

SECOND REGULAR SESSION

SENATE BILL NO. 721

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR NODLER.

Pre-filed December 29, 2009, and ordered printed.

3192S.011

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 407.1243, RSMo, and to enact in lieu thereof one new section relating to travel clubs.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 407.1243, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 407.1243, to read as follows:

407.1243. 1. No travel club may offer vacation benefits for sale unless the
2 travel club maintains an effective registration statement with the Missouri
3 attorney general that discloses the following information:

4 (1) The name of the travel club, including the name under which the
5 travel club is doing or intends to do business, if it is different from the name of
6 the travel club;

7 (2) The name of any parent or affiliated organization that will engage in
8 business transactions with the purchasers of travel benefits or accept
9 responsibility for statements made by, or acts of, the travel club that relate to
10 sales solicited by the travel club;

11 (3) The travel club's business type and place of organization;

12 (4) If the travel club is an entity, the travel club's formation and
13 governing documents, including articles of organization, bylaws, operating
14 agreements, and partnership agreements;

15 (5) If operating under a fictitious business name, the location where the
16 fictitious name has been registered and the same information for any parent or
17 affiliated organization disclosed under subdivision (2) of this subsection;

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 (6) The names and addresses of the principal owners, officers, and
19 directors of the travel club;

20 (7) The addresses where the travel club shall offer travel club
21 memberships for sale;

22 (8) The name and address of the registered agent in the state of Missouri
23 for service of process for the travel club;

24 (9) A brief description of the travel club memberships the travel club is
25 offering for sale; and

26 (10) The travel club has demonstrated that it possesses liquid assets of
27 at least [two hundred] fifty thousand dollars in the form of one or more
28 certificates of deposit or a letter of credit that is issued by a banking institution
29 with assets of at least seventy-five million dollars. This provision shall also apply
30 to renewals under section 407.1246. These liquid assets shall be available to the
31 attorney general in the event that the travel club is adjudged to have failed to
32 satisfy legal obligations to its members. Interest on any instrument provided
33 shall accrue to the travel club.

34 2. The attorney general shall evidence his or her receipt, approval, or
35 disapproval, as the case may be, of a travel club's registration statement or
36 registration renewal statement within thirty days from and after the
37 submission. Upon compliance with the foregoing requirements, the attorney
38 general shall approve the registration statement. Should any registration fail to
39 address any of the registration conditions as set forth above, the attorney general
40 shall advise in writing the registration deficiencies and the manner in which said
41 deficiencies shall be cured. Such advice shall be provided by the attorney general
42 within fifteen working days from the initial filing of the documents.

43 3. Travel clubs that are operational prior to August 28, 2005, may
44 continue their business activities during the pendency of the attorney general's
45 processing of their registration statements; provided that such registration
46 statement is filed with the attorney general within ninety calendar days of
47 August 28, 2005. Registration of a travel club shall not be transferable.

48 4. The registration statement shall additionally have appended thereto:

49 (1) The form of contract under which the travel club proposes to sell travel
50 club memberships which contains the rescission statement;

51 (2) A check made to the order of the Missouri attorney general in the
52 amount of fifty dollars.



Unofficial

Bill

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