

HEALTH STUDIO CONTRACT REQUIREMENTS CHECKLIST

(Disclaimer: This checklist is provided for general informational purposes only and is not intended to provide legal advice. Each health studio should consult with its own legal counsel with respect to its particular circumstances and all of its obligations under Sections 501.012-501.019, Florida Statutes.)

General Requirements

- A. The buyer should be provided with a written contract, which must include the name, address, and primary place of business of the health studio.
- B. ss.501.016(5) ...shall specify in the terms of the contract, the charges to be assessed for those health studio services.
- C. Health studio registration number needs to be on the membership contract. If this is a new studio a space can be left to indicate where the number will go once assigned. Provision may read:

“(Studio name) is registered with the State of Florida as a Health Studio. Registration No. is HS_____.”

Required Provisions under Section 501.017, Florida Statutes

Pursuant to Section 501.017, Florida Statutes (F.S.), each contract for the sale of future health studio services which is paid for in advance or which the buyer agrees to pay for in future installment payments must be in writing and shall contain, in immediate proximity to the space reserved in the contract for the signature of the buyer, and in at least 10-point boldfaced type, language substantially equivalent to the following:

- 1. Members are entitled to the penalty-free cancellation of this contract within 3 days, exclusive of holidays and weekends, of its making, upon the mailing or delivery of written notice to the health studio, and refund upon such notice of all monies paid under the contract, except that the health studio may retain an amount computed by dividing the number of complete days in the contract term, or if appropriate, the number of occasions health studio services are to be rendered into the total contract price and multiplying the result by the number of complete days that have passed since the making of the contract or, if appropriate, by the number of occasions that health studio services have been rendered. A refund shall be issued within 30 days after receipt of the notice of cancellation.
- 2. Members are entitled to the cancellation and refund of the contract if the contracting business location of the health studio goes out of business, or moves its facilities more than five (5) driving miles and fails to provide, within 30 days, a facility of equal quality located within five (5) driving miles at no additional cost to the buyer.
- 3. A member’s notice of his/her intent to cancel shall be given in writing to the health studio. And that such a notice of cancellation shall also terminate automatically the consumer's obligation to any entity to whom the health studio has subrogated or assigned the consumer's contract. If the health studio wishes to enforce such contract after receipt of the notice, it may request the department to determine the sufficiency of the notice. (Attention Health Studio Owner! Please Note: this applies to any notice cancellation)
- 4. That if the department determines that a refund is due the buyer, the refund shall be an amount computed by dividing the contract price by the number of weeks in the contract term and multiplying the result by the number of weeks remaining in the contract term. The business location of a health studio shall not be deemed out of business when temporarily closed for repair and renovation of the premises:

1. Upon sale, for not more than 14 consecutive days; or
2. During ownership, for not more than seven (7) consecutive days and not more than two (2) periods of seven (7) consecutive days in any calendar year.

A refund will be issued within 30 days after receipt of the notice of cancellation.

- 5. Members are advised to contact the Florida Department of Agriculture & Consumer Services for information within 60 days should the health studio go out of business.
- 6. The contract may be cancelled if the buyer dies or becomes physically unable to avail himself or herself of a substantial portion of those services which he or she used from the commencement of the contract until the time of disability, with refund of funds paid or accepted in payment of the contract in an amount computed by dividing the contract price by the number of weeks in the contract term and multiplying the result by the number of weeks remaining in the contract term. The buyer or the buyer's estate seeking relief under this paragraph may be required to provide proof of disability or death. A physical disability sufficient to warrant cancellation of the contract by the buyer shall be established if the buyer furnishes to the health studio a certification of such disability by a physician licensed under Chapter 458, 459, 460 or Chapter 461 to the extent the diagnosis or treatment is within the physician's scope of practice. A refund shall be issued within 30 days after receipt of the notice of cancellation.
- 7. The initial contract will not exceed 36 months and thereafter shall only be renewable annually. Renewal contracts may not be executed and the fee therefore paid until 60 days or less before the preceding contract expires.
 - a. If this studio sells a single contract for 30 days or less, without any option or other condition which establishes any right or obligation of a member beyond the 30-day period then provision 1 should read as follows: "The initial contract will not be for a period in excess of 30 days. Renewal contracts may not be executed, and the fee therefore paid until the preceding contract expires."
 - b. If this studio sells SESSIONS in this manner (7a) then the contract must ALSO indicate: "All sessions must be used within 30 days."
- 8. If the health studio requires a buyer to furnish identification upon entry to the facility and as a condition of using the services of the health studio, the health studio will provide the buyer with the means of such identification.
- 9. With respect only to health studios exempt from posting security, the following statement must be included verbatim, in all capital letters, bold print, and at least 10 point font:

SHOULD YOU (THE BUYER) CHOOSE TO PAY FOR MORE THAN ONE (1) MONTH OF THIS AGREEMENT IN ADVANCE, BE AWARE THAT YOU ARE PAYING FOR FUTURE SERVICES AND MAY BE RISKING LOSS OF YOUR MONEY IN THE EVENT THIS HEALTH STUDIO AND/OR THIS BUSINESS LOCATION CEASES TO OPERATE. THIS HEALTH STUDIO IS NOT REQUIRED BY FLORIDA LAW TO PROVIDE ANY SECURITY, AND THERE MAY NOT BE OTHER PROTECTIONS PROVIDED TO YOU SHOULD YOU CHOOSE TO PAY IN ADVANCE.