

CONSUMER'S EDGE

CONSUMER PROTECTION DIVISION, MARYLAND OFFICE OF THE ATTORNEY GENERAL

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WEIGHING YOUR OPTIONS BEFORE JOINING A HEALTH CLUB

Joining health clubs, martial arts schools, and weight loss centers are popular ways to lose weight and get in shape. But they are also costly. By choosing your health club carefully, you can prevent or limit your losses if the club closes, and you can better assure you will get your money's worth from the club you join. Here are some questions to consider before joining a health club:

Is everything you've discussed in your contract? Do not be pressured into signing a contract when you visit the club. Take it home and read it over. Make sure you understand all the charges and that everything you want to use is included in the price you will pay. Also, ask if there are any additional charges not mentioned in the contract. For instance, some martial arts schools require patrons to pay additional fees for equipment, programs and events, and special classes. Finally, make certain all promises made by the salesperson are reflected in the contract. Be sure to keep a copy of the signed contract and proof of all payments you make.

Can you sign a short-term contract? Avoid signing a long-term contract if possible. Many people find that they use the club regularly when they first join, but then quit going. Ask for a month-to-month contract. That way, if you get tired of using the club, you will not be obligated to keep paying for services you aren't using. If you can't get a short-term contract, ask for a trial membership to give yourself time to determine if you really want to join.

Can you make monthly payments? Regardless of the length of your contract, try to pay monthly. You might have to pay a slightly higher rate this way, but if the club closes you will lose less money.

Is the club registered and bonded? All health clubs must register with the state. Any club that collects more than three months' worth of dues in advance, including initial deposits or down payments, or initiation fees in excess of \$200 must be bonded. In the event the club closes, members may make a claim on the bond to



refund the money they paid for services not received. A club's bond can help limit your losses, although it may not protect all of your money. Before you sign a contract, call the Health Club Unit at 410-576-6350, or visit www.marylandattorneygeneral.gov/Pages/CPD/Healthclub/default.aspx to find out if the club is registered and bonded. In addition, if you want to find out how many complaints have been filed against a health club, call our hotline at 410-528-8662.

Can you cancel your contract at any time if you no longer want to be a member of the club? No, you may not cancel your contract simply because you have decided you no longer want to be a member. Under Maryland law, health club contracts are one of the few types of contracts you can cancel because you changed your mind, but this right to cancel only lasts for three days after you have received a copy of your contract. Each contract should contain a "Notice of Consumer Rights" that will explain how to cancel. Your contract may provide other cancellation rights, so you should read it carefully.

If you are unable to resolve a dispute with your health club about any of your rights under the contract, you should file a Complaint with the Division.



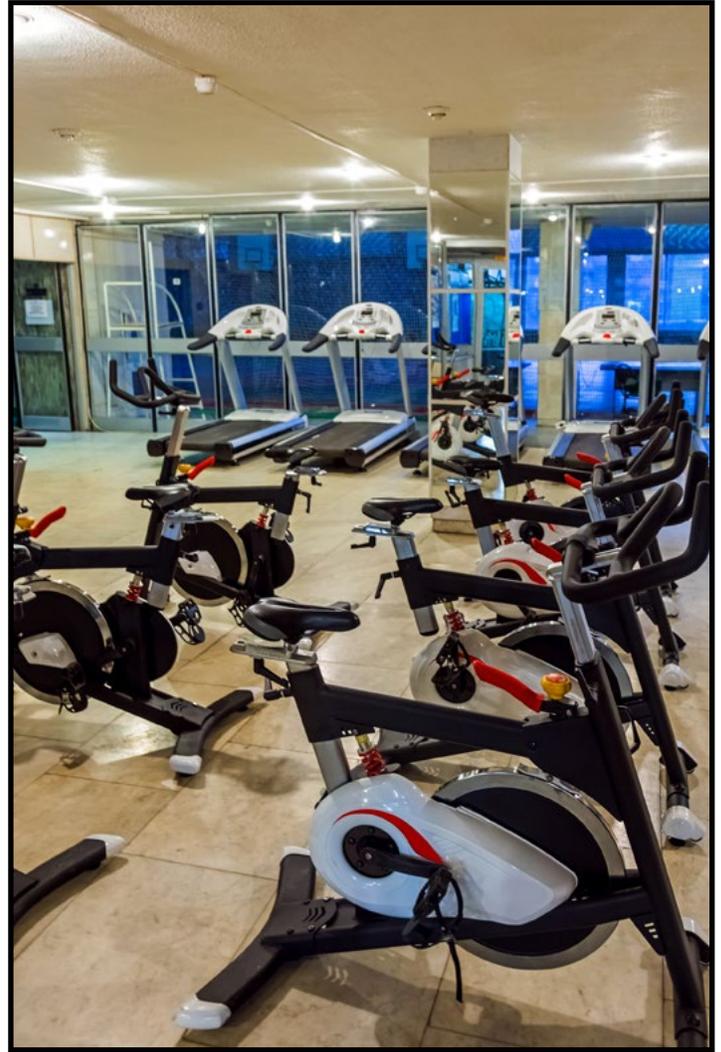
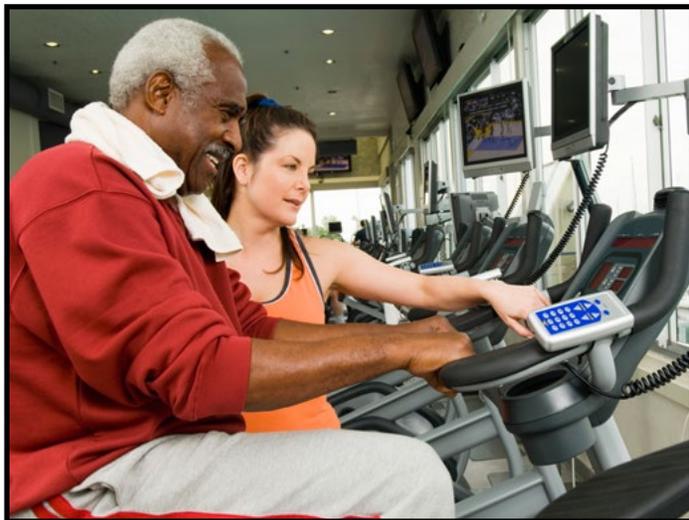
Watch Out for Automatic Renewals and Mid-Contract Sales

If you pay in advance, you could lose a lot of money if your club closes. Sometimes when a health club experiences financial difficulties, the owner will look for ways to bring in a lot of cash fast. One way they do this is by offering members with long-term contracts a discount if they pay the balance immediately. Be wary of such offers—it may be an indication that your club is having financial difficulties and may soon be closing. You should also be concerned if you notice a sudden deterioration in your club's equipment, shortened hours of operation, or a decrease in the number of persons on staff or classes being offered.

Some contracts automatically renew at the end of the initial period unless you tell the company within a designated period of time that you do not wish to renew. If you are not sure you will want to renew, make a note on your calendar of when you must notify the company. Otherwise, you could be obligated for another term.

What to do if your club closes:

- Contact your bank or credit card company to stop automatic payments and to charge back any payments made for services not received. Even though the club has closed, automatic payments may continue to be sent to the club if you don't take action. If the club closes, you are not obligated to continue making those payments.
- File a claim with the Consumer Protection Division. If the club was bonded and if you have paid in advance, you may receive some of your money back.



HOW TO CONTACT US

Consumer Protection Division

200 St. Paul Place, 16th Fl., Baltimore, MD 21202

- **General Consumer Complaints:** 410-528-8662
Toll-free: 1-888-743-0023 TDD: 410-576-6372
9 a.m. to 3 p.m. Monday-Friday
www.marylandattorneygeneral.gov/Pages/CPD/
- **Health Consumer Complaints:** 410-528-1840
Toll-free: 1-877-261-8807 TDD: 410-576-6372
9 a.m. to 4:30 p.m. Monday-Friday
www.marylandcares.org
- **For information on branch offices** in Largo, Salisbury, Hagerstown, and a full list of offices across Maryland, visit:
www.marylandattorneygeneral.gov/Pages/contactus.aspx

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