

- (3) \$500,000 TO \$1,000,000 500,000
- (4) OVER \$1,000,000 1,000,000

(F) THE AMOUNT OF PURCHASE MONEY FROM SALES OF TIME-SHARES HELD AT ANY 1 TIME BY THE TIME-SHARE DEVELOPER SHALL NOT EXCEED THE AMOUNT FOR WHICH THE DEVELOPER IS BONDED IN ACCORDANCE WITH THE SCHEDULE SET FORTH IN THIS SECTION.

(G) A DEVELOPER WHO FAILS TO MAINTAIN AN ESCROW ACCOUNT OR A SURETY BOND AS REQUIRED BY THIS SECTION SHALL BE GUILTY OF A MISDEMEANOR AND, UPON CONVICTION, SHALL BE SENTENCED TO PAY A FINE OF NOT MORE THAN \$1,000 OR TO UNDERGO IMPRISONMENT FOR A TERM OF NOT MORE THAN 1 YEAR, OR BOTH, FOR EACH VIOLATION.

(H) THE REQUIREMENTS OF THIS SECTION MAY BE WAIVED BY THE COMMISSION WITH RESPECT TO A TIME-SHARE PROJECT LOCATED OUTSIDE THIS STATE PROVIDED:

(1) COMPLIANCE AND ENFORCEMENT OF THE SPECIFIC PROVISIONS ARE IMPRACTICAL OR IMPOSSIBLE;

(2) THE LAWS OF THE STATE OR COUNTRY IN WHICH THE TIME-SHARE PROJECT IS LOCATED REQUIRE ESCROW OR BONDING PROTECTION FOR PURCHASES OF TIME-SHARES, AND THE DEVELOPER HAS COMPLIED WITH SUCH LAW; OR

(3) ANY OTHER REASON THE COMMISSION FINDS RELEVANT TO PERMITTING AN ALTERNATIVE ARRANGEMENT.

(I) NO CLAIM SHALL BE MADE FOR REIMBURSEMENT FROM THE REAL ESTATE GUARANTY FUND UNDER ARTICLE 56, SECTION 217A OF THE CODE IF THE CLAIM CAN BE SUCCESSFULLY MAINTAINED AGAINST THE SURETY BOND. UNDER NO CIRCUMSTANCES SHALL THE SURETY BE ENTITLED TO REIMBURSEMENT FROM THE REAL ESTATE GUARANTY FUND.

11A-117.

(A) SECTIONS 10-201, 10-202, AND 10-203 OF THIS ARTICLE APPLY TO ALL SALES BY DEVELOPERS UNDER THIS TITLE. FOR PURPOSES OF THIS SECTION, A NEWLY CONSTRUCTED UNIT MEANS A NEWLY CONSTRUCTED OR CONVERTED UNIT.

(B) IN ADDITION TO THE IMPLIED WARRANTIES SET FORTH IN § 10-203 OF THIS ARTICLE, THERE IS AN IMPLIED WARRANTY ON EVERY TIME-SHARE UNIT FROM THE DEVELOPER TO A PURCHASER THAT THE DEVELOPER WILL CORRECT ANY DEFECTS IN MATERIALS OR WORKMANSHIP IN THE CONSTRUCTION OF WALLS, CEILINGS, FLOORS, AND HEATING AND AIR CONDITIONING SYSTEMS IN THE UNIT. THE WARRANTY ON THE UNIT COMMENCES WITH THE TRANSFER OF EITHER TITLE OR USE TO THE UNIT AND EXTENDS TO EACH TIME-SHARE OWNER FOR A PERIOD OF 1 YEAR. IN ADDITION, A DEVELOPER SHALL WARRANT TO A PURCHASER OF A TIME-SHARE THAT ANY EXISTING USE OF THE TIME-SHARE UNIT THAT WILL CONTINUE DOES NOT VIOLATE APPLICABLE LAW OR THE PROJECT INSTRUMENT.