

Code of Virginia

§ 59.1-311. Title.

This chapter shall be known and may be cited as the "**Virginia Membership Camping Act.**"

(1985, c. 409.)

§ 59.1-312. Applicability.

This chapter shall apply to each membership camping contract executed at least in part in this Commonwealth after July 1, 1985, regardless of the whereabouts of the membership camping operator's principal office or his campground or recreational facilities.

(1985, c. 409.)

§ 59.1-313. Definitions.

When used in this chapter, unless the context requires a different meaning, the following shall have the meanings respectively set forth:

"**Advertisement**" shall be synonymous with "offer to sell."

"**Agreement**" shall be synonymous with "membership camping contract."

"**Blanket encumbrance**" means any legal instrument, whether or not evidencing the obligation to pay money, which permits or requires the foreclosure, sale, conveyance or other disposition of the campground or any portion thereof.

"**Board**" means the Virginia Board of Agriculture and Consumer Services.

"**Business day**" means any day except Sunday or a legal holiday.

"**Camping site**" means any parcel of real estate designed and promoted for the purpose of locating thereon a trailer, tent, tent trailer, pickup camper, recreational vehicle, house trailer, van, cabin or other similar device used for camping or for overnight lodging.

"**Campground**" means any single tract or parcel of real property on which there are at least ten camping sites.

"**Commissioner**" means the Commissioner of the Virginia Department of Agriculture and Consumer Services, or a member of his staff to whom he has delegated his duties under this chapter.

"Contract" shall be synonymous with **"membership camping contract."**

"Department" means the Virginia Department of Agriculture and Consumer Services.

"Facility" means an amenity within a campground set aside or otherwise made available to purchasers in their use and enjoyment of the campground, and may include campsites, swimming pools, tennis courts, recreational buildings, boat docks, restrooms, showers, laundry rooms, and trading posts or grocery stores.

"Holder" means the membership camping operator who enters into a membership camping contract with a purchaser or the assignee of such contract who purchases the same for value.

"Managing entity" means a person who undertakes the duties, responsibilities and obligations of the management of a campground.

"Membership camping contract" or **"membership camping agreement"** means any written agreement of more than one year's duration, executed in whole or in part within this Commonwealth, which grants to a purchaser a nonexclusive right or license to use the campground of a membership camping operator or any portion thereof on a first come, first serve or reservation basis together with other purchasers. "Membership camping contract" or "membership camping agreement" also means any written agreement of more than one year's duration, executed in whole or in part within this Commonwealth, which obligates the membership camping operator to transfer or which does in fact transfer to the purchaser title to or an ownership interest in a campground or any portion thereof, and which gives the purchaser a nonexclusive right or license to use the campground of a membership camping operator or any portion thereof, on a first come, first serve or reservation basis together with other purchasers.

"Membership camping operator" means any person who is in the business of soliciting, offering, advertising, or executing membership camping contracts. A membership camping operator shall not include:

1. Any enterprise that is tax-exempt under § 501 (c) (3) of the Internal Revenue Code, as amended; or
2. Any enterprise that is tax-exempt under Chapter 36 of Title 58.1; or
3. Manufactured home parks wherein the residents occupy the premises as their primary homes.

"Membership fees, dues, and assessments" means payments required of the purchaser, or his successor in interest, by the agreement for the support and maintenance of facilities at the campground about which the agreement relates.

"Nondisturbance agreement" means any instrument executed by the owner of a blanket encumbrance which subordinates the rights of the owner of the blanket encumbrance to the rights of the purchasers of membership camping contracts. Unless the agreement specifically so provides, the owner of a blanket encumbrance does not by the fact of such ownership assume any of the obligations of the membership camping operator under membership camping contracts or under this chapter.

"Offer," "offer to sell," "offer to execute" or "offering" means any offer, solicitation, advertisement, or inducement, to execute a membership camping agreement.

"Person" means any individual, corporation, partnership, company, unincorporated association or any other legal entity other than a government or agency or a subdivision thereof.

"Purchase money" means any money, currency, note, security or other consideration paid by the purchaser for a membership camping agreement.

"Purchaser" means a person who enters into a membership camping contract with the membership camping operator.

"Ratio of membership camping contracts to camping sites" means the total number of membership camping contracts sold in relation to each available camping site.

"Reciprocal program" means any arrangement under which a purchaser is permitted to use camping sites or facilities at one or more campgrounds not owned or operated by the membership camping operator with whom the purchaser has entered into a membership camping contract.

"Salesperson" means an individual, other than a membership camping operator, who offers to sell a membership camping contract by means of a direct sales presentation, but does not include a person who merely refers a prospective purchaser to a sales person without making any direct sales presentation.

(1985, c. 409; 1989, c. 676; 1992, c. 545; 1999, c. 77.)

§ 59.1-313.1. Certified mail; subsequent mail or notices may be sent by regular mail.

Whenever in this chapter the Board, the Commissioner, or the Department is required to send any mail or notice by certified mail and such mail or notice is sent certified mail, return receipt requested, then any subsequent, identical mail or notice that is sent by the Board, the Commissioner, or the Department may be sent by regular mail.

(2011, c. 566.)

§ 59.1-314. Conflicts with other statutes.

In the event that there is any conflict between this chapter and the Virginia Condominium Act (§ 55-79.39 et seq.), the Subdivided Land Sales Act (§ 55-336 et seq.), or the Virginia Real Estate Time-Share Act (§ 55-360 et seq.), the provisions of this chapter shall prevail, but this chapter shall not invalidate or otherwise affect rights or obligations vested under the Condominium Act, the Subdivided Land Sales Act, or the Virginia Real Estate Time-Share Act, before July 1, 1985, or the manner of their enforcement.

(1985, c. 409.)

§ 59.1-315. Severability.

If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect the other provisions or applications of this chapter which can be given effect without the invalid provisions or application, and to this end the provisions of this chapter are severable.

(1985, c. 409.)

§ 59.1-316.

Reserved.

§ 59.1-317. Administration; unlawful offer or execution of membership camping contract.

A. This chapter shall be administered by the Virginia Department of Agriculture and Consumer Services.

B. It shall be unlawful for any membership camping operator to offer to sell any membership camping contract in this Commonwealth unless he is registered with the Commissioner.

C. It shall be unlawful for any membership camping operator registered under this chapter to sell any membership camping contract which causes the total ratio of the outstanding and valid membership camping contracts to exceed a ratio of fifteen such contracts for each camping site.

(1985, c. 409; 1989, c. 676.)

§ 59.1-318. Application for registration of membership camping operator.

A. The application for registration shall be on a form prescribed by the Commissioner and shall include, to the extent applicable, the following:

1. The applicant's name, address, and the organizational form of his business, including the date, and jurisdiction under which the business was organized; the address of each of its offices in this Commonwealth; and the name and address of each campground located in this Commonwealth, which is owned or operated, in whole or in part, by the applicant;
2. The name, address, and principal occupation for the past five years of every officer of the applicant, including its principal managers, and the extent and nature of the interest of each such person at the time the application is filed;
3. A list of all owners of ten percent or more of the capital stock of the applicant, except that this list is not required if the applicant is a company required to report under the Securities and Exchange Act of 1934;
4. A brief description of and a certified copy of the instrument which creates the applicant's ownership of, or other right to use the campground and the facilities at the campground which are to be available for use by purchasers, together with a copy of any lease, license, franchise, reciprocal agreement or other agreement entitling the applicant to use such campground and facilities, and any material provision of the agreement which restricts a purchaser's use of such campground or facilities;
5. A sample copy of each instrument which will be delivered to a purchaser to evidence his membership in the campground and a sample copy of each agreement which a purchaser will be required to execute;
6. A statement of the zoning and other governmental regulations affecting the use of the campground including the site plans and building permits and their status;
7. A list of special taxes or assessments, whether current or proposed, which affect the campground;
8. Financial statements of the applicant prepared in accordance with generally accepted accounting principles, which shall include a financial statement for the most recent fiscal year audited by an independent certified public accountant and an unaudited financial statement for the most recent fiscal quarter;
9. A copy of the disclosure statement required by § 59.1-326;
10. An irrevocable appointment of the Commissioner or his designees to receive service of any lawful process in any proceeding arising under this chapter against the applicant or his agents, except one issued by the Commissioner. The Commissioner shall forward any such process by registered or certified mail addressed to any of the principals, officers, directors, partners, or trustees of the applicant who are listed on the application for registration pursuant to this chapter, or to any other person designated in the application to receive such process, and shall keep a record of it. Any process, notice, order, or demand issued by the Commissioner shall be served by registered mail

addressed to any principal, officer, director, partner, or trustee of the applicant listed on the application for registration pursuant to this chapter or to any person designated in the application to receive such process. Nothing in this section shall be construed to limit or prohibit the lawful service of process on individual principals as allowed by the laws of the Commonwealth. The names and addresses of the principals, officers, directors, partners, or trustees of the membership camping operator as last filed with the Commissioner pursuant to the provisions of this chapter shall be conclusive for the purposes of services of process;

11. A narrative description of the promotional plan for the sale of the membership camping contracts;

12. Any bonds required to be posted pursuant to the provisions of this chapter;

13. A copy of the agreement, if any, between the applicant and any person owning, controlling, or managing the campground and the applicant;

14. A complete list of locations and addresses of any and all sales offices located within the Commonwealth, together with a roster of all salespersons who are employed in this Commonwealth by the applicant whether as employees or as independent contractors;

15. The names of any other states or foreign countries in which an application for registration of the membership camping operator or the membership camping contract or any similar document has been filed; and

16. Complete information concerning any adverse order, judgment, or decree which has been entered by any court or administrative agency in connection with a campground or other project operated by the applicant or in which the applicant has or had an interest at the time.

B. The application shall be signed by the membership camping operator, an officer or general partner thereof or by another person holding a power of attorney for this purpose from the membership camping operator. If the application is signed pursuant to a power of attorney, a copy of the power of attorney shall be included with the application.

C. The application shall be submitted with a facing page as might be prescribed by the Commissioner if then in effect, along with the appropriate fees.

D. An application for registration shall be amended within twenty-five days if there is a material change in the information included in the application. A material change includes any change which significantly reduces or terminates either the applicant's or the purchaser's right to use the campground or any of the facilities described in the membership camping contract, but does not include minor changes covering the use of the campground, its facilities or the reciprocal program.

E. The review of the application for registration of the membership camping operator shall occur pursuant to the provisions of § 59.1-320.1.

F. Registration with the Commissioner shall not be deemed to be an approval or endorsement by the Commissioner of the membership camping operator, his membership camping contract, or his campground, and any attempt by the membership camping operator to indicate that registration constitutes such approval or endorsement shall be unlawful.

(1985, c. 409; 1992, c. 545.)

§ 59.1-319.

Reserved.

§ 59.1-320.

Repealed by Acts 1992, c. 545.

§ 59.1-320.1. Review of registration application.

A. Once the Commissioner receives an application for registration in proper form, accompanied by the proper fee, he shall, within a reasonable period of time not to exceed forty-five days after the receipt of such application:

1. Register the applicant if the applicant:

a. Has met the requirements of § 59.1-318;

b. Is not in violation of § 59.1-323; and

c. Has a reasonable ability to discharge the obligations imposed upon him by his membership camping contract; or

2. Issue a notice of opportunity for a hearing to consider whether the application should be denied, if it reasonably appears that the applicant fails to satisfy any provision of § 59.1-323 or any other requirement of this chapter.

B. Except as otherwise provided by order of the Commissioner, each registration shall be valid for the period from July 1 of one year until its expiration on June 30 of the following year.

(1992, c. 545.)

§ 59.1-321. Exemption from registration under other acts.

Any membership camping operator registered with the Commissioner under this chapter shall not be required to register or comply with the terms and requirements of the following:

1. The Virginia Condominium Act (§ 55-79.39 et seq.).
2. The Virginia Real Estate Time-Share Act (§ 55-360 et seq.).
3. The Virginia Securities Act (§ 13.1-501 et seq.).

(1985, c. 409; 1996, c. 372.)

§ 59.1-322. Other acts.

Registration with the Commissioner by a membership camping operator shall not relieve such operator of the obligation of complying with the requirements of the Virginia Home Solicitation Sales Act (§ 59.1-21.1 et seq.), if applicable.

(1985, c. 409.)

§ 59.1-323. Denial, suspension, or revocation of registration; hearing; summary action.

A. The Commissioner may deny an application for registration of a membership camping operator or may suspend, or revoke such registration if the Commissioner finds that such action is necessary for the protection of purchasers or prospective purchasers or that any one of the following is true:

1. The membership camping operator has failed to comply with any provision of this chapter that materially affects the rights of purchasers, prospective purchasers or owners of membership camping contracts.
2. The membership camping operator's offering or execution of membership camping contracts is fraudulent.
3. The membership camping operator's application for registration or any amendment thereto is incomplete in any respect.
4. The membership camping operator has failed to file timely amendments to the application for registration or meet any other requirement of § 59.1-318 of this chapter.
5. The membership camping operator has represented or is representing to purchasers in connection with the offer to sell membership camping contracts that a particular facility or facilities are planned without reasonable expectation that such facility will be

completed within a reasonable time, or without the apparent means to ensure its completion.

6. The membership camping operator has permanently withdrawn from use all or any substantial portion of any campground and that (i) no adequate provision has been made to provide a substitute campground of comparable quality and attraction in the same general area within a reasonable time after such withdrawal, and (ii) the rights of all purchasers at the affected location have not expired, and (iii) the Commissioner has found that the withdrawal is consistent with the protection of purchasers.

Notwithstanding the foregoing, a membership camping operator may reserve the right to withdraw permanently from use all or any portion of a campground devoted to membership camping if, after the membership camping operator first represents to purchasers that the campground is or will be available for camping, the specific date upon which the withdrawal becomes effective is disclosed in writing to all purchasers at or prior to the time the membership camping contract is executed.

7. The membership camping operator has made any representation in any document or information filed with the Commissioner which is false or misleading.

8. The membership camping operator has engaged or is engaging in any unlawful act or practice.

9. The membership camping operator has disseminated or caused to be disseminated, any false or misleading promotional materials in connection with a campground.

10. The membership camping operator does not have a reasonable ability to discharge the obligations imposed upon him by any membership camping contract.

B. Except as provided in subsection C of this section, before denying, suspending or revoking a registration, as provided in subsection A of this section, the Commissioner shall issue to the membership camping operator a notice of opportunity for a hearing to consider the denial, suspension, or revocation.

C. If the Commissioner finds that the public health, safety or welfare requires emergency action and incorporates this finding in his order, the Commissioner may summarily deny, suspend or revoke a registration. The membership camping operator shall be given an opportunity within ten days after entry of such an order to appear before the Commissioner and show cause why the summary order should not remain in effect. If good cause is shown, the Commissioner shall vacate the summary order. If good cause is not shown, the summary order shall remain in effect. The membership camping operator shall have fifteen days thereafter within which to request a hearing, or the Commissioner may within thirty days thereafter set the matter for a hearing.

(1985, c. 409; 1992, c. 545.)

§ 59.1-324. Cease and desist orders; temporary order.

A. If it appears to the Commissioner that any person has engaged or is engaging in any practice in violation of this chapter, he may issue an order directing the person to cease and desist provided that reasonable notice and an opportunity for a hearing shall be given to such person.

B. The Commissioner may issue a temporary order pending the hearing which is effective on delivery to the person named in the order. The temporary order shall remain in effect until five days after the hearing required in subsection A above is held. In the event no hearing is requested by the person named in the order, the order shall become final within fifteen days after it is delivered.

(1985, c. 409.)

§ 59.1-325. Fees.

A. Each application for registration under § 59.1-318 shall be accompanied by a reasonable fee to be determined by the Board and published in the regulations adopted in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

B. Each application for registration or for amendment shall be accompanied by a reasonable fee to be determined by the Board and published in regulations adopted in accordance with the provisions of the Administrative Process Act.

C. Until such time as regulations covering fees are adopted by the Board, the registration fee shall be \$2,500 and the fee for amendments shall be \$100.

D. All fees shall be remitted to the State Treasurer and shall be credited to a special fund of the Virginia Department of Agriculture and Consumer Services to be used in the administration of this chapter.

(1985, c. 409; 1988, c. 58; 1992, c. 545.)

§ 59.1-326. Membership camping operator's disclosure statement.

A. Every membership camping operator, salesperson, or other person who is in the business of offering for sale or transfer the rights under existing membership camping contracts for a fee shall deliver to his purchaser a current membership camping operator's disclosure statement before execution by the purchaser of the membership camping contract and no later than the date shown on such contract.

B. The membership camping operator's disclosure statement shall consist of the following:

1. A cover page stating:

- a. The words "Membership Camping Operator's Disclosure Statement" printed in boldfaced type of a minimum size of ten points, followed by,
- b. The name and principal business address of the membership camping operator followed by,
- c. A statement that the membership camping operator is in the business of offering for sale membership camping contracts, followed by,
- d. The following, in printed boldfaced type of a minimum size of ten points:

THIS DISCLOSURE STATEMENT CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN THE EXECUTION OF A MEMBERSHIP CAMPING CONTRACT. THE MEMBERSHIP CAMPING OPERATOR IS REQUIRED BY LAW TO DELIVER TO YOU A COPY OF THIS DISCLOSURE STATEMENT BEFORE YOU EXECUTE A MEMBERSHIP CAMPING CONTRACT. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. YOU AS A PROSPECTIVE PURCHASER SHOULD REVIEW ALL REFERENCES, EXHIBITS, CONTRACT DOCUMENTS, AND SALES MATERIALS. YOU SHOULD NOT RELY UPON ANY ORAL REPRESENTATIONS AS BEING CORRECT. REFER TO THIS DOCUMENT AND TO THE ACCOMPANYING EXHIBITS FOR CORRECT REPRESENTATIONS. THE MEMBERSHIP CAMPING OPERATOR IS PROHIBITED FROM MAKING ANY REPRESENTATIONS WHICH CONFLICT WITH THOSE CONTAINED IN THE CONTRACT AND THIS DISCLOSURE STATEMENT.

- e. The following language, printed in boldfaced type of a minimum size of ten points after the appearance of the items required in subdivisions a through d above:

SHOULD YOU EXECUTE A MEMBERSHIP CAMPING CONTRACT, YOU HAVE THE UNQUALIFIED RIGHT TO CANCEL SUCH CONTRACT. THIS RIGHT OF CANCELLATION CANNOT BE WAIVED. THE RIGHT TO CANCEL EXPIRES AT MIDNIGHT ON THE 7TH CALENDAR DAY FOLLOWING THE DATE ON WHICH THE CONTRACT WAS EXECUTED. TO CANCEL THE MEMBERSHIP CAMPING CONTRACT, YOU AS THE PURCHASER MUST MAIL NOTICE OF YOUR INTENT TO CANCEL BY CERTIFIED UNITED STATES MAIL TO THE MEMBERSHIP CAMPING OPERATOR AT THE ADDRESS SHOWN IN THE MEMBERSHIP CAMPING CONTRACT, POSTAGE PREPAID. THE CAMPING OPERATOR IS REQUIRED BY LAW TO RETURN ALL MONEYS PAID BY YOU IN CONNECTION WITH THE EXECUTION OF THE MEMBERSHIP CAMPING CONTRACT, UPON YOUR PROPER AND TIMELY CANCELLATION OF THE CONTRACT. IN ADDITION, AFTER THE INITIAL 7-CALENDAR-DAY CANCELLATION PERIOD, YOU THE PURCHASER OR YOUR SUCCESSOR IN INTEREST MAY TERMINATE YOUR LIABILITY UNDER THE MEMBERSHIP CAMPING CONTRACT INCLUDING PAYMENT OF ANY MEMBERSHIP FEES, DUES, AND ASSESSMENTS UPON YOUR GIVING PROPER AND EFFECTIVE NOTICE TO THE MEMBERSHIP CAMPING OPERATOR. TO BE EFFECTIVE, THE NOTICE MUST BE IN WRITING

AND SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED AND IT MUST CONTAIN: (1) YOUR TRANSFER OF ANY AND ALL RIGHTS, TITLE, AND INTEREST YOU HAVE IN THE MEMBERSHIP CAMPING CONTRACT AND CAMPGROUND BACK TO THE MEMBERSHIP CAMPING OPERATOR; (2) A RECORDABLE DEED, DULY EXECUTED AND NOTARIZED, AND THE RECORDING FEE, IF YOU RECEIVED A RECORDED DEED FROM THE MEMBERSHIP CAMPING OPERATOR; (3) PAYMENTS OF (i) THE UNPAID BALANCE OF THE PURCHASE PRICE AND ANY ACCRUED UNPAID INTEREST THEREON AND (ii) ALL UNPAID MEMBERSHIP FEES, DUES, AND ASSESSMENTS WITH ACCRUED INTEREST THEREON PERMITTED BY THE MEMBERSHIP CAMPING CONTRACT; AND (4) PAYMENT OF ALL OTHER UNPAID FINANCIAL OBLIGATIONS OWED BY YOU THE PURCHASER PURSUANT TO THE MEMBERSHIP CAMPING CONTRACT.

f. The following language below all statements required in subdivisions a through e above:

"Registration of the membership camping operator with the Commissioner of the Virginia Department of Agriculture and Consumer Services does not constitute an approval or endorsement by the Commissioner of the membership camping operator, his membership camping contract, or his campground."

2. The name of the membership camping operator and the address of his principal place of business:

a. The name, principal occupation and address of every director, partner, or trustee of the membership camping operator;

b. The name and address of each person owning or controlling an interest of ten percent or more in the membership camping operator;

c. The particulars of any indictment, conviction, judgment, decree or order of any court or administrative agency against the membership camping operator or its managing entity arising out of the violation or alleged violation of any federal, state, local or foreign law or regulation in connection with activities relating to the sale of campground memberships, land sales, land investments, security sales, construction or sale of homes or improvements or any similar or related activity; and

d. A statement of any unsatisfied judgments against the membership camping operator or its managing entity, the status of any pending suits involving the sale of membership camping contracts or the management of campgrounds to which the membership camping operator or its managing entity is a party and the status of any pending suits, administrative proceedings, or indictments of significance to the campground;

3. A brief description of the nature of the purchaser's right or license to use the campground and the facilities which are to be available for use by purchasers;

4. A brief description of the membership camping operator's experience in the membership camping business, including the length of time such operator has been in the membership camping business;
5. The location of each of the campgrounds which is to be available for use by purchasers and a brief description of the facilities at each campground which are currently available for use by purchasers. Facilities which are planned, incomplete, or not yet available for use shall be clearly identified as incomplete or unavailable. A brief description of any facilities that are or will be available to nonpurchasers shall also be provided;
6. As to all memberships offered by the membership camping operator at each campground:
 - a. The form of membership offered;
 - b. The types and duration of memberships along with a summary of the major privileges, restrictions, and limitations applicable to each type; and
 - c. Provisions, if any, that have been made for public utilities at each campsite including water, electricity, telephone and sewerage facilities;
7. Any initial or special fee due from the purchaser together with a description of the purpose and method of calculating the fee;
8. A description of any liens, defects, or encumbrances affecting the campground;
9. A general description of any financing offered or available through the membership camping operator;
10. A statement that the purchaser has until midnight of the seventh calendar day following the signing of the membership campground contract to cancel the contract by proper notice to the membership camping operator;
11. A description of the insurance coverage that the membership camping operator provides for the benefit of purchasers, if any;
12. Any fees or charges that purchasers are or may be required to pay for the use of the campground or any facilities;
13. The extent to which financial arrangements, if any, have been provided for the completion of facilities together with a statement of the membership camping operator's obligation to complete planned facilities. The statement shall include a description of any restrictions or limitations on the membership camping operator's obligation to begin or to complete such facilities;

14. The name of the managing entity, if there is one, and the significant terms of any management contract, including but not limited to, the circumstances under which the membership camping operator may terminate the management contract;

15. Any services which the membership camping operator currently provides or expenses he pays which are expected to become the responsibility of the purchasers, including the projected liability which each such service or expense may impose on each purchaser;

16. A brief description of the ownership in or other right to use the campground which is to be transferred to each purchaser, together with the duration of any lease, license, franchise or reciprocal agreement entitling the membership camping operator or purchasers from him to use the campground, and any provisions in any such agreements which restrict or limit a purchaser's use of the campground;

17. a. A copy, whether by way of supplement or otherwise, of the rules, restrictions or covenants regulating the purchaser's use of the campground in Virginia and its facilities which are to be available for use by the purchasers, including a statement of whether and how the rules, restrictions or covenants may be changed;

b. A summary, whether by way of supplement or otherwise, of the rules, restrictions, or covenants regulating the purchaser's use of any other campgrounds, facilities, or any other amenities resulting from the purchase of, or used as an inducement to influence the purchase of, the membership camping contract;

18. A description of any restraints on the transfer of the membership camping contract;

19. A brief description of the policies covering the availability of camping sites, the availability of reservations and the conditions under which they are made;

20. A brief description of any grounds for forfeiture of a purchaser's membership camping contract;

21. A statement of whether the membership camping operator has the right to withdraw permanently from use all or any portion of any campground devoted to membership camping and, if so, the conditions under which such withdrawal is to be permitted;

22. A statement describing the material terms and conditions of any reciprocal program to be available to the purchaser including a statement concerning whether the purchaser's participation in any reciprocal program is dependent upon the continued affiliation of the membership camping operator with that reciprocal program and whether the membership camping operator reserves the right to terminate such affiliation;

23. The following language, printed in boldfaced type of a minimum size of ten points:

The purchase of this membership camping contract should not be based on any representations that it is an investment or that it can be resold. The resale of a membership may be difficult; and

24. A statement that contains in boldfaced type the name, address, and telephone number of the Virginia Department of Agriculture and Consumer Services, State Division of Consumer Affairs and that states that that agency is the regulatory agency that handles consumer complaints regarding membership campgrounds.

C. The membership camping operator shall promptly amend his membership camping operator's disclosure statement to reflect any material change in the campground or its facilities. He shall also promptly file any such amendments with the Commissioner.

(1985, c. 409; 1992, c. 545.)

§ 59.1-327. Purchaser's rights.

A. The purchaser shall have the following rights during the first seven calendar days following the execution of the membership camping contract:

1. A purchaser shall have the right to cancel a membership camping contract within seven calendar days following the date of its execution.

2. The right of cancellation shall not be waived and any attempt to obtain such a waiver shall be unlawful. Nothing in this section shall preclude the execution of documents in advance of closing for delivery after expiration of the cancellation period.

3. If the purchaser elects to cancel the membership camping contract, he may do so only by mailing notice thereof by certified United States mail to the membership camping operator at the address listed in the membership camping contract. The cancellation shall be deemed effective upon mailing.

4. Upon cancellation, the membership camping operator shall refund to the purchaser all payments made by such purchaser and collected by the membership camping operator pursuant to the canceled membership camping contract. The refund shall be made within sixty days after the effective date of the cancellation and may, where payment has been made by credit card, be made by an appropriate credit to the purchaser's account. Where payment is made by an exchange of real or personal property, the property may be returned to the purchaser.

5. The purchaser's right to cancel shall apply only to the initial membership camping contract executed by such purchaser and to no successor contract and shall not apply to a successor contract which replaces an existing contract executed by such purchaser, unless the successor contract is executed within seven calendar days of the original contract in which case the cancellation period shall renew itself.

B. In addition to the rights afforded the purchaser contained in subsection A of this section, the purchaser and any successor in interest shall not be held liable for any maintenance fees, dues, and assessments succeeding the effective date of notification pursuant to subdivision 2 of this subsection, if:

1. The purchaser or his successor in interest relinquishes any and all interest in the membership camping contract to the membership camping operator or his assigns; and

2. The purchaser or his successor in interest notifies the membership camping operator or his assigns, in writing, by certified mail, return receipt requested, of his relinquishment. The notice shall be deemed effective:

a. Eighteen months after the notice is mailed provided the membership camping contract is no less than fifty-four months old; and

b. If and only if the principal and interest payments, the membership fees, dues, and assessments and all other financial obligations owed by the purchaser, or his successor in interest, under the membership camping contract are paid in full as of the date of mailing; and

c. The relinquishment contained in subdivision B 1 shall be in the form of a recordable deed, duly executed and properly notarized, or other form found acceptable to the membership camping operator accompanied by a fee sufficient to record the deed.

C. If the notice complies with subsection B of this section concerning avoiding further payments of membership fees, dues, and assessments, the membership camping operator shall confirm, in writing, receipt of the notice within ten days after its receipt. If the notice does not comply with subsection B of this section, the membership camping operator or his assigns shall inform the purchaser or his successors in interest, in writing, within ten days after its receipt, of the specific reasons why the notice does not comply.

D. All moneys collected by the membership camping operator pursuant to the membership camping contract prior to notification by the purchaser or his successor in interest pursuant to subsection B of this section shall remain the property of the membership camping operator.

E. Upon satisfaction of all provisions of subsection B of this section, the purchaser or his successor in interest shall have no rights or obligations under the membership camping contract and the membership camping operator or his assigns shall make no claims against the purchaser or his successor in interest thereunder.

(1985, c. 409; 1992, c. 545.)

§ 59.1-328. Membership camping contracts.

The membership camping operator shall deliver to his purchaser a fully executed copy of the membership camping contract, which contract shall include at least the following information:

1. The actual date the membership camping contract is executed by the purchaser.
2. The name of the membership camping operator and the address of his principal place of business.
3. The total financial obligation imposed upon the purchaser by the contract, including the initial purchase price and any additional charges which the purchaser may be required to pay.
4. A description of the nature and duration of the membership being purchased including any interest in real property.
5. A statement that the membership camping operator, salesperson, or any other person who is in the business of offering for sale or transfer the rights under existing membership camping contracts for a fee is required by the Virginia Membership Camping Act (§ 59.1-311 et seq.) to provide each purchaser with a copy of the membership camping operator's disclosure statement prior to execution of such contract and that a failure to do so is a violation of the Act.
6. The following statement shall appear in the contract, under its own paragraph, and conspicuously placed:

PURCHASER'S NONWAIVABLE RIGHT TO CANCEL shall appear at the beginning of said paragraph in boldfaced type of a minimum of ten points, immediately preceding the following statement which shall appear in type no smaller than the other provisions of the contract:

YOU AS THE PURCHASER HAVE A NONWAIVABLE 7-CALENDAR-DAY RIGHT OF CANCELLATION. THIS RIGHT OF CANCELLATION IS FULLY EXPLAINED ON THE COVER SHEET OF THE MEMBERSHIP CAMPING OPERATOR'S DISCLOSURE STATEMENT. YOU ARE URGED TO REVIEW THE DISCLOSURE STATEMENT PRIOR TO THE EXECUTION OF THIS CONTRACT FOR A COMPLETE UNDERSTANDING OF YOUR RIGHT OF CANCELLATION. IN ADDITION, AFTER THE INITIAL 7-CALENDAR-DAY CANCELLATION PERIOD, YOU THE PURCHASER OR YOUR SUCCESSOR IN INTEREST MAY TERMINATE YOUR LIABILITY UNDER THE MEMBERSHIP CAMPING CONTRACT INCLUDING PAYMENT OF ANY MEMBERSHIP FEES, DUES, AND ASSESSMENTS UPON YOUR GIVING PROPER AND EFFECTIVE NOTICE TO THE MEMBERSHIP CAMPING OPERATOR. TO BE EFFECTIVE, THE NOTICE MUST BE IN WRITING AND SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED AND IT MUST CONTAIN: (1) YOUR TRANSFER

OF ANY AND ALL RIGHTS, TITLE, AND INTEREST YOU HAVE IN THE MEMBERSHIP CAMPING CONTRACT AND CAMPGROUND BACK TO THE MEMBERSHIP CAMPING OPERATOR; (2) A RECORDABLE DEED, DULY EXECUTED AND NOTARIZED, AND THE RECORDING FEE, IF YOU RECEIVED A RECORDED DEED FROM THE MEMBERSHIP CAMPING OPERATOR; (3) PAYMENTS OF (i) THE UNPAID BALANCE OF THE PURCHASE PRICE AND ANY ACCRUED UNPAID INTEREST THEREON AND (ii) ALL UNPAID MEMBERSHIP FEES, DUES, AND ASSESSMENTS WITH ACCRUED INTEREST THEREON PERMITTED BY THE MEMBERSHIP CAMPING CONTRACT; AND (4) PAYMENT OF ALL OTHER UNPAID FINANCIAL OBLIGATIONS OWED BY YOU THE PURCHASER PURSUANT TO THE MEMBERSHIP CAMPING CONTRACT.

7. The full name of all salespersons involved in the execution of the membership camping contract.

8. A statement that contains, in boldface type, the name, address, and telephone number of the Virginia Department of Agriculture and Consumer Services, Division of Consumer Affairs, stating that that agency is the regulatory agency handling consumer complaints regarding membership campgrounds.

(1985, c. 409; 1992, c. 545.)

§ 59.1-329. Escrow and bonding.

A. All purchase money received from or on behalf of a purchaser in connection with the execution of a membership camping contract shall be deposited in an escrow or trust account designated solely for that purpose, which may be the membership camping operator's own escrow or trust account or that of his attorney's, until the expiration of the time for cancellation has expired unless a later time is provided in the membership camping contract. If the contract has not been canceled, any purchase money received from a purchaser may be released to the membership camping operator upon:

1. The conveying to the purchaser of the title to, interest in, or right or license to use the campground and facilities as required in the membership camping contract; or
2. The forfeiture of the purchase money by the purchaser under the terms of the membership camping contract.

B. In lieu of the obligations imposed by subsection A, the membership camping operator may file and maintain with the Commissioner a surety bond issued in favor of the Commissioner for the benefit of purchasers insuring the escrow of the purchase money until such time as it may be released as outlined in subsection A. Such bond may not be canceled until thirty days after written notice of cancellation is received by the Commissioner. In lieu of such bond, the membership camping operator may post with the Commissioner an irrevocable letter of credit in a form and content acceptable to the

Commissioner. The penalty of the bond or letter of credit shall be adjusted from time to time in accordance with the following schedule:

TOTAL AMOUNT OF PURCHASE MONEY HELD	PENALTY OF BOND
1. \$0 to \$200,000	\$50,000
2. \$200,000 to \$500,000	\$75,000
3. Over \$500,000	\$100,000

C. The amount of purchase money paid by purchasers held at any one time by the membership camping operator shall not exceed the amount for which the operator is bonded or the letter of credit is issued in accordance with the schedule set forth in subsection B.

D. In addition to any bonding requirements contained in this section, the membership camping operator shall file and maintain with the Commissioner a payment and performance bond with surety issued in favor of the Commissioner for the benefit of the purchasers and which guarantees the completion of all incomplete or planned facilities constructed or to be constructed in this Commonwealth as outlined or listed in either the membership camping contract or the membership camping operator's disclosure statement. The bond may not be canceled until thirty days after written notice of cancellation is received by the Commissioner. In lieu of the bond the membership camping operator may post with the Commissioner an irrevocable letter of credit. The surety bond or letter of credit shall be in a form and content acceptable to the Commissioner. The penalty of the bond or letter of credit shall be in an amount equal to the cost of completing the incomplete or planned facilities as of the date of its issuance or as of the membership camping operator's application for continued registration date as provided in § 59.1-320.1, whichever is later.

(1985, c. 409; 1992, c. 545.)

§ 59.1-330.

Repealed by Acts 1992, c. 545.

§ 59.1-330.1. Noncomplying contract voidable.

Any membership camping contract which does not comply with the applicable provisions of this chapter shall be voidable at the option of the purchaser.

(1992, c. 545.)

§ 59.1-330.2. Fraud rendering contract voidable.

Any membership camping contract entered into by the purchaser upon any false, misleading, prohibited, or unlawful information, representation, notice, or advertisement of the membership camping operator or the operator's agent shall be voidable at the option of the purchaser.

(1992, c. 545.)

§ 59.1-331. Resale of memberships.

A. In the event of the resale of a membership by a purchaser who is neither a membership camping operator nor any other person who is in the business of offering for sale or transfer the rights under existing membership camping contracts for a fee, such purchaser (hereinafter in this section called "owner") shall furnish to the new purchaser before the execution of any instrument of conveyance a copy of the membership camping contract and a certificate containing:

1. A statement disclosing any right of first refusal or other restraint on transfer of the membership.
2. A statement setting forth the amount of the periodic payments which are required by the contract including any amounts currently due and payable.
3. That the membership camping operator may have a valid reason for not transferring the contract to the new purchaser.
4. That there may have been changes in the rules or regulations concerning the rights and obligations of the membership camping operator or purchasers, including changes with respect to membership fees, dues, and assessments, or that some campgrounds or facilities may have been withdrawn.
5. Any other material changes or risks to the purchaser known to the owner.

B. The membership camping operator within ten days after receipt of a written request by an owner, shall furnish the owner with a written certificate containing the information necessary to enable the owner to comply with subdivisions 1 and 2 of subsection A of this section. An owner providing such certificate pursuant to subsection A is not liable to the purchaser for any erroneous information provided by the membership camping operator and included in the certificate. The membership camping operator is not liable to either the owner or the new purchaser for any information not provided by him.

(1985, c. 409; 1992, c. 545.)

§ 59.1-332. Conditions on offering items as an inducement to execute.

A. It is unlawful for any person by any means, as part of an advertising program, to offer any item of value as an inducement to the recipient to visit a membership camping operator's campground, attend a sales presentation or contact a salesperson, unless the person clearly discloses in writing in the offer in readily understandable language each of the following:

1. The name and campground address of the membership camping operator.
2. A general statement that the advertising program is being conducted by a membership camping operator and the purpose of any requested visit.
3. A statement of odds, in arabic numerals, of receiving each item offered.
4. The approximate retail value of each item offered.
5. The number of campgrounds that are participating in such advertising program.
6. The restrictions, qualifications and other conditions that must be satisfied before the recipient is entitled to receive the item, including:
 - a. Any deadline, if any, by which the recipient must visit the campground, attend the sales presentation or contact a salesperson in order to receive the item.
 - b. The approximate duration of any visit and sales presentation.
 - c. The date upon which the offer shall terminate and the final date upon which the gifts or prizes are to be awarded.
 - d. Any other conditions, such as minimum age qualification, a financial qualification or a requirement that if the recipient is married both husband and wife must be present in order to receive the item.
7. A statement that the membership camping operator reserves the right to provide a rain check or a substitute or like item, if these rights are reserved.
8. All other material rules, terms and conditions of the offer or program.

B. It is unlawful for any person making an offer subject to subsection A, or any employee or agent of the person, to offer any item if the person knows or has reason to know that the offered item will not be available in a sufficient quantity based on the reasonably anticipated response to the offer.

C. It is unlawful for any person making an offer subject to subsection A, or any employee or agent of the person, to fail to provide any offered item which any recipient

who has responded to the offer in the manner specified in the offer, has performed the requirements disclosed in the offer and has met the qualifications described in the offer is entitled to receive, unless the offered item is not reasonably available and the offer discloses the reservation of a right to provide a rain check or a like or substitute item if the offered item is unavailable.

D. If the person making an offer subject to subsection A is unable to provide an offered item because of limitations of supply, quantity or quality not reasonably foreseeable or controllable by the person making the offer, the person making the offer shall inform the recipient of the recipient's right to receive a rain check for the item offered, unless the person making the offer knows or has a reasonable basis for knowing that the item will not be reasonably available at approximately the same price to the person making the offer, and shall inform the recipient of the recipient's right to at least one of the following additional options:

1. The person making the offer will provide a like item of equivalent or greater retail value or a rain check for the item. This option must be offered if the offered item is not reasonably available.
2. The person making the offer will provide a substitute item of equivalent or greater retail value.
3. The person making the offer will provide a rain check for a like or substitute item.

E. If a rain check is provided, the person making an offer subject to subsection A shall, within a reasonable time, and in any event not more than ninety days after the rain check is provided, deliver the agreed item to the recipient's address without additional cost or obligation to the recipient, unless the item for which the rain check is provided remains unavailable because of limitations of supply, quantity or quality not reasonably foreseeable or controllable by the person making the offer. If the item is unavailable for these reasons, the person shall, not more than thirty days after the expiration of the aforesaid ninety-day period, deliver a like item of equal or greater retail value or, if the item is not reasonably available to the person at approximately the same price, a substitute item of equal or greater retail value.

F. On the written request of a recipient who has received or claims a right to receive any offered item, the person making an offer subject to subsection A shall furnish to the recipient sufficient evidence showing that the item provided matches the item randomly or otherwise selected for distribution to that recipient.

G. It is unlawful for any person making an offer subject to subsection A, or any employee or agent of the person, to:

1. Misrepresent the size, quantity, identity or quality of any prize, gift, money or other item of value offered.

2. Misrepresent in any manner the odds of receiving any particular gift, prize, amount of money or other item of value.

3. Label any offer a "notice of termination" or "notice of cancellation."

4. Materially misrepresent, in any manner, the offer, or program.

H. If any provision of this section is in conflict with the provisions of the Prizes and Gifts Act (§ 59.1-415 et seq.), the provisions of the Prizes and Gifts Act shall control.

(1985, c. 409; 1992, c. 545.)

§ 59.1-333. Nondisturbance provisions.

With respect to any property in this Commonwealth acquired and put into operation by a membership camping operator after July 1, 1985, the membership camping operator shall neither offer nor execute a membership camping contract in this Commonwealth granting the right to use such property until:

1. Each person holding an interest in a blanket encumbrance shall have executed and delivered a nondisturbance agreement which includes the following provisions: (i) that the rights of the owner or owners of the blanket encumbrance in the affected campground are subordinate to the rights of purchasers, and (ii) that any person who acquires the affected campground or any portion thereof by the exercise of any right of sale or foreclosure contained in such agreement shall take the same subject to the rights of the purchasers, and (iii) that the owner or owners of the blanket encumbrance shall not use or cause the property to be used in any manner which interferes with the right of the purchasers to use the campground and its facilities in accordance with the terms and conditions of the membership camping contract. Such agreement shall be recorded in the clerk's office of the circuit court in which the property is located; and

2. Every financial institution providing a major hypothecation loan to the membership camping operator (the "hypothecation lender") which has a lien on, or security interest in the membership camping operator's ownership interest in the campground shall have executed and delivered a nondisturbance agreement and recorded such agreement in the clerk's office of the circuit court in which the campground is located. In addition, each person holding an interest in a blanket encumbrance superior to the interest held by the hypothecation lender shall have executed, delivered and recorded an instrument stating that such person shall give the hypothecation lender notice of, and at least thirty days to cure, any default under the blanket encumbrance before such person commences any foreclosure action affecting the campground. For the purposes of this provision, a major hypothecation loan to a membership camping operator is a loan or line of credit secured by substantially all of the contracts receivable arising from the membership camping operator's sale of membership camping contracts; or

3. There shall have been delivered to and accepted by the Commissioner a surety bond or letter of credit satisfying the following requirements: The surety bond or letter of credit shall be issued to the Commissioner for the benefit of purchasers and shall be in an amount which is not less than 105 percent of the remaining principal balance of every indebtedness secured by a blanket encumbrance affecting the campground. Such bond shall be issued by a surety authorized to do business in this Commonwealth and having sufficient net worth to satisfy the indebtedness. Such letter of credit shall be irrevocable and shall be drawn upon a bank, savings and loan, or financial institution and shall be in form and content acceptable to the Commissioner. The bond or letter of credit shall provide for payment of all amounts secured by the blanket encumbrance, including costs, expenses, and legal fees of the lien holder, if for any reason the blanket encumbrance is enforced. The bond or letter of credit may be reduced at the option of the membership camping operator periodically in proportion to the reductions of the amounts secured by the blanket encumbrance.

4. The nondisturbance agreement may be amended provided the provisions of this section are not diminished or altered by the amendment.

(1985, c. 409.)

§ 59.1-334. Investigations.

A. The Commissioner may:

1. Make necessary public or private investigations within or without this Commonwealth to determine whether any person has violated or is about to violate any provision of this chapter or any rule, regulation, or order issued hereunder, or to aid in the enforcement of this chapter in prescribing rules and form hereunder.

2. Require or permit any person to file a statement in writing, under oath or otherwise as the Commissioner determines, as to all facts and circumstances concerning the matter to be investigated.

B. For the purpose of any investigation or proceeding under this chapter, the Commissioner may administer oaths or affirmations, and upon such motion or upon request of any party, may subpoena witnesses, compel their attendance, take evidence, and require the production of any matter which is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts, or any other matter reasonably calculated to lead to the discovery of material evidence.

C. Any proceeding or hearing of the Commissioner under this chapter, where witnesses are subpoenaed and their attendance required for evidence to be taken, or any matter is to be produced to ascertain material evidence, shall take place within the City of Richmond.

D. Upon failure to obey a subpoena or to answer questions propounded by the Commissioner and upon reasonable notice to all persons affected thereby, the Commissioner may apply to the Circuit Court of the City of Richmond for an order compelling compliance.

E. The Board may prescribe reasonable rules and regulations in order to implement the terms of this chapter and such rules and regulations shall be adopted, amended, or repealed in accordance with the Administrative Process Act (§ 2.2-4000 et seq.).

F. Except as otherwise provided in this chapter, all proceedings under this chapter shall be in accordance with the Administrative Process Act.

(1985, c. 409.)

§ 59.1-335. Penalties.

A. Any person violating any of the provisions of §§ 59.1-317, 59.1-318, 59.1-326, 59.1-327, 59.1-328, and 59.1-329 or a cease and desist or temporary order issued pursuant to § 59.1-324 shall be guilty of a Class 1 misdemeanor and any person violating any of the provisions of § 59.1-332 shall be guilty of a Class 3 misdemeanor. Other than with reference to § 59.1-332 each violation shall be deemed a separate offense.

B. Any violation of the provisions of this chapter shall constitute a prohibited practice pursuant to the provisions of § 59.1-200 and shall be subject to any and all of the enforcement provisions of the Virginia Consumer Protection Act (§ 59.1-196 et seq.) of this title.

(1985, c. 409; 1992, c. 545.)