engines, amongst other services, as depicted below:

Boat Information						
Boat Name <b>CATALYST</b>	Make <b>SWIRSCAT</b>	Model <b>S2C 45</b>	Year <b>2013</b>	Hull ID#	Key/Combo	Length [LOA] <b>48</b>
			Beam <b>24</b>	Draft		
Attention: all food/bait must be removed from vessel prior to arriving at the boatyard, we are not responsible for loss of power for any reason and are not responsible for any damages caused by spoilage, etc.						
Work Desired						
<input checked="" type="checkbox"/> Shore Power:	<input type="checkbox"/> 30A	<input checked="" type="checkbox"/> 50A	<input type="checkbox"/> Nightly	<input type="checkbox"/> Monthly	<input type="checkbox"/> Check/Replace Hoses, Belts, Clamps, Impellers	
<input type="checkbox"/> Haul/Block/Launch	<input type="checkbox"/> Survey / Short Haul				<input type="checkbox"/> Take Coolant Samples and Send Out	
<input type="checkbox"/> Pressure Wash	<input type="checkbox"/> Load/Offload				<input type="checkbox"/> Recondition Prop	
<input type="checkbox"/> Bottom Paint:	<input type="checkbox"/> (1) Coat	<input type="checkbox"/> (2) Coats			<input type="checkbox"/> Check/Load Test Batteries	
Paint Type:					<input type="checkbox"/> Rig/Derig Mast	
<input type="checkbox"/> Prep, Prime and Paint Running Gear*					<input type="checkbox"/> Step/Unstep Mast	
*Running gear: trim tabs, engines, shafts, struts, props, thrusters.					<input type="checkbox"/> Dehumidifier	
<input type="checkbox"/> Full Detail of Exterior of Boat					<input checked="" type="checkbox"/> Engine Service, fluids/filters, etc.	# of Engines: <b>2</b>
<input type="checkbox"/> Buff and Wax Hull Sides					Engine Make/Model: <b>YANMAR</b>	
<input type="checkbox"/> Clean and Wax Smooth Areas on Deck					Current Engine Hours: <b>?</b>	Engine Year: <b>2013</b>
<input type="checkbox"/> Check, Lube and Adjust Seacocks					Additional work needed: <b>GENSET LOW OUTPUT (182V)</b>	
<input type="checkbox"/> Check/Repack Shaft Stuffing Boxes					<b>• WATERMAKER NO HIGH PRESSURE</b>	
<input type="checkbox"/> Renew Underwater Zinc(s)						

(Motion to Dismiss, Ex. A, p. 1.)

Respondent alleges that, between March 18, 2024, and May 6, 2024, the Safe Harbor Appellants performed certain services on the Vessel that caused damage to the Vessel. (Am. Compl. ¶¶ 9–11.) Additionally, Respondent alleges the Safe Harbor Appellants invoiced and charged Respondent for work that was not performed, double charged for work, and otherwise overcharged Respondent in various particulars as will be shown more fully via discovery and at trial. (Am. Compl. ¶ 11.) In the Amended Complaint, Respondent alleges seven causes of action: (1) negligence; (2) negligent misrepresentation; (3) breach of contract; (4) fraud; (5) breach of contract accompanied by a fraudulent act; (6) unjust enrichment; and (7) unfair trade practices.

Respondent's Amended Complaint expressly references, and his causes of action rely upon, the Service Agreement.<sup>2</sup> (Am. Compl. ¶¶ 12–38.)

### C. Arbitration Provision

Respondent expressly agreed to arbitration via execution of the Service Agreement on March 18, 2024. As depicted below, Respondent agreed that “[a]ny and all disputes of any type whatsoever relating to or arising out of this Contract shall be resolved through binding arbitration.”

**ARBITRATION:** Any and all disputes of any type whatsoever relating to or arising out of this Contract shall be resolved through binding arbitration, with such arbitration being conducted in Charleston, South Carolina at a convenient location agreeable to the arbitrator(s), Owner and Boatyard. The parties shall select a mutually agreeable attorney from the Charleston metropolitan area to serve as the arbitrator. If the parties cannot select a mutually agreeable arbitrator, then each party must name an attorney from the Charleston metropolitan area to serve as the arbitrator and the two arbitrators will select the third arbitrator. The parties shall be entitled to conduct discovery in preparation for the arbitration in accordance with the South Carolina Rules of Civil Procedure. Except as stated herein, the arbitration shall be conducted in accordance with rules of the Society of Maritime Arbitrators, Inc. All arbitration proceedings against Boatyard must be commenced within one year after work has ceased for whatever reason, or has been completed, or the Boat has been redelivered, whichever first occurs.

(Motion to Dismiss, Ex. A, p. 3.) The arbitration provision also sets forth that “the arbitration shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.” (Motion to Dismiss, Ex. A, p. 3.) Respondent signed the Service Agreement in multiple locations, including on the same page as the arbitration provision is located. (Motion to Dismiss, Ex. A, p. 3.)

### D. Procedural History

Respondent filed his Amended Complaint on August 20, 2024. (Am. Compl.) On

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<sup>2</sup> Courts have the authority to consider the Service Agreement without converting Appellants' Motion into one for summary judgment. Case law holds when a plaintiff's causes of action explicitly rely upon one or more documents, a court should consider those documents and not allow a plaintiff to survive a motion to dismiss by intentionally omitting the attachment of those documents to the complaint. *See Brazell v. Windsor*, 384 S.C. 512, 516, 682 S.E.2d 824, 826 (2009) (“[A]llowing a trial court to consider documents that are incorporated by reference in the complaint but not actually attached thereto prevents a plaintiff from benefiting from his own oversight or from surviving a motion to dismiss by intentionally omitting documents upon which their claims are based.”); *see also Phillips v. LCI Int'l, Inc.*, 190 F.3d 609, 618 (4th Cir. 1999) (holding, on a motion to dismiss, a court may consider a document outside of the pleading if it is “integral to and explicitly relied on in the complaint”). Here, the Service Agreement is integral to Respondent's Amended Complaint; indeed, all of Respondent's causes of action expressly relate to and arise out of the Service Agreement. The lower court here correctly considered the Service Agreement generally and the arbitration provision specifically without converting Appellant's Motion into one for summary judgment.

September 19, 2024, Appellants filed their motion to dismiss (“Motion to Dismiss”). (Motion to Dismiss.) In advance of a hearing on January 10, 2025, Appellants filed their memorandum in support of their Motion to Dismiss (“Memorandum in Support”). (Memorandum in Support.) Respondent failed to file any brief in advance of the hearing. At the hearing, the Circuit Court took the Motion to Dismiss under advisement. Five days later, on January 15, 2025, Appellants filed a supplemental memorandum in support of their Motion to Dismiss (“Supplemental Memorandum”), based on issues identified by the Circuit Court during the hearing. (Supplemental Memorandum.) Simultaneously, Appellants filed a proposed order (“Proposed Order”) as well. (Proposed Order.) A courtesy copy of both the Supplemental Memorandum and the Proposed Order were provided to the Circuit Court via e-mail. On July 16, 2025, the Circuit Court issued its Order on the Motion to Dismiss, denying enforcement of the arbitration provision contained within the Service Agreement. (Order on Motion to Dismiss.) On July 25, 2025, Appellants filed their motion to alter or amend the Circuit Court’s Order on the Motion to Dismiss (“Motion to Alter or Amend”). (Motion to Alter or Amend.) Respondent filed his memorandum in opposition to the Motion to Alter or Amend on August 18, 2025 (“Memorandum in Opposition”). (Memorandum in Opposition.) On November 12, 2025, the Circuit Court issued its Order on the Motion to Alter or Amend (“Order on Motion to Alter or Amend”), again denying enforcement of the arbitration provision. (Order on Motion to Alter or Amend.) This timely appeal followed.

### **STANDARD OF REVIEW**

“Appeal from the denial of a motion to compel arbitration is subject to de novo review.” *Sanders v. Savannah Highway Auto. Co.*, 440 S.C. 377, 382, 892 S.E.2d 112, 114 (2023) (quoting *Chassereau v. Global-Sun Pools, Inc.*, 363 S.C. 628, 631, 611 S.E.2d 305, 307 (Ct. App. 2005)); *see also Thornton v. Trident Med. Ctr., L.L.C.*, 357 S.C. 91, 94, 592 S.E.2d 50, 51 (Ct. App. 2003)

(“Determinations of arbitrability are subject to de novo review.”). However, an appellate court “must honor the factual findings of the circuit court pertinent to its arbitration ruling if those findings are reasonably supported by evidence in the record.” *Id.*

## ARGUMENT

### **A. The Service Agreement Is a Maritime Transaction Governed by the Federal Arbitration Act.**

The Circuit Court failed to consider the maritime nature of the Service Agreement in ruling that “the FAA has no application to this dispute,” because the Circuit Court only found “the transaction between the parties and which is the subject of this litigation did not involve interstate or foreign commerce.” (Order on Motion to Dismiss, p. 2.) Indeed, the word “maritime” does not appear anywhere in either of the Circuit Court’s Orders. Because the Service Agreement constitutes a maritime transaction, this Court should hold the Federal Arbitration Act applies.

The Federal Arbitration Act provides:

A written provision in any *maritime transaction* or a contract evidencing a transaction involving commerce to settle by arbitration a controversy thereafter arising out of such contract or transaction, or the refusal to perform the whole or any part thereof, or an agreement in writing to submit to arbitration an existing controversy arising out of such a contract, transaction, or refusal, shall be valid, irrevocable, and enforceable . . . .

9 U.S.C. § 2 (emphasis added). The Fifth Circuit Court of Appeals has addressed the alternative nature of this statute by analyzing whether a “contract is treated as a maritime transaction or simply as interstate commerce.” *Texaco Expl. & Prod. Co. v. AmClyde Engineered Prods. Co.*, 243 F.3d 906, 909 n.2 (5th Cir. 2001). “‘Maritime transactions’, as herein defined, means charter parties, bills of lading of water carriers, agreements relating to wharfage, *supplies furnished vessels* or *repairs to vessels*, collisions, or any other matters in foreign commerce which, if the subject of controversy, would be embraced within admiralty jurisdiction . . . .” 9 U.S.C. § 1 (emphasis added).

“[T]he courts have held consistently that *contracts to repair vessels are directly maritime in nature* and invoke admiralty jurisdiction.” *AXA Re Prop. & Cas. Ins. Co. v. Tailwalker Marine, Inc.*, No. C.A. 2:04-1684-23, 2004 WL 3680276, at \*2 (D.S.C. Dec. 17, 2004) (emphasis added) (citing *New Bedford Dry Dock Co. v. Purdy*, 258 U.S. 96, 99 (1922) (stating that a contract for repairs of a vessel is maritime); *Diesel Repower, Inc. v. Islander Invs., Ltd.*, 271 F.3d 1318, 1322–23 (11th Cir. 2001) (“A contract to repair a vessel invokes admiralty jurisdiction.”)); *see also S.C. State Ports Auth. v. Silver Anchor, S.A., (Panama)*, 23 F.3d 842, 846 n.3 (4th Cir. 1994) (“[A] *contract to repair* or to insure a ship *is maritime . . .*”) (emphasis added); *One Beacon Insurance Co. v. Crowley Marine Services Inc.*, 648 F.3d 258, 262 (5th Cir. 2011) (“[A] contract for the repair of a vessel is a maritime contract, governed by general maritime law.”). Indeed, “[i]t is axiomatic that the routine repair of vessels is a crucial maritime activity.” *Com. Union Ins. Co. v. Detyens Shipyards, Inc.*, 147 F. Supp. 2d 413, 419 (D.S.C. 2001) (quoting *Sea Vessel, Inc. v. Reyes*, 23 F.3d 345, 351 (11th Cir. 1994)).<sup>3</sup>

Even “the *storage and maintenance* of a vessel at a marina on navigable waters” are considered “traditional maritime activities,” the contracts for which are subject to admiralty jurisdiction. *See, e.g., Sisson v. Ruby*, 497 U.S. 358, 367 (1990) (emphasis added); *see also Mahony v. Lowcountry Boatworks, LLC*, 465 F. Supp. 2d 547, 550 (D.S.C. 2006) (“a contract to store a vessel is a maritime contract”). Similarly, a contract “evidences a maritime transaction [when] it relates to *supplies and services* [a welding company] was to provide to furnish [a] vessel.” *In re*

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<sup>3</sup> “Moreover, courts have gone on to hold that maritime contracts to be performed on land can be within the admiralty jurisdiction of the court.” *AXA Re Prop. & Cas. Ins. Co. v. Tailwalker Marine, Inc.*, No. C.A. 2:04-1684-23, 2004 WL 3680276, at \*2 (citing *American Eastern Development Corp. v. Everglades Marine, Inc.*, 608 F.2d 123 (5th Cir. 1979) (finding admiralty jurisdiction over a vessel destroyed while on land pursuant to a maritime-related contract); *id.* at \*3 (“The key to jurisdiction is not the location of the vessel, but whether the contract sought to be enforced impacts maritime commerce.”)).

*Helix Energy Sols. Grp., Inc.*, 303 S.W.3d 386, 396 (Tex. App. 2010) (relying upon the language from 9 U.S.C. § 1, which states “maritime transaction” means any agreement “relating to . . . supplies furnished vessels”).

The evident nature of the Service Agreement constituting a maritime transaction is supported by the fact that an identical contract, albeit executed in a separate matter, was found to be “a maritime contract.” *Miami Yacht Charter, LLC v. Safe Harbor Marinas, LLC*, No. 2:25-CV-5014-RMG, 2025 WL 3059936, at \*3 (D.S.C. Oct. 31, 2025). Further, it is undisputed the Service Agreement in this case was for the servicing and maintenance of Respondent’s Vessel. (Respondent’s Memorandum in Opposition to Appellants’ Motion to Alter or Amend, p. 3; Order on Motion to Dismiss, p. 5.) And at minimum, storage of a vessel constitutes a maritime contract, and the maintenance and servicing of the Vessel here indisputably required storage. Therefore, the Service Agreement constitutes a maritime transaction governed by the FAA. Based on the foregoing, Respondent is bound to mandatory, binding arbitration.

**B. Alternatively, the Service Agreement’s Implication and Involvement of Interstate Commerce Means the Federal Arbitration Act Applies.**

The arbitration provision is enforceable not only because the Service Agreement qualifies as a maritime transaction under the FAA, but also because it involves interstate commerce.

“The United States Supreme Court has held that the phrase ‘involving commerce’ is the same as ‘affecting commerce,’ which has been broadly interpreted to mean Congress intended to utilize its powers to regulate interstate commerce to its full extent.” *Blanton v. Stathos*, 351 S.C. 534, 540, 570 S.E.2d 565, 568 (Ct. App. 2002). In other words, the FAA’s reaches expansively “as coinciding with that of the Commerce Clause.” *Cape Romain Contractors, Inc. v. Wando E., LLC*, 405 S.C. 115, 122, 747 S.E.2d 461, 464 (2013) (“The United States Supreme Court ‘has previously described the [FAA]’s reach expansively as coinciding with that of the Commerce

Clause.”). Under the reach of the Commerce Clause, “Congress has authority to regulate (1) ‘the use of the channels of interstate commerce,’ (2) ‘the instrumentalities of interstate commerce, or persons or things in interstate commerce . . . .’ and (3) ‘those activities having a substantial relation to interstate commerce.’” *Id.* (*United States v. Gould*, 568 F.3d 459, 470 (4th Cir. 2009)). “Channels of commerce are ‘the interstate transportation routes through which persons and goods move,’” which includes “navigable waterways.” *See id.* (quoting *United States v. Ballinger*, 395 F.3d 1218, 1225 (11th Cir. 2005)). “Instrumentalities of interstate commerce, by contrast, are the people and things themselves moving in commerce . . . .,” which includes “boats.” *Id.*

The Safe Harbor Appellants are not citizens of the State of South Carolina, whereas Respondent is. Thus, diversity of citizenship exists. “Although diversity of citizenship—or lack thereof—is not by itself enough to determine the nature of a transaction,” *Rota-McLarty v. Santander Consumer USA, Inc.*, 700 F.3d 690, 697 (4th Cir. 2012), the Court need not exclusively rely upon diversity here. After all, the nature of the transaction and the Vessel itself meet the various considerations of “involving commerce” and “affecting commerce.” First, the Vessel is itself an instrumentality of interstate commerce, along with the supplies that were required to service and maintain the Vessel under the Service Agreement. *See Cape Romain*, 405 S.C. at 123, 747 S.E.2d at 465 (“the materials used in constructing the dock were instrumentalities of interstate commerce”).

Second, and similarly, the Service Agreement could not be completed without the use of materials in interstate commerce, which is sufficient to trigger FAA coverage. *See id.* at 123–24, 747 S.E.2d at 465 (citing *Zabinski v. Bright Acres Assocs.*, 346 S.C. 580, 594–95, 553 S.E.2d 110, 117–18 (2001); *Blanton v. Stathos*, 351 S.C. 534, 540–41, 570 S.E.2d 565, 568–69 (Ct. App. 2002); *Episcopal Hous. Corp. v. Federal Ins. Co.*, 269 S.C. 631, 640, 239 S.E.2d 647, 652 (1977);

*Thornton v. Trident Med. Ctr., L.L.C.*, 357 S.C. 91, 97, 592 S.E.2d 50, 53 (Ct. App. 2003)). Likewise, the transport of the Vessel to be repaired, maintained, serviced, and stored by the Safe Harbor Appellants could not be completed without the use of navigable waters subject to federal law and, importantly, a channel of interstate commerce. *Id.* at 124, 747 S.E.2d at 465 (“[T]he location of the construction site, the transportation of out-of-state materials through the channels of interstate commerce, and the use of barges and other instrumentalities of interstate commerce all support application of the FAA in this instance.”); *United States v. Rands*, 389 U.S. 121, 122–23 (1967) (“The power to regulate commerce comprehends the control for that purpose, and to the extent necessary, of all the navigable waters of the United States.”); *United States v. Ballinger*, 395 F.3d 1218, 1226 (11th Cir. 2005) (noting that shipments of goods and boats themselves are instrumentalities of interstate commerce); *United States v. Deaton*, 332 F.3d 698, 706 (4th Cir. 2003) (“The power over navigable waters is an aspect of the authority to regulate the channels of interstate commerce.”).

Lastly, “in deciding to apply the FAA, [this Court] need not identify any specific effect upon interstate commerce, so long as in the aggregate the economic activity in question would represent a general practice . . . subject to federal control.” *Rota-McLarty v. Santander Consumer USA, Inc.*, 700 F.3d 690, 697–98 (4th Cir. 2012) (quoting *Citizens Bank v. Alafabco, Inc.*, 539 U.S. 52, 56–57 (2003) (citation and quotation marks omitted)). Here, the broad impact of maritime servicing and maintenance on the national economy is self-evident. *See id.* (finding the broad impact of consumer automobile lending on the national economy was evident).

Based on the foregoing, the Service Agreement involves and implicates interstate commerce, such that Respondent is bound to mandatory, binding arbitration on this ground as well.

## CONCLUSION

The Circuit Court's failure to enforce the arbitration provision cannot stand, and this Court, in its de novo review, should course correct and compel arbitration. The Service Agreement is a maritime contract and the FAA leaves no room to disregard the maritime nature of this transaction. By ignoring this maritime nature of the agreement altogether, the lower court departed from the plain text of the FAA, binding and persuasive authority, and the parties' unequivocal agreement to arbitrate. Alternatively, the Service Agreement implicates and involves interstate commerce, such that the FAA applies on this ground as well. Ultimately, under either analytical framework, the FAA requires enforcement of the arbitration provision. To allow the decision below to remain undisturbed would not only contravene binding precedent but would erode the orderly and predictable framework upon which maritime commerce depends and the expectations of the parties under the maritime contract. For the reasons set forth above, this Court must reverse the Circuit Court's Orders, restore the proper analytical framework for arbitration provisions under the FAA, and protect and enforce the parties' maritime contract.

Respectfully submitted,

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