

OKLAHOMA

Section 2004 - Health Spa Contract or Membership Agreement - Mandatory Provisions

Every health spa contract or membership agreement for the sale of future health spa services which are paid for in advance or which the buyer agrees to pay for in future installments shall be in writing and shall contain the following provisions:

1. A provision for the penalty-free cancellation of the contract or membership agreement within three (3) business days of its making and refund upon such notice, of all monies paid under the contract or membership agreement;

2. A provision for the cancellation of the contract or membership agreement if the health spa relocates or goes out of business and fails to provide alternative facilities within eight (8) miles of the location designated in the health spa contract or membership agreement. Upon receipt of such notice, the health spa shall refund to the buyer funds paid or accepted in payment of the contract or membership agreement in an amount computed by dividing the contract price by the number of weeks in the contract or membership agreement term and multiplying the result by the number of weeks remaining in the contract or membership agreement term;

3. A provision for the cancellation of the contract or membership agreement if the buyer dies or becomes physically unable to use a substantial portion of the services for thirty (30) or more consecutive days. Upon receipt of such notice, the health spa shall refund to the buyer funds paid or accepted in payment of the contract or membership agreement in an amount computed by dividing the contract price by the number of weeks in the contract or membership agreement term and multiplying the result by the number of weeks remaining in the contract or membership agreement term. In the case of disability, the health spa may require the buyer to submit to a physical examination by a doctor agreeable to the buyer and the health spa. The cost of the examination shall be borne by the health spa.

4. A provision that:

a. to cancel a contract or membership agreement, the buyer shall notify the health spa of cancellation in writing, by certified mail, return receipt requested, or personal delivery, to the address specified in the health spa contract or membership agreement;

b. all moneys to be refunded upon cancellation of the health spa contract or membership agreement shall be paid within thirty (30) days of receipt of the notice of cancellation; and

c. if the customer has executed any credit or lien agreement with the health spa to pay for all or part of health spa services, any such agreement executed by the buyer shall also be returned within sixty (60) days after such cancellation.

Section 2005 - Copy of Contract or Membership Delivered to Buyer - Mandatory Provisions

A. A copy of every health spa contract or membership agreement shall be delivered to the buyer at the time the contract or membership agreement is executed. All health spa contracts or membership agreements shall:

1. be in writing, signed by the buyer;

2. designate the date on which the buyer actually signed the contract or membership agreement and length of membership;

3. identify services and facilities to be provided;

4. contain the provisions set forth in Section 6 of this act under a conspicuous caption: "BUYER'S RIGHT TO CANCEL"; and

5. read substantially as follows:

If you wish to cancel this contract or membership agreement, you may cancel by making or delivering written notice to this health spa. The notice must say that you do not wish to be bound by the contract or membership agreement and must be delivered or mailed before midnight of the third business day after you sign this contract or membership agreement. The notice must be delivered or mailed to: (Health spa shall insert its name and mailing address) You may also cancel this contract or membership agreement if this spa moves or goes out of business and fails to provide alternative facilities within eight (8) miles of the location designated in this contract or membership agreement. You may also cancel if you become disabled; and your estate may cancel in the event of your death. You must prove such disability by a doctor's certificate, and the health spa may also require that you submit to a physical examination by a doctor agreeable to you and the health spa. If you cancel, the health spa may retain or collect a portion of the contract or membership agreement price equal to the proportionate value of the services or use of facilities you have already received.

B. No health spa contract or membership agreement shall have a duration for a period longer than thirtysix (36) months, however, the contract or membership agreement may give the buyer a right of renewal.

C. The provisions of the Oklahoma Health Spa Act are not exclusive and do not relieve the parties or the contracts or membership agreements subject thereto from compliance with all other applicable provisions of law.

D. Any health spa contract or membership agreement which does not comply with the applicable provisions of the Oklahoma Health Spa Act shall be voidable at the option of the buyer.

E. Any health spa contract or membership agreement entered into by the buyer upon any false or misleading information, representation, notice or advertisement of the health spa or the health spa's agents shall be void and unenforceable.

6

F. Any waiver by the buyer of the provisions of the Oklahoma Health Spa Act shall be deemed contrary to public policy and shall be void and unenforceable.

G. All health spa contracts or membership agreements and any promissory note executed by the buyer in connection therewith shall contain the following provision on the face thereof in at least ten-point,

boldface type:

NOTICE ANY HOLDER OF THIS CONTRACT OR MEMBERSHIP AGREEMENT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.