WEST VIRGINIA CODE: §36-9-6

§36-9-6. Public offering statement.

Each developer shall file with the division a complete copy of the public offering statement to be used in the sale of the time-share periods. Until the division approves such filing, any contract regarding the sale of the time-sharing plan which is the subject of the public offering statement shall be voidable by the purchaser. The proposed offering statement shall be received, reviewed and monitored in the following manner:

(a) The division shall, upon receiving a public offering statement from a developer, mail the developer an acknowledgment of receipt. The failure of the division to send such acknowledgment shall not, however, relieve the developer from the duty of complying with this section;

(b) Within twenty days after receipt of a public offering statement, the division shall determine whether the proposed public offering statement is adequate to meet the requirements of this section and shall notify the developer by mail that the division has either approved the public offering statement or found specified deficiencies. If the division fails to respond within twenty days, the filing shall be deemed approved. The developer may correct the deficiencies; and, within fifteen days after receipt of materials filed by the developer to correct the deficiencies found by the division, the division shall notify the developer by mail that the division has either approved the filing or found additional specified deficiencies. If the division fails to respond within fifteen days, the filing shall be deemed approved;

(c) Any material change to the public offering statement shall be filed with the division within fifteen days of the change. The division shall approve, or cite for deficiencies, the change within ten days after the date of filing. If the division fails to respond within ten days, the change shall be deemed approved;

(d) Upon filing a public offering statement with the division, a developer shall pay a filing fee of 50¢ for each time-share period which is to be part of the proposed time-sharing plan;

(e) Every public offering statement shall contain the following:

(1) A cover page stating:

(A) The name of the time-sharing plan; and

(B) The following, in conspicuous type:

"THIS PUBLIC OFFERING STATEMENT CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A TIME-SHARE PERIOD. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD

WVLegislature

REFER TO ALL REFERENCES, EXHIBITS HERETO, CONTRACT DOCUMENTS AND SALES MATERIALS. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECT STATEMENTS OF SELLER REPRESENTATIONS. REFER TO THIS DOCUMENT FOR CORRECT REPRESENTATIONS";

(2) A separate index of the contents and exhibits of the public offering statement;

(3) A text, which shall be a summary of the disclosure required by paragraphs five through thirteen and subsection (f), and a cross-reference to the location in the public offering statement of each exhibit;

(4) Exhibits, setting forth in detail the information summarized in the text of the public offering statement;

(5) An explanation of the time-share form of ownership that is being offered;

(6) A general description of the time-sharing plan, including the numbers of time-share units and time-share periods which are a part of the plan;

(7) An explanation of the purchaser's rights of cancellation;

(8) A copy of each executed escrow agreement and, if applicable, any nondisturbance instrument and/or notice to creditors;

(9) An explanation of the status of the title to the real property underlying the time-sharing plan, including a statement of the existence of any lien, defect, judgment or other encumbrance affecting the title to the property;

(10) A description of any judgment against the seller or the managing entity and the status of any pending suit to which the seller or the managing entity is a party, which is material to the time-sharing plan, and any other suit material to the time-sharing plan of which the seller has actual knowledge;

(11) A description of the insurance coverage provided for the benefit of the purchasers;

(12) A statement of whether the time-sharing plan is participating in an exchange program and, if so, the name and address of the exchange company offering the exchange program; and

(13) Any other information that the seller, with the approval of the division, desires to include in the public offering statement.

(f) A public offering statement regarding a time-sharing plan shall contain or fully and accurately disclose the following:

(1) The name and address of the developer and the identity of the chief operating officer or

WV Legislature

principal directing the creation and sale of the time-sharing plan;

(2) The name and address of the accommodations and facilities;

(3) The schedule of commencement and completion of all improvements;

(4) The name of any person who will or may have the right to alter, amend or add to the charges to which the purchaser may be subject and the terms and conditions under which such alterations, amendments or additions may be imposed;

(5) The documents, if any, creating the time-sharing plan;

(6) Any contracts or leases to be signed by purchasers;

(7) The identity of the managing entity and the manner, if any, whereby the seller may change the managing entity or its control;

(8) A copy of the rules, regulations, conditions or limitations on the use of the accommodations or facilities available to purchasers;

(9) Any restrictions on the transfer of any time-share period; and

(10) A description of the recreational and other facilities of the time-sharing plan.

(g) In addition, a public offering statement regarding any time-sharing plan which transfers fee simple interests in real property shall also contain or fully and accurately disclose the following:

(1) All unusual and material circumstances, features and characteristics of the real property;

(2) An estimated operating budget and a schedule of each purchaser's expenses; and

(3) Any service, maintenance or recreation contracts or leases that may be canceled by the purchasers.

WV Legislature