

FOR the purpose of defining--"future--services--agreement"; requiring sellers of future--services health club agreements to make establish a-certain-eserew--account; providing--for--an the-maintenance-of-a-certain eserew account;--providing-that-in-lieu-of-an-eserew-account--a seller--may--purchase--a--surety-bond purchase a surety bond or provide an irrevocable letter of credit or satisfactory evidence of financial responsibility; requiring a certain periodic adjustment of the amount of the bond; providing for an action based on the bond by a buyer if seller breaches the contract or becomes bankrupt; providing certain other remedies for a buyer under certain circumstances; requiring the maintenance of certain records; permitting certain actions against sureties of future--services health club agreement sellers; limiting the liability of a surety of a bonded seller; and providing that certain actions constitute an unfair or deceptive trade practice; defining certain terms; allowing for a choice of remedies by the seller in certain circumstances and by the buyer in other circumstances; prohibiting automatic renewal clauses in health club services agreements, except in certain circumstances; providing for a cooling off period in health club services agreements; and generally relating to health club services.

BY adding to

Article - Commercial Law  
 Section 14-12B-01 through ~~14-12B-05~~ 14-12B-06  
14-12B-05, inclusive, to be under the new  
subtitle "Subtitle 12B. Future Health Club  
Services"  
 Annotated Code of Maryland  
 (1975 Volume and 1981 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland read(s) as follows:

Article - Commercial Law

SUBTITLE 12B. FUTURE HEALTH CLUB SERVICES

14-12B-01.

(A) IN THIS SUBTITLE, THE FOLLOWING WORD--HAS-THE MEANING-INDICATED WORDS HAVE THE MEANINGS INDICATED.

(B) (1) "FUTURE HEALTH CLUB SERVICES AGREEMENT" MEANS AN AGREEMENT UNDER WHICH: