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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 Sections 2, 8, and 9 as follows:
- 6 (815 ILCS 645/2) (from Ch. 29, par. 52)
- Sec. 2. Definitions. (a) "Physical fitness center" or "center" means any person or business entity offering physical fitness services to the public.
  - (b) "Physical fitness services" or "services" includes instruction, training or assistance in physical culture, bodybuilding, exercising, weight reducing, figure development, judo, karate, self-defense training, or any similar activity; use of the facilities of a physical fitness center for any of the above activities; or membership in any group formed by a physical fitness center for any of the above purposes.
- 17 (c) "Basic physical fitness services" means access or membership to the physical fitness center and the use of the 18 19 equipment and facilities as well as any classes, programs or physical fitness services offered by the physical fitness 20 21 center as provided under subsection (b) of this Section, which are allowed for or provided as part of the membership fee or 22 23 package, and excluding optional physical fitness services and any non-physical fitness services which may be offered by the 24 25 physical fitness center.
- 26 (d) "Optional physical services" means additional goods or
  27 physical fitness services offered by the physical fitness
  28 center which are not part of the membership package or contract
  29 but are available for additional cost and includes, but are not
  30 limited to, personal training services, physical fitness,
  31 wellness or exercise classes, nutritional counseling, weight
  32 reduction, court time, privileges to use other physical fitness

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centers, and use of specialized physical fitness equipment or facilities such as rock climbing walls or aquatic facilities.

- (e) "Personal training services" means services performed for a fee by a personal trainer or fitness instructor for individuals or groups relating to developing, monitoring or supervising physical training, exercise or fitness programs, education and instruction regarding the use of exercise equipment or techniques, or rendering advice relating to any of the aforementioned subjects or related issues such as diet.
- (f) "Non-physical fitness services" means services or amenities offered by the physical fitness center which are not directly related to physical fitness activities and which are not included in the price of membership to the physical fitness center and includes, but are not limited to, locker fees, spatreatments, massage, tanning, personal grooming services, laundry fees, room rental, parking, food and beverage, vitamins, nutritional supplements, shoes, clothing, clothing apparel, and sports or exercise equipment.
- 19 (Source: P.A. 84-850.)
- 20 (815 ILCS 645/8) (from Ch. 29, par. 58)
- Sec. 8. Prohibited contract provisions. (a) No contract for 21 22 physical fitness services shall require payment of a total 23 amount in excess of \$2500 per year, and every such contract 24 must so provide in writing; except that this limit shall not 25 apply to any contract for: (1) family or couple memberships, or memberships, 26 (2) group membership, other than family 27 membership, where the purchaser is a corporation or other 28 business entity or any social, fraternal or charitable 29 organization not created for the purpose of encouraging this 30 contractual arrangement.
  - (b) No contract for family or couple memberships for basic physical fitness services shall require payment in excess of \$2,500 per year per person covered under the membership.
- 34 <u>(c)</u> No contract for physical fitness services shall 35 require payments or financing over a period in excess of 3

years from the date the contract is entered into, nor shall the term of any such contract be measured by the life of the customer. The initial term of services to be rendered under the contract may not extend over a period of more than 2 years from the date the parties enter into the contract; provided that the customer may be given an option to renew the contract for consecutive periods of not more than one year each for a reasonable consideration not less than 10% of the cash price of the original membership.

(d) (e) No contract for physical fitness services shall require or entail the execution of any note by the customer which, when separately negotiated, will cut off as to third parties any right of action or defense which the customer may have against the physical fitness center. No right of action or defense arising out of a contract for physical fitness services which the customer has against the center shall be cut off by assignment of the contract whether or not the assignee acquires the contract in good faith and for value. Such an assignee is not a holder in due course.

20 (Source: P.A. 84-1463.)

21 (815 ILCS 645/9) (from Ch. 29, par. 59)

Sec. 9. General provisions. (a) All contracts for <u>basic</u> physical fitness services which may be in effect between the same center and the same customer, the terms of which overlap for any period, shall be considered as one contract for the purposes of this Act. No physical fitness center may sell, induce, or permit any purchaser of <u>basic</u> physical fitness services to become obligated directly or contingently under more than one contract for services at the same time for purposes of avoiding the provisions of this Act.

- (b) Any waiver by the customer of the provisions of this Act shall be void and unenforceable.
- (c) Any contract for physical fitness services which does not comply with the applicable provisions of this Act shall be void and unenforceable.

- HB2525 Enrolled
- 1 (d) If any court finds, as a matter of law, that a contract
- or any provision thereof was unconscionable when made, the
- 3 court may refuse to enforce the contract, enforce the remainder
- 4 of the contract without the unconscionable provision, or limit
- 5 the application of any unconscionable provision to avoid an
- 6 unconscionable result.
- 7 (Source: P.A. 84-850.)
- 8 Section 99. Effective date. This Act takes effect upon
- 9 becoming law.