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1 AN ACT concerning business.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Physical Fitness Services Act is amended by changing Section 6 as follows:

6 (815 ILCS 645/6) (from Ch. 29, par. 56)

Sec. 6. Contract requirements: cancellation and refund. (a) Every contract for physical fitness services shall provide that: (1) the contract may be cancelled by the customer within 3 business days after the first business day after the contract is signed by the customer, and that all monies paid pursuant to said contract shall be refunded to the customer. For the purposes of this Section, business day shall mean any day on which the facility is open for business. A customer purchasing a plan at a facility which has not yet opened for business at the time the contract is signed, or who does not purchase a contract at an existing facility, shall have seven calendar days in which to cancel the contract and receive a full refund of all monies paid. The customer's rights to cancel described herein are in addition to any other contract rights or remedies provided by law; (2) in the event of the relocation of a customer's residence to farther than 25 miles from the center's facilities, and upon the failure of the

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original center to designate a center, with comparable facilities and services within 25 miles of the customer's new residence, which agrees to accept the original center's obligations under the contract, the customer may cancel the contract and shall be liable for only that portion of the charges allocable to the time before reasonable evidence of such relocation is presented to the center, plus a reasonable fee if so provided in the contract, but such fee shall not exceed 10% of the unused balance, or \$50, whichever is less; and (3) if the customer, because of death or disability, is unable to use or receive all services contracted for, the customer, or his estate as the case may be, shall be liable for only that portion of the charges allocable to the time prior to death or the onset of disability. The center shall in such event have the right to require and verify reasonable evidence of such death or disability.

(b) Every contract for physical fitness services shall provide that notice of cancellation pursuant to subsection (a) of this Section shall be made in writing and delivered by certified or registered mail to the center at the address specified in the contract, online at the center's website that the contract was entered into, if the contract was entered into online, or by the email address provided in the contract, if an email address was provided. All refunds to which a customer or his estate is entitled shall be made within 30 days of receipt by the center of the cancellation notice.

- (c) Every contract for physical fitness services that 1
- 2 automatically renews must comply with the requirements of the
- 3 <u>Automatic Contract Renewal Act.</u>
- (Source: P.A. 84-850.) 4