



STATE OF GEORGIA
GOVERNOR'S OFFICE OF CONSUMER PROTECTION

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Why use a Contract?

Over the past few weeks, we have received several inquiries and a number of objections to the FBPA's requirement that gyms should utilize a membership contract. The FBPA clearly states the following:

A written contract shall be employed which shall constitute the entire agreement between the parties, a fully completed copy of which shall be furnished to the consumer at the time of its execution and which shall show the date of the transaction and the name and address of the seller; provided, however, that no contract shall be valid which has a term in excess of 36 months.

It is very important that every gym owner understand that this requirement is not optional, and never has been since the law was executed. Georgia law states that every organization that offers memberships and proposes that they can help consumers improve their physical condition or appearance through exercise, dieting or weight control **must use a written document** which contains specific statutory warnings and cancellation provisions. Please be aware that these are statutory provisions which have been designed to protect both the consumer and the gym.

Since the inception of this law, OCP has never taken a position for or against what each gym chooses to call that written document. Consequently, some gyms have opted to say they have membership agreements while others offer membership contracts, which is acceptable as far as we are concerned. However, we would like to remind all gym owners that at no time should you tell prospective clients that there are no contracts in use at your gym. Should a prospective member request a "no contract" membership, gym owners must inform them that you are required by law to use a written service agreement and you are willing to offer them a month to month or short term agreement.

In closing, we must emphasize again that written agreements are mandated by state law for every gym and, the law does not exempt any organization from this requirement, regardless of whether they are called a health spa, gym, fitness center or personal training studio. Please contact this office with questions on these or other matters.

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