

Health Clubs

consumer *brief*

Has inactivity left you out of shape? If so, you may decide to join a health club. Most people use their clubs without a problem, but some consumers have complained about high-pressure sales tactics, club closings, automatic renewals, and cancellation and refund problems. Before signing on the dotted line and handing over your hard-earned money, there are a few things you should know: just in case.

Under State law, health clubs that devote more than 40 percent of their space to health club services are required to register with the New Jersey Division of Consumer Affairs' Regulated Business Section and must renew their registrations every two years. Health clubs that offer memberships longer than three months or receive payments in advance for more than three months must also post a security bond or letter of credit with the Division of Consumer Affairs. This security assures a source of money for refunds should the health club go out of business.

TIPS

- Ask a friend or relative to recommend a good health club. Then visit the club during the time you expect to use its facilities. Check to see if the equipment is in working order and the facility is clean. If possible, talk with some of the members to find out what they think about the club.
- Ask to see the health club's registration. Then go to www.NJConsumerAffairs.gov/healthclubs/Pages/default.aspx to check to see if the club is on the Division's list of registered health spas, or call the Division at 973-504-6592.
- Be cautious about paying for more than three months' membership in advance. The more money you pay in advance, the more money you risk

losing should the club go out of business before the term of your membership has run its course.

- The law says that a member cannot be obligated to pay for more than a three-year membership.
- If you decide to sign up for a membership for a period longer than three months, call the Division of Consumer Affairs to find out if the health club has posted the security bond as required by law.
- If there are several health clubs with the same name in your area, find out whether all of the locations will honor your membership.
- Read the membership contract carefully before signing. Make sure you know exactly what you will receive in return.
- If you notice a club advertising an unrealistically low price, be cautious.
- Never be pressured into signing a membership contract.

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- Ask for an unsigned contract so that you can take it home and review it. The terms of the contract dictate the privileges to which you are entitled, but often the contract is confusing. When you do finally sign the contract, get a copy of the contract you signed. New Jersey law entitles you to do that.
- Check whether hours are restricted and look for a cancellation clause.

New Jersey regulations require cancellation upon request in the following instances:

- Within three (3) operating days after receiving the contract.
- Upon death or permanent disability; and
- Upon moving more than 25 miles from the health club, or an affiliated health club.
- A health club services contract provides that if a health club facility is closed for a period longer

than 30 days through no fault of the buyer of the health club services contract, the buyer is entitled to either extend the contract for a period equal to the time period during which the facility was closed or to receive a prorated refund of the amount paid by the buyer under the contract.

- Remember that health clubs in New Jersey are not permitted to offer memberships with terms that go beyond three years (36 months).
- Remember to ask questions about any aspect of the contract that is not crystal clear to you before you finally sign it. Be sure to carefully check the requirements you must follow when canceling. Some health clubs with more than one location will allow transfers within a limited geographical radius from your home.

To file a complaint about a health club membership, call the Division of Consumer Affairs' Regulated Business Section at 973-504-6261 or write to: Regulated Business, P.O. Box 45025, Newark, New Jersey 07101.

New Jersey Office of the Attorney General
DIVISION OF CONSUMER AFFAIRS



Consumer Service Center

124 Halsey Street
 P.O. Box 45025
 Newark, NJ 07101
973-504-6200
800-242-5846
 (toll free within N.J.)

E-Mail: AskConsumerAffairs@dca.lps.state.nj.us

website:

www.NJConsumerAffairs.gov

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