

AMENDATORY SECTION (Amending WSR 90-07-023, filed 3/14/90, effective 4/14/90)

WAC 308-127-040 Materially adverse change. (1) A materially adverse change means any change in the condition of a promoter or its affiliates which causes or might cause loss or risk of loss to the interests of the timeshare purchasers or prospective purchasers.

A materially adverse change occurs under circumstances which include, but are not limited to, the following:

(a) Any bulk sale of all or a significant portion of the timeshare properties;

(b) Any actual or threatened bankruptcy, receivership, or similar proceeding involving the promoter or its affiliates;

(c) Any lien, encumbrance, or similar circumstance which threatens to affect, or does affect, any of the timeshare properties;

(d) Any sale, lease, substitution of, or addition to the inventory of the timeshare properties by the promoter or its affiliates;

(e) Any amendment or change in the timeshare instruments or the timeshare program;

(f) Any change in the affiliation of the promoter or the association with a timeshare exchange company;

(g) Any change in the promoter's or an affiliate's plan of promotion;

(h) Any change in the status of an escrow, trust, bond, letter of credit, impound or other protective device, being utilized in the timeshare program for purposes of purchaser protection;

(i) Any criminal prosecution, civil lawsuit, or administrative proceeding in which the promoter or its affiliates are parties;

(j) Sell-out of the number of intervals registered to be sold to persons residing in the state of Washington;

(k) Any change in the financial status of the promoter or its affiliates that might adversely affect their ability to pay the timeshare expenses, including reserve accounts, during marketing of the timeshares.

(2) Materially adverse changes shall be reported to the agency for purposes of amending or renewing the registration and the public offering statement at the time they are known or proposed by the promoter or its affiliates. Failure to report such changes within 20 days shall result in the assessing of a \$500.00 (~~penalty~~) late fee and shall be cause for suspension, revocation, or denial of a registration.

AMENDATORY SECTION (Amending WSR 04-19-040, filed 9/13/04, effective 11/1/04)

WAC 308-127-160 Fees. The following fees shall be charged under the authority of RCW 64.36.081 and 43.24.086:

(1) Registration application fees:

Start up timeshare program including one project.	\$1000.00
Each additional project in program.	200.00
Each apartment unit in program.	10.00

	The first unit of personal property in the timeshare program.	500.00
	Each additional unit of personal property in the timeshare program.	100.00
	Businesses of listing or brokering resale intervals.	500.00
(2)	Interval Fees:	
	For each interval through one thousand.	1.00
	Intervals beyond one thousand.	0.00
	Each monthly filing of listings of resale intervals (in lieu of interval fees for resale intervals).	10.00
(3)	Renewal fees:	
	Timeshare program including one project.	500.00
	Late renewal fee for timeshare program.	2000.00
	Each additional project to a maximum of five projects.	200.00
	Each apartment unit - to maximum of twenty-five apartment units.	10.00
(4)	Consolidation fees:	
	Each additional project added.	200.00
	Each additional apartment unit.	10.00
	The first additional unit of personal property being consolidated.	250.00
	Each additional unit of personal property added in one consolidation.	100.00
(5)	Exemption fees:	
	Programs consisting of a single apartment unit in a single project with fifty-two or fewer intervals.	250.00
	All other types of programs.	1000.00
(6)	Impound fees:	
	Initial establishment of an impound, escrow, trust, or other arrangement requiring a depository.	500.00
	Each required periodic report.	50.00
(7)	Advertising fees:	
	Each initial submission of advertisement whether or not submitted in a timely manner, and whether or not in use at the time of payment.	25.00
	Examination of advertisement which are for the purpose of marketing surveys and not involving an examination of project or program instruments.	150.00
(8)	Fees for persons in the business of offering commercial promotional programs:	
	Registration of individual.	500.00
(9)	Salespersons fees:	
	((Registration)) <u>Initial application, including first timeshare company association.</u>	25.00
	((Renewal)) <u>Each timeshare company association after the first.</u>	25.00

~~((Transfer))~~ Renewal.

25.00 per
timeshare
company
association

(10) Fees for amendment of registration:

For a timely submission of an amendment filing. 25.00

~~((Penalty))~~ Late fee for failure to file an amendment within twenty days of the occurrence of a materially adverse change. 500.00

(11) Inspection fees:

Applicants and registrants shall pay the cost of inspections conducted pursuant to chapter 64.36 RCW. The inspection fees shall be paid prior to the granting of a registration or consolidation. The inspection fee shall be the actual cost to the department for conducting of the inspection.

AMENDATORY SECTION (Amending WSR 90-07-023, filed 3/14/90, effective 4/14/90)

WAC 308-127-210 Relationship of timeshare promoters and salespersons and real estate brokers and salespersons.

(1) ~~((A))~~ An active timeshare salesperson registration shall be (~~registered to a specific~~) associated with one or more timeshare promoters who (~~has~~) have one or more timeshare offerings registered in this state. The promoter shall have full responsibility for all activities of the promoter's timeshare salesperson which relate to offering timeshares for sale.

(2) An active real estate broker or salesperson may act as the brokerage agent of one or more timeshare promoters without registering as a timeshare salesperson. However, this exemption from registration as a timeshare salesperson applies only when the exempted person is performing real estate brokerage in compliance with chapter 18.85 RCW. Further, this exemption only pertains to the timeshare salesperson registration requirement. All other provisions of the Timeshare Act apply to real estate brokers and salespersons offering timeshares for sale.

(3) A natural person may be registered as a timeshare salesperson while licensed as a real estate broker or salesperson. However, the salesperson shall conduct timeshare activities and maintain associated business records separate and apart from his or her real estate broker or salesperson activities and records. The term "separate and apart" shall not preclude location of timeshare salesperson and real estate brokerage activities at the same office.

(4) Any individual who is registered as a timeshare salesperson and licensed as a real estate broker or salesperson shall disclose in writing to the recipient of a timeshare sales offer whether he or she is acting as the timeshare salesperson of a promoter or a real estate broker or salesperson at the time he or she presents the public offering statement.

WAC 308-127-225 Original application, renewal, ~~((termination)) inactivity, and fees for a timeshare salesperson registration.~~ (1) An individual shall apply for registration as a timeshare salesperson on a form prescribed by the agency. The registration application for a timeshare salesperson shall identify the specific promoter responsible for the business activities of the salesperson and shall be valid for a period of one year.

(2) When a timeshare salesperson ceases to be employed by a timeshare promoter, the salesperson's registration shall be ~~((terminated)) set to an inactive status.~~ Written notice of this ~~((termination)) cessation~~ shall be given by the promoter to the ~~((director. A terminated)) department.~~ An individual with an inactive timeshare salesperson license who desires to work for the same or another promoter shall ~~((apply for and receive registration as a timeshare salesperson)) register a new association with the department~~ before engaging in further timeshare sales activities.

(3) An individual may renew his timeshare salesperson registration for one year if the agency receives the individual's request and renewal fee on or before the expiration of the individual's existing registration. The effective date of the renewal shall be the anniversary date of the previous registration. If the registration is not renewed before the expiration date reregistration is required before timeshare sales activity may be continued.

(4) An application for registration or a renewal of registration is not complete unless it is accompanied by the proper fee. Payment of the fee with a check which is subsequently dishonored is a deficient application. Upon notification to the promoter by the agency, the promoter shall cease employment of the applicant as a timeshare salesperson.

REPEALER

The following sections of the Washington Administrative Code are repealed:

- WAC 308-127-310 Application of brief adjudicative proceedings.
- WAC 308-127-320 Preliminary record in brief adjudicative proceedings.
- WAC 308-127-330 Conduct of brief adjudicative proceedings.