

(1) The conveying of good and merchantable title to the time-share estate or the granting of an unencumbered right to use the time-share project pursuant to a time-share license;

(2) The return of the purchase money to the purchaser; or

(3) The forfeiture of the purchase money by the purchaser, under the terms of the contract.

(c) As used in this section the word "bond" includes a bond issued by a surety or a letter of credit issued by a financial institution acceptable to the Commission and in a form acceptable to the Commission.

(d) The bond may not be canceled by the surety until 30 days after the surety gives notice of cancellation to the Commission.

(e) The penalty of the bond shall be adjusted from time to time in accordance with the following schedule:

Total Amount of Purchase Money Held	Penalty of Bond
(1) Zero to \$200,000	\$ 100,000
(2) \$200,000 to \$500,000	200,000
(3) \$500,000 to \$1,000,000	500,000
(4) Over \$1,000,000	1,000,000

(f) (1) 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.

(2) IF A DEVELOPER IS REQUIRED TO BE BONDED WITH RESPECT TO MORE THAN ONE PROJECT THAT THE DEVELOPER OWNS OR CONTROLS, DIRECTLY OR INDIRECTLY, THE DEVELOPER MAY ELECT TO OBTAIN 1 BOND OR LETTER OF CREDIT IN THE APPROPRIATE PENALTY AMOUNT FOR THE AGGREGATE PURCHASE MONEY HELD FROM ALL PROJECTS, IF THE FULL PENALTY AMOUNT APPLIES, AS NEEDED, TO ANY OF THE PROJECTS.

(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