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## State of Utah Department of Commerce

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July 28, 2016

### MEDIA ALERT

**"Utah Division of Consumer Protection cites Performax Gyms Inc. for closing doors without notifying members, failing to offer refunds and continuing to charge bank and credit card accounts after Clearfield location shut last month"**

*"1,700 Performax Gym contracts affected, consumers owed money asked to file complaint with Utah Division of Consumer Protection by September 1, 2016 at [www.dcp.utah.gov](http://www.dcp.utah.gov)"*

(For immediate release...)

**SALT LAKE CITY, Utah** - Francine A. Giani, Executive Director of the Utah Department of Commerce, announced today that the Division of Consumer Protection cited Performax Gyms, located in Clearfield, Utah, for stopping operations without following required legal steps under the *Health Spa Services Protection Act* and violating the *Utah Consumer Sales Practices Act*. The Division alleges Performax terminated operations around June 24, 2016 without notifying paying gym members, failed to offer an alternate location for fitness memberships, did not provide refund or cancellation options, and has continued to take membership payments from bank and credit card accounts while the Clearfield business remains closed. After Performax Gym closed to the public, staffers posted on social media that members should be patient while gym management worked with the landlord to try to reopen the location. However, the gym's lease had been terminated in a Second District Court proceeding, and Performax has never reopened.

"Bottom line, gyms cannot take consumers' money without providing services," stated Francine A. Giani. "We urge Performax members who are owed money to file a complaint with the Division of Consumer Protection."

Gyms that accept payment in advance are required to post a surety bond with the Division. Under the *Health Spa Services Protection Act*, the Division may distribute funds from a gym's surety bond to consumers financially affected by unexpected closure. Performax Gym is bonded and has a \$50,000 bond with the Division of Consumer Protection. Former Performax members may be entitled to refunds for charges that occurred after the gym's closure and prorated refunds of gym membership fees paid in advance.

“Performax has failed to provide its membership information. We are publicizing this Citation with the hope gym members contact the Division so we can disperse bond money to aggrieved consumers,” stated Daniel O’Bannon, Director, Utah Division of Consumer Protection.

The Division estimates there are over 1,700 consumer contracts with gym.

**What to Do Next: Tips for Performax Gyms Members**

1. Utahns who were members of Performax Gyms formerly located at: 1659 E 1400 S, Clearfield, UT 84015 and are still being billed their membership dues or are having issues with receiving a refund or cancelling their gym membership should file a complaint with the Utah Division of Consumer Protection at [www.consumerprotection.utah.gov](http://www.consumerprotection.utah.gov). On the website, consumers can click on the “**Performax Gyms Closure Complaints**” link to file a complaint.
2. Consumers need to attach copies of their gym membership contracts, billing invoice, charge statement or deposited checks. If supporting documentation is not provided, the Division’s ability to assist will be delayed if not undermined.
3. Consumers who lost money to Performax Gyms are encouraged to file with the Division by September 1, 2016.

For more information about the Utah Division of Consumer Protection log on to; [www.consumerprotection.utah.gov](http://www.consumerprotection.utah.gov) or call (801) 530-6601.

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