

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

RECEIVED
Mar 19 2026
SC Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas
Deadra L. Jefferson, Circuit Court Judge

Appellate Case No. 2025-002466
Case No. 2024-CP-10-03700

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.

FINAL BRIEF IN REPLY OF APPELLANTS

s/ Rhett D. Ricard

Rhett D. Ricard (SC Bar No. 102353)
MAYNARD NEXSEN, PC
205 King Street, Suite 400
Charleston, SC 29401
rricard@maynardnexsen.com
Phone: (843) 577-9440
Fax: (843) 720-1777

March 19, 2026
Charleston, South Carolina

Attorney for Appellants

TABLE OF CONTENTS

TABLE OF AUTHORITIES..... iii

REPLY TO STATEMENT OF THE CASE ASSERTED BY RESPONDENT1

ARGUMENTS IN REPLY3

 A. Respondent Has Acknowledged the Service Agreement Is a Maritime Transaction.....3

 B. Because the Storage and Maintenance of the Vessel Involve Maritime Activity, the Maritime Transaction Here is Governed by the FAA5

 C. Respondent Incorrectly Asserts the Safe Harbor Appellants’ Authority Does Not Address the Application of the FAA6

 D. Respondent Misconstrues the Analytical Framework for Application of the FAA.....7

 E. Respondent Incorrectly Argues the South Carolina Uniform Arbitration Act Applies11

 F. Respondent Provides No Authority that an Agreement Can Become Unconscionable at Some Time After Formation of the Contract.....12

CONCLUSION.....13

TABLE OF AUTHORITIES

CASES

Bradley v. Brentwood Homes, Inc., 398 S.C. 447, 730 S.E.2d 312 (2012)11

Cape Romain Contractors, Inc. v. Wando E., LLC, 405 S.C. 115, 747 S.E.2d 461 (2013)9

Com. Union Ins. Co. v. Detyens Shipyard, Inc., 147 F. Supp. 2d 413 (D.S.C. 2001)6

Dataw Island Marina v. Yorky, Inc., No. CV 9:05-2790-PMD, 2006 WL 8443448
(D.S.C. June 1, 2006).....5

Faulk v. Columbia, N. & L.R. Co., 82 S.C. 369, 64 S.E. 383 (1909)4

Hardee v. Hardee, 348 S.C. 84, 558 S.E.2d 264 (Ct. App. 2001), *aff'd as modified*, 355
S.C. 382, 585 S.E.2d 501 (2003)13

Hicks Unlimited, Inc. v. UniFirst Corp., 439 S.C. 623, 889 S.E.2d 564 (2023)9

Holler v. Holler, 364 S.C. 256, 612 S.E.2d 469 (Ct. App. 2005).....13

Hudson v. Hudson, 408 S.C. 76 757 S.E.2d 727 (Ct. App. 2014)12–13

Jerome B. Grubart, Inc. v. Great Lakes Dredge & Dock Co., 513 U.S. 527 (1995).....10

Koehli v. BIP Int’l, Inc., 870 So. 2d 940 (Fla. Dist. Ct. App. 2004).....9

Krohmer Marina, LLC v. Certain Underwriters at Lloyd’s, London, 655 F. Supp. 3d 1124
(E.D. Okla. 2023).....8

Lackey v. Green Tree Fin. Corp., 330 S.C. 388, 498 S.E.2d 898 (Ct. App. 1998)13

Mathews v. Fluor Corp., 312 S.C. 404, 440 S.E.2d 880 (1994), *overruled by Munoz v.
Green Tree Fin. Corp.*, 343 S.C. 531, 542 S.E.2d 360 (2001)9

Maul v. S.C. Dep’t of Health & Env’t Control, 411 S.C. 349, 768 S.E.2d 402 (Ct. App.
2015)2

Miami Yacht Charter, LLC v. Safe Harbor Marinas, LLC, No. 2:25-CV-5014-RMG,
2025 WL 3059936 (D.S.C. Oct. 31, 2025)6–7, 9–10

Munoz v. Green Tree Fin. Corp., 343 S.C. 531, 542 S.E.2d 360 (2001).....9, 11

Prima Paint Corp. v. Flood & Conklin Mfg. Co., 388 U.S. 395 (1967).....8

<i>Sander v. Alexander Richardson Investments</i> , 334 F.3d 712 (8th Cir. 2003).....	5
<i>Sanders v. Savannah Highway Auto. Co.</i> , 440 S.C. 377, 892 S.E.2d 112 (2023)	1, 6
<i>Sea Vessel, Inc. v. Reyes</i> , 23 F.3d 345 (11th Cir. 1994)	6, 10
<i>Sisson v. Ruby</i> , 497 U.S. 358, 367 (1990).....	2, 4–6, 10
<i>Soil Remediation Co. v. Nu-Way Envtl., Inc.</i> , 323 S.C. 454, 476 S.E.2d 149 (1996).....	9, 11
<i>State v. Sweat</i> , 386 S.C. 339, 688 S.E.2d 569 (2010).....	8
<i>Texaco Expl. & Prod. Co. v. AmClyde Engineered Prods. Co.</i> , 243 F.3d 906 (5th Cir. 2001)	8–9
<i>Thompson v. Hudgens</i> , 161 S.C. 450, 159 S.E. 807 (1931).....	4
<i>Trident Tech. Coll. v. Lucas & Stubbs, Ltd.</i> , 286 S.C. 98, 333 S.E.2d 781 (1985)	9
<i>White v. United States</i> , 53 F.3d 43 (4th Cir. 1995).....	6
<i>Zabinski v. Bright Acres Assocs.</i> , 346 S.C. 580, 553 S.E.2d 110 (2001).....	11

STATUTES & REGULATIONS

46 C.F.R. § 525.1(c)(5).....	2 n.2
9 U.S.C. § 2.....	6–7, 10
S.C. Code Ann. § 36-2-302(1)	12
S.C. Code Ann. § 15-48-10(a)	11

OTHER SOURCES

31 C.J.S. <i>Estoppel and Waiver</i> § 72	4
<i>Maintenance</i> , Black’s Law Dictionary (12th ed. 2024).....	5
<i>Maritime Arbitration Rules</i> , Society of Maritime Arbitrators, Inc. at 1 (Mar. 14, 2018), available at https://smany.org/pdf/SMA-arbitration-rules.pdf	12
<i>Storage</i> , Black’s Law Dictionary (12th ed. 2024)	2

Pursuant to Rule 208(a)(3) of the South Carolina Appellate Court Rules, Appellants hereby submit this Final Brief in Reply. All capitalized terms used herein, unless otherwise defined in this Final Brief in Reply, shall have the same meanings as those provided in the Final Brief of Appellants.

REPLY TO THE STATEMENT OF THE CASE ASSERTED BY RESPONDENT

Respondent avers the Vessel was “moored at a dock adjacent to Appellants’ property,” (Respondent’s Br., p. 1), and later stresses “the Vessel was moored at an adjacent property and was not ‘stored’ by Appellants,” (Respondent’s Br., p. 3). However, this alleged “fact” stands in direct contradiction to Respondent’s Amended Complaint, which states Respondent “engaged [the Safe Harbor Appellants] to perform certain services upon [Respondent’s Vessel] *located at* Safe Harbor Charleston City, 7 Lockwood Drive, Charleston, South Carolina 29401”—i.e. the marina operated by the Safe Harbor Appellants. (R. at 16, ¶ 9 (emphasis added).) Even the Circuit Court’s Order of July 16, 2025, finds that the Vessel was “located at” this marina operated by the Safe Harbor Appellants. (R. at 1–2.) This Court “must honor the factual findings of the circuit court pertinent to its ruling if those findings are reasonably supported by evidence in the record,” namely Respondent’s own Amended Complaint. *See Sanders v. Savannah Highway Auto. Co.*, 440 S.C. 377, 382, 892 S.E.2d 112, 114 (2023). The importance of the Vessel’s location of where it was stored so that the Safe Harbor Appellants could service the Vessel becomes clear with the next alleged “fact” asserted by Respondent.

Respondent next avers that “[b]etween March 18 and May 6, 2024, Appellants, their agents and/or employees performed certain maintenance services upon the Vessel while it was *moored at a dock*,” but that “at no time did Appellants provide power, water, supplies, stores, *dockage or storage* to/of the Vessel.” (Respondent’s Br., p. 1 (emphasis added).) Respondent asserts a

distinction without a difference in this context given the record and Plaintiff’s own Amended Complaint that establish the Vessel was located at (i.e. stored by) the marina operated by the Safe Harbor Appellants.

The mooring of a vessel at a dock—for seven weeks no less—is identical to the provision of dockage and storage of a vessel.¹ *See Maull v. S.C. Dep’t of Health & Env’t Control*, 411 S.C. 349, 363, 768 S.E.2d 402, 410 (Ct. App. 2015) (treating mooring and docking as functionally equivalent activities when describing the same operational process of securing a vessel at a dock). At its essence, the activity here was the keeping of the Vessel for safekeeping such that services could be performed. *See Storage*, Black’s Law Dictionary (12th ed. 2024 (“The act of putting something away for future use; esp., the keeping or placing of articles in a place of safekeeping, such as a warehouse or depository.”)). The Supreme Court of the United States establishes the activity that occurred here—whether characterized as docking a vessel, mooring a vessel to a dock, or storing the vessel at a dock—falls under traditional maritime activity:

Docking a vessel at a marina on a navigable waterway is a common, if not indispensable, maritime activity. At such a marina, vessels are stored for an extended period, docked to obtain fuel or supplies, and moved into and out of navigation. Indeed, most maritime voyages begin and end with the docking of the craft at a marina. We therefore conclude that, just as navigation, storing and maintaining a vessel at a marina on a navigable waterway is substantially related to traditional maritime activity.

Sisson v. Ruby, 497 U.S. 358, 367 (1990). Because this Court must accept the record that the Safe Harbor Appellants stored the Vessel, it becomes clear that maritime activity was involved in this

¹ It is unclear if Respondent is using the term “dockage” as is defined under federal regulations. *See, e.g.*, 46 C.F.R. § 525.1(c)(5) (“Dockage means the charge assessed against a vessel for berthing at a wharf, pier, bulkhead structure, or bank or for mooring to a vessel so berthed.”). But here, *dockage* is equivalent to providing for *docking*, i.e. berthing a vessel or mooring a vessel. And even the federal regulations show the interchangeability of the terms docking and mooring, especially when the mooring is to a dock, which Respondent admits here, because “dockage” encompasses mooring. *See id.*

transaction, which then triggers the application of the FAA.²

This Court should reject Respondent’s artificial semantic distinctions, because they distort rather than clarify the parties’ activities. Likewise, this Court should reject Respondent’s counterfactual to his Amended Complaint and the Circuit Court’s Order regarding the location of the Vessel, because gamesmanship of the appellate process should not be tolerated. Such efforts to evade the contractual obligation to arbitrate erode not only the expectations of the parties under this specific maritime contract, but the orderly and predictable framework upon which general contract law depends as well.

ARGUMENTS IN REPLY

A. Respondent Has Acknowledged the Service Agreement Is a Maritime Transaction.

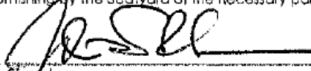
Respondent argues the Safe Harbor Appellants are using a “new characterization of the Service Agreement as a ‘maritime service agreement.’” (Respondent’s Br., p. 1.) This argument is patently incorrect. *First*, this argument ignores the Safe Harbor Appellants’ express use of this characterization in their Supplemental Memorandum filed on January 15, 2025. (*See, e.g.*, R. at 42, ¶ 23 (“[T]he Service Agreement constitutes a maritime transaction covered by the FAA.”).) *Second*, Respondent and the Safe Harbor Appellants expressly agreed and acknowledged the maritime nature of this agreement from the outset. Indeed, on the very first page of the Service Agreement—with Respondent’s handwritten name and signature immediately underneath—the Service Agreement provides that it is a “maritime contract,” which is highlighted in the excerpt below:

² Regardless, as set forth more fully herein, even if the Safe Harbor Appellants did not store the Vessel, it is undisputed the Safe Harbor Appellants provided maintenance to the Vessel. And the maintenance provided by the Safe Harbor Appellants specifically and the Service Agreement more broadly independently triggers the application of the FAA as well.

Work Order Authorization

This is a maritime contract and is subject to terms and conditions on the reverse side of which accompany this Document. Signatures must be on work order and terms and conditions to place Boat into work schedule. All invoices are subject to a 7.5% Environmental Surcharge on parts and labor. I hereby authorize the repair work herein to be completed by SHM Charleston Boatyard, LLC (the "Boatyard"), together with the furnishing by the Boatyard of the necessary parts, subcontractors, and other materials for such repair.

JOSEPH ROHE
Customer Name


Signature

09/18/24
Date

(R. at 25.) Further, Respondent agreed, as a material term and condition of the Service Agreement, to “grant[] [the Safe Harbor Appellants] permission to operate or navigate the [Vessel] for the purpose of testing, inspection, or sea trials of the [Vessel].” (R. at 26.) This material term also supports the maritime nature of this contract. *Sisson*, 497 U.S. at 367 (noting navigation on a navigable waterway is a traditional maritime activity).

Long-established precedent demonstrates Respondent is estopped from denying the fact the Service Agreement is a maritime contract. *See, e.g.*, 31 C.J.S. *Estoppel and Waiver* § 72 (“If, in making a contract, the parties agree on or assume the existence of a particular fact as the basis of their negotiations, they are estopped to deny the fact of the contract. Parties who have expressed their mutual assent are bound by the contents of the instrument they have signed, and may not thereafter claim that its provisions do not express their intentions or understanding.”); *Thompson v. Hudgens*, 161 S.C. 450, 159 S.E. 807, 816 (1931) (quoting the *Corpus Juris Secundum*); *Faulk v. Columbia, N. & L.R. Co.*, 82 S.C. 369, 64 S.E. 383, 385 (1909) (“Where a shipper of goods by special contract agrees upon a value to be placed upon such goods in case of loss and in consideration thereof obtains a reduced rate of transportation, he is bound by the stipulation, and is estopped from showing that the real value of the goods was greater than that specified in the contract.”). Because Respondent assented from the beginning that the Service Agreement is a “maritime contract,” he is estopped from arguing otherwise now.

B. Because the Storage and Maintenance of the Vessel Involve Maritime Activity, the Maritime Transaction Here is Governed by the FAA.

Respondent attempts to sidestep his previous acknowledgement that the Service Agreement is a maritime contract by claiming the FAA does not apply to it. (Respondent's Br., p. 1 (“[T]he Service Agreement does not, in an [sic] of itself, constitute a ‘maritime transaction’ as defined under the Federal Arbitration Act”).) Specifically, Respondent avers “[w]hile ‘maritime transactions’ is statutorily defined to include ‘supplies furnished vessels or repairs to vessels,’ nowhere does it specifically state that it includes general, routine maintenance or service.” (Respondent's Br., p. 2.) Consistent with his pattern, Respondent yet again asserts a distinction without a difference. After all, Black's Law Dictionary defines “maintenance” as a type of repair, i.e. “general repair.” *See Maintenance*, Black's Law Dictionary (12th ed. 2024) (“The care and work put into property to keep it operating and productive; general repair and upkeep.”).

Even if repair and maintenance are somehow distinct in this context, maintenance nevertheless falls under traditional maritime activity. As the Supreme Court of the United States has held: “**Clearly**, the storage and maintenance of a vessel at a marina on navigable waters is substantially related to ‘traditional maritime activity’” *Sisson*, 497 U.S. at 367 (emphasis added); *see also Dataw Island Marina v. Yorky, Inc.*, No. CV 9:05-2790-PMD, 2006 WL 8443448, at *2 (D.S.C. June 1, 2006) (“Maritime law—the federal common law that has developed under the admiralty jurisdiction of federal courts—governs the court’s interpretation of the Agreement and any subsequent agreements regarding the storage and maintenance of the vessel.”) (citing *Sander v. Alexander Richardson Investments*, 334 F.3d 712, 715 (8th Cir. 2003)).

Another precedent demonstrates it cannot reasonably be disputed that the maintenance of the Vessel (which Respondent readily admits occurred) inherently involves maritime activity. In *White v. United States*, the Fourth Circuit Court of Appeals concluded that even a security guard’s

guarding of a vessel and “attending the storage and repair of a vessel in port is a common, if not indispensable, feature of maritime activity.” 53 F.3d 43, 47–48 (4th Cir. 1995). If guarding a vessel involves maritime activity, then certainly maintenance of a vessel does as well.

Ultimately, Respondent acknowledges the Safe Harbor Appellants “were hired to provide routine maintenance,” and such routine work, however it is characterized, on a Vessel involves maritime activity. *See Com. Union Ins. Co. v. Detyens Shipyard, Inc.*, 147 F. Supp. 2d 413, 419 (D.S.C. 2001) (“It is axiomatic that the routine repair of vessels is a crucial maritime activity.”) (quoting *Sea Vessel, Inc. v. Reyes*, 23 F.3d 345, 351 (11th Cir. 1994)). Further, as set forth above, this Court “must honor the factual findings of the circuit court pertinent to its ruling if those findings are reasonably supported by evidence in the record,” *see Sanders*, 440 S.C. at 382, 892 S.E.2d at 114, such that Respondent is estopped from denying the Vessel was stored by the Safe Harbor Appellants. And because both maintenance and storage of the Vessel occurred, either activity independently means the transaction at issue is a maritime one that is governed by the FAA. *See Sisson*, 497 U.S. at 367 (“We therefore conclude that, just as navigation, storing and maintaining a vessel at a marina on a navigable waterway is substantially related to traditional maritime activity.”); 9 U.S.C. § 2 (“A written provision in any maritime transaction . . . to settle by arbitration a controversy thereafter arising out of such contract or transaction . . . shall be valid, irrevocable, and enforceable.”).

C. Respondent Incorrectly Asserts the Safe Harbor Appellants’ Authority Does Not Address the Application of the FAA.

Respondent ignores the authority cited by the Safe Harbor Appellants when alleging “none of the cited cases addressed the issue of application of the FAA but rather considered questions of federal admiralty jurisdiction.” (Respondent’s Br., p. 2.) Notably, Respondent fails to address the case of *Miami Yacht Charter, LLC v. Safe Harbor Marinas, LLC*, No. 2:25-CV-5014-RMG, 2025

WL 3059936, at *1 (D.S.C. Oct. 31, 2025), which not only involves one of the same defendants (SHM Charleston Boatyard, LLC), but an identical haul and service agreement. Further, the plaintiff in *Miami Yacht Charter* made similar claims as Respondent. *Compare id.* at *1 (alleging “deceptive, unconscionable, and systematic overcharging of customers”) with Respondent’s Br., p. 1 (claiming 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.”).

In considering the defendants’ motion to compel arbitration, which the plaintiff opposed, the federal district court held the identical haul and service agreement to the one here evidenced “a maritime contract” and therefore satisfied the requirements to apply the FAA and compel arbitration. *Miami Yacht Charter*, 2025 WL 3059936, at *3. The analysis is simple and Respondent’s attempt to overcomplicate should be rejected.

D. Respondent Misconstrues the Analytical Framework for Application of the FAA.

In arguing that a maritime transaction must (1) involve interstate commerce *and* (2) satisfy a nexus test, for the FAA to apply, (Respondent’s Br., pp. 3–7), Respondent errs twice-over in addressing the analytical framework that must be used for the issue on appeal.

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 plain language of the FAA distinguishes a “maritime transaction” from “a contract evidencing a transaction involving interstate commerce.” But either

type of contract can trigger the application of the FAA. This distinction makes sense for two reasons. *First*, as the Supreme Court of the United States has held, the basis for the FAA and the reason it is constitutional is because “it is clear beyond dispute that the federal arbitration statute is based upon and confined to the incontestable federal foundations of ‘control over interstate commerce and over admiralty.’” *Prima Paint Corp. v. Flood & Conklin Mfg. Co.*, 388 U.S. 395, 405 (1967). The separate types of contracts subject to the federal arbitration statute follow the two separate areas subject to federal regulation. *Second*, if a maritime transaction must also involve interstate commerce in order for the FAA to apply, the latter category of contracts would swallow the former category, rendering the FAA’s call-out of maritime transactions surplusage. And a “statute should be so construed that no word, clause, sentence, provision or part shall be rendered surplusage, or superfluous.” *State v. Sweat*, 386 S.C. 339, 351, 688 S.E.2d 569, 575 (2010) (“Courts will reject a statutory interpretation which would lead to a result so plainly absurd that it could not have been intended by the Legislature or would defeat the plain legislative intention.”) (citations omitted).

Courts analyzing the FAA’s application have identified this distinction as well. As the Safe Harbor Appellants noted in their earlier brief, the Fifth Circuit Court of Appeals addressed the uniqueness and dichotomy of these transactions 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); *see also Krohmer Marina, LLC v. Certain Underwriters at Lloyd’s, London*, 655 F. Supp. 3d 1124, 1135 (E.D. Okla. 2023) (“The court need not address whether the Policy involves a ‘maritime transaction’ because it finds the Policy has a sufficient nexus to interstate commerce.”). The South Carolina Supreme Court has implicitly recognized this distinction as well by separating the types of transactions subject to the

FAA. *Trident Tech. Coll. v. Lucas & Stubbs, Ltd.*, 286 S.C. 98, 104 n.2, 333 S.E.2d 781, 785 n.2 (1985) (“the Federal Arbitration Act is applicable to maritime transactions and transactions involving ‘commerce among the several States’”). Further, the federal district court in *Miami Yacht Charter* did not analyze whether interstate commerce was implicated, because the analysis began and ended with finding the transaction at issue involved a maritime contract and the FAA applied on that independent basis. *See* 2025 WL 3059936, at *3. It should be noted Respondent failed to address either the *Texaco* or *Miami Yacht Charter* precedents.

For the cases Respondent does cite, none are on point. For example, *Koechli v. BIP Int’l, Inc.*, 870 So. 2d 940 (Fla. Dist. Ct. App. 2004), does not contain any holding that a maritime contract must involve interstate commerce for the FAA to apply; it merely suggests that the maritime contract at issue in that case also involved interstate commerce, much like the case at bar or the case of *Cape Romain Contractors, Inc. v. Wando E., LLC*, 405 S.C. 115, 747 S.E.2d 461 (2013) (finding a marina construction contract involved interstate commerce). Further, none of the other four cases cited by Respondent—(1) *Munoz v. Green Tree Fin. Corp.*, 343 S.C. 531, 542 S.E.2d 360 (2001); (2) *Soil Remediation Co. v. Nu-Way Envtl., Inc.*, 323 S.C. 454, 476 S.E.2d 149 (1996); (3) *Mathews v. Fluor Corp.*, 312 S.C. 404, 440 S.E.2d 880 (1994), *overruled by Munoz v. Green Tree Fin. Corp.*, 343 S.C. 531, 542 S.E.2d 360 (2001); and (4) *Hicks Unlimited, Inc. v. UniFirst Corp.*, 439 S.C. 623, 889 S.E.2d 564 (2023)—involve a maritime contract, meaning the analysis was solely focused on whether interstate commerce was implicated to trigger application of the FAA. Thus, contrary to Respondent’s contention, there is no requirement for the Safe Harbor Appellants to establish the Service Agreement involves interstate commerce. As set forth above, because both maintenance and storage of the Vessel occurred, either activity independently means

the transaction at issue is a maritime one such that the FAA applies, regardless of whether interstate commerce is implicated.³ *See Sisson*, 497 U.S. at 367; 9 U.S.C. § 2.

Similarly, Respondent errs in arguing this Court must apply a nexus test. Respondent confuses the standard for admiralty jurisdiction in tort cases with the application of the FAA in this primarily contract-based case. A “party seeking to invoke federal admiralty jurisdiction pursuant to 28 U.S.C. § 1333(1) *over a tort claim* must satisfy conditions both of location and of connection with maritime activity.” *Jerome B. Grubart, Inc. v. Great Lakes Dredge & Dock Co.*, 513 U.S. 527, 534 (1995) (emphasis added); *see also Sea Vessel*, 23 F.3d at 348–51 (applying the locality test and the nexus test as a part of the court’s “admiralty tort jurisdiction”). Respondent has provided no authority for the proposition that the Safe Harbor Appellants must meet the nexus test; and again, the federal district court in *Miami Yacht Charter* did not analyze the nexus test, because the analysis began and ended with finding the transaction at issue involved a maritime contract and the FAA applied on that independent basis. *See* 2025 WL 3059936, at *3.

Ultimately, the proper analytical framework is simple: does the Service Agreement, which contains an arbitration provision, constitute a maritime transaction? If so, the FAA applies. As set forth above, Respondent agreed the Service Agreement is a maritime contract and the services provided were storage and maintenance of a vessel located on a navigable waterway—these facts are sufficient to establish the activities here are traditional maritime ones such that the Service Agreement constitutes a maritime transaction subject to the FAA. This Court must reject Respondent’s erroneous analytical framework.

³ However, in the alternative, the Service Agreement here implicates interstate commerce, such that the FAA applies on that basis as well. (*See Appellants’ Final Br.*, pp. 9–11.)

E. Respondent Incorrectly Argues the South Carolina Uniform Arbitration Act Applies.

Respondent argues in a header that the “arbitration of this dispute is strictly precluded under S.C. Code Ann. Section 15-48-10(a),” because the arbitration provision does not satisfy the state statutory notice requirements. (Respondent’s Br., p. 7 (modified capitalization for ease of reading).) Respondent is wrong.

The South Carolina Supreme Court has repeatedly held that although parties are “free to agree that our state arbitration act would apply, the FAA would preempt an application of our state law to the extent it invalidated the arbitration agreement,” as long as the requirements under the FAA are met. *See Bradley v. Brentwood Homes, Inc.*, 398 S.C. 447, 453–54, 730 S.E.2d 312, 315 (2012); *see also Zabinski v. Bright Acres Assocs.*, 346 S.C. 580, 592, 553 S.E.2d 110, 116 (2001) (“While the parties may agree to enforce arbitration agreements under state rules rather than FAA rules, the FAA will preempt any state law that completely invalidates the parties’ agreement to arbitrate.”); *Munoz v. Green Tree Fin. Corp.*, 343 S.C. 531, 539 n.2, 542 S.E.2d 360, 363 n.2 (2001) (“State law was therefore preempted *to the extent it would have invalidated the arbitration agreement.*); *Soil Remediation*, 323 S.C. 454, 476 S.E.2d 149 (holding the FAA displaced the South Carolina notice-requirement statute, which would have precluded arbitration, where parties agreed to arbitration and the transaction involved interstate commerce).

Here, because the FAA applies, it preempts the application of the notice requirement under the South Carolina Uniform Arbitration Act. Although Respondent implies the parties agreed to the application of the South Carolina Uniform Arbitration Act, (Respondent’s Br., p. 6), no such express agreement exists. Instead, the parties agreed “the arbitration shall be conducted in accordance with rules of the Society of Maritime Arbitrators, Inc.,” (R. at 27), which expressly provides the “powers and duties of the Arbitrator(s) shall be interpreted and applied in accordance

with these Rules and *Title 9 of the United States Code*,” i.e. the FAA, *see Maritime Arbitration Rules*, Society of Maritime Arbitrators, Inc. at 1 (Mar. 14, 2018), *available at* <https://smany.org/pdf/SMA-arbitration-rules.pdf> (emphasis added). Thus, contrary to Respondent’s argument, the parties expressly contemplated the application of the FAA to any dispute that arose from the Service Agreement.

F. Respondent Provides No Authority that an Agreement Can Become Unconscionable at Some Time After Formation of the Contract.

Despite waiving any argument as to unconscionability at the time of formation and execution of the Service Agreement, Respondent—an attorney himself—nevertheless argues that “due to the delay that Appellants have managed to effect in this relatively minor dispute, the arbitration provision has become unconscionable to the extent that its limitation provisions could now operate to bar Respondent from bringing a claim.” (Respondent’s Br., pp. 8–9.) Respondent provides a dearth of authority in support of this baseless argument; worse, Respondent’s argument directly contradicts South Carolina case law.

Although applying to the sale of goods rather than services, South Carolina Code Section 36-2-302(1) expresses a foundational principle of unconscionability: “If the court as a matter of law finds the contract or any clause of the contract to have been unconscionable *at the time it was made* the court may refuse to enforce the contract” S.C. Code Ann. § 36-2-302(1) (emphasis added). The statute’s explicit language—“at the time it was made”—establishes that the unconscionability inquiry is temporally fixed to the moment of contract formation. This principle has been recognized in the larger unconscionability jurisprudence, and not just for cases involving the South Carolina Uniform Commercial Code. For example, this Court has repeatedly held that “[c]ourts are limited to considering the facts and circumstances that exist *at the time of the execution of the contract* when determining unconscionability.” *Hudson v. Hudson*, 408 S.C. 76,

83, 757 S.E.2d 727, 730 (Ct. App. 2014) (emphasis added); *see also Holler v. Holler*, 364 S.C. 256, 269, 612 S.E.2d 469, 476 (Ct. App. 2005) (same); *Hardee v. Hardee*, 348 S.C. 84, 95, 558 S.E.2d 264, 269–70 (Ct. App. 2001), *aff'd as modified*, 355 S.C. 382, 585 S.E.2d 501 (2003) (same); *Lackey v. Green Tree Fin. Corp.*, 330 S.C. 388, 397, 498 S.E.2d 898, 903 (Ct. App. 1998).

Because Respondent concedes there was no unconscionability at the time of the execution of the Service Agreement, Respondent cannot prevail on an assertion that the arbitration agreement must be invalidated on the basis of unconscionability that has allegedly developed over time. As with Respondent's other arguments, this argument is without merit and should not be considered by this Court.

CONCLUSION

Based on the foregoing, Respondent's attempts to recast the Service Agreement as anything other than a maritime contract—and to evade the parties' bargained-for obligation to arbitrate—should be rejected. The record, Respondent's own pleadings, and controlling precedent establish that the Service Agreement is a maritime transaction governed by the Federal Arbitration Act. The storage and maintenance of the Vessel are traditional maritime activities; the FAA therefore applies independently of any interstate commerce inquiry. Respondent's effort to import the nexus test applicable to admiralty tort jurisdiction, and his post-hoc claim of unconscionability untethered to contract formation, find no support in law. Because the arbitration provision is valid, enforceable, and expressly governed by the FAA, the Circuit Court erred in denying the Safe Harbor Appellants' motion to compel arbitration. The Safe Harbor Appellants respectfully request that this Court reverse the order below and remand with instructions to compel arbitration of Respondent's claims.

Respectfully submitted,

s/ Rhett D. Ricard

Rhett D. Ricard (SC Bar No. 102353)

MAYNARD NEXSEN, PC

205 King Street, Suite 400

Charleston, SC 29401

rricard@maynardnexsen.com

Phone: (843) 577-9440

Fax: (843) 720-1777

March 19, 2026

Charleston, South Carolina

Attorney for Appellants