

§ 93A-52. Application for registration of timeshare program; denial of registration; renewal; reinstatement; and termination of developer's interest.

(a) Prior to the offering in this State of any timeshare located in this State, the developer of the timeshare program shall make written application to the Commission for the registration of the program.

(a1) The application shall be accompanied by a fee in an amount fixed by the Commission but not to exceed one thousand five hundred dollars (\$1,500), and shall include (i) a description of the program, (ii) copies of proposed timeshare declaration, timeshare program governing documents, public offering statement, form timeshare instrument, form contract for sale, if different than the timeshare instrument, and other documents referred to in the public offering statement, (iii) information pertaining to any marketing or managing entity to be employed by the developer for the sale of timeshares in a timeshare program, (iv) information regarding any exchange program available to the owner, (v) an irrevocable appointment of the Commission to receive service of any lawful process in any proceeding against the developer or the developer's timeshare salespersons arising under this Article, and (vi) such other information as the Commission may by rule require.

(a2) Upon receipt of a properly completed application and fee and upon a determination by the Commission that the sale of the timeshares in the timeshare program will be directed and conducted by persons of good moral character, the Commission shall issue to the developer a certificate of registration authorizing the developer to offer timeshares in the program for sale. The Commission shall, within 30 days after receipt of an incomplete application, notify the developer by mail that the Commission has found specified deficiencies, and shall, within 60 days after the receipt of a properly completed application, either issue the certificate of registration or notify the developer by mail or by electronic means of any specific objections to the registration of the program. Once issued, the certificate shall be available for inspection upon request of the Commission, and a copy of the certificate shall be available for inspection by written request from any purchaser or owner.

(a3) The developer shall promptly report to the Commission any and all material changes in the information required to be submitted for the purpose of the registration. The developer shall also immediately furnish the Commission complete information regarding any change in its interest in a registered timeshare program, other than the transfer of timeshares to purchasers in the ordinary course of its business. If a developer disposes of, or otherwise terminates its interest in a timeshare program, the developer shall cease all marketing and sales of timeshares, certify to the Commission in writing that its interest in the timeshare program is terminated, and shall return to the Commission for cancellation the certificate of registration.

(b) If the Commission finds that there is substantial reason to deny the application for registration as a timeshare program, the Commission shall notify the developer that such application has been denied and shall afford the developer an opportunity for a hearing before the Commission to show cause why the application should not be denied. In all proceedings to deny a certificate of registration, the provisions of Chapter 150B of the General Statutes shall be applicable.

(c) The acceptance by the Commission of an application for registration shall not constitute the approval of its contents or waive the authority of the Commission to take disciplinary action as provided by this Article.

(d) All certificates of registration granted and issued by the Commission under the provisions of this Article shall expire on the 30th day of June following issuance thereof, and shall become invalid after that date unless reinstated. A certificate may be renewed 45 days prior to the expiration date by filing an application with and paying to the Commission the timeshare registration renewal fee fixed by the Commission but not to exceed one thousand five hundred dollars (\$1,500) for each timeshare program. Each certificate reinstated after the expiration date

thereof shall be subject to a fee of fifty dollars (\$50.00) in addition to the required renewal fee. If a developer fails to reinstate the registration within 12 months after the expiration date thereof, the Commission may, in its discretion, consider the timeshare program as not having been previously registered, and thereby subject to the provisions of this Article relating to the issuance of an original certificate. Duplicate certificates may be issued by the Commission upon payment of a fee of one dollar (\$1.00) by the registrant developer. Except as prescribed by Commission rules, all fees paid pursuant to this Article shall be nonrefundable. (1983, c. 814, s. 1; 1985, c. 578, s. 5; 1987, c. 827, s. 1; 1999-229, s. 15; 2000-140, s. 19(b); 2005-395, s. 22; 2021-163, s. 1(c); 2021-192, s. 5(a).)