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Guidelines on Transferred Memberships

As many of you already know, the FBPA allows gyms that are closing to transfer their memberships to other facilities. The following are guidelines which should be observed when memberships are transferred from a gym that is closing its doors to a substantially similar facility within ten miles:

- 1) The gym that is closing should send written notice to all members to inform them of the closure and transfer of their memberships. If the gym chooses to post a notice on its door, it must not assume that all members will see that notice, since members tend to use the gym at different times and may never see a posted notice. Therefore, notices of a planned closure should be sent by US mail, and also by email if possible.
- 2) Both the transferor and the transferee facilities should ensure that all the terms of the initial memberships are honored. This includes pre-paid memberships, group classes and personal training agreements. It's a good idea to inform members in advance of the services or amenities that are offered at the other facility.
- 3) When memberships have been transferred from one gym to another, the transferred memberships must be converted to the contract that is in use at the transferee's facility. For example, if gym X closes and transfers memberships to gym Y, all of the memberships that were transferred from gym X, should be transferred to the contract form that is in use by gym Y. This requirement also applies to memberships that are transferred from one franchise to another, since each facility has a different address even though they may have the same name.
- 4) If a membership is transferred and the member is unable to use the gym because the distance to the gym becomes a burden to the consumer, gym owners should make every reasonable effort to assist the member. In cases where a resolution cannot be reached between the gym and member, best practice recommends such a membership be cancelled.

Should you have any questions or concerns regarding this information, please feel free to contact this office at (404) 656-3789.

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