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§14–12B–06.

(a) A health club services agreement may not contain an automatic renewal clause, unless the agreement provides for a renewal option for continued membership which must be accepted by the buyer.

(b) (1) A buyer described in § 14-12B-01(d)(1)(i) of this subtitle may cancel a health club services agreement within 3 business days after receipt of a copy of the agreement by notifying the health club in writing. Written notification shall be delivered in person or by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, and if mailed shall be postmarked by midnight of the third business day.

(2) If the buyer cancels within 3 business days, the health club facility shall refund any deposit, down payment, or payment on the agreement including any initiation, deposit, membership, or other fees.

(3) Each contract for health club services shall conspicuously disclose under the heading “Notice of Consumer Rights”:

(i) The seller’s health club registration number with the Division;

(ii) A description of whether the seller is bonded and the amount of the bond or, if not bonded, an explanation of the basis for the seller’s exemption from the bonding requirements;

(iii) The buyer’s right to cancel as defined in this section;

(iv) The buyer’s rights in the event of a disability or temporary closing under § 14-12B-04 of this subtitle; and

(v) For those persons who register in accordance with § 14-12B-02(b)(3)(iii) of this subtitle, a statement that the facility does not:

1. Charge an initiation fee or other fee that is not identified as a payment for specific future services;

2. Contractually obligate a buyer of health club services to pay in advance of the date the services are provided to the buyer; or

3. Collect from a buyer of health club services any payment in advance of the date the services are provided to the buyer.

(4) Each contract for the sale of health club services shall contain in a form acceptable to the Division:

(i) A clear and conspicuous itemized description of any fees and charges; and

(ii) If the facility is not in operation, the expected date of opening and a description of the specific services and facilities that will be available upon opening.

(c) A person who registers in accordance with § 14-12B-02(b)(3)(iii) of this subtitle shall post in a clear and conspicuous manner a sign in a prominent location in each health club facility that the person opens or operates that states that the facility does not:

(1) Charge an initiation fee or other fee that is not identified as a payment for specific future services;

(2) Contractually obligate a buyer of health club services to pay in advance of the date the services are provided to the buyer; or

(3) Collect from a buyer of health club services any payment in advance of the date the services are provided to the buyer.

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