

552.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. *"Contract price"* means the total price paid or to be paid, including service charges or membership fees, which entitles the buyer either directly or indirectly to membership in a physical exercise club or to the use of the services or facilities of a physical exercise club.

2. *"Finance charge"* means *"finance charge"* as defined in section 537.1301, subsection 21.

3. *"Physical exercise club"* means a person offering services or facilities, or both, for the preservation, maintenance, encouragement, or development of physical fitness or well-being in return for the payment of a fee entitling the buyer to the use of the services or facilities. The term includes but is not limited to persons offering services and facilities known as *"health clubs"*, *"health spas"*, *"sports and health clubs"*, *"tennis clubs"*, *"racquetball courts"*, *"golf clubs"*, *"gymnasiums"*, *"figure salons"*, *"health studios"*, *"weight control studios"*, and persons operating establishments whose primary purpose is the teaching of a particular form of self-defense or martial arts, such as judo, karate, or kung fu. *"Physical exercise club"* does not include:

a. A person or establishment which does not charge a membership fee and from which a buyer may only purchase or become obligated to purchase the use of services or facilities to be rendered for a period of not more than thirty days, and which does not collect more than thirty days in advance for the rendering of the services.

b. Except for purposes of sections 552.4, 552.7, 552.13, 552.14, and 552.16 a nonprofit organization organized and operating as a nonprofit organization.

c. An entity primarily engaged in physical rehabilitation activities related to an individual's injury or disease.

d. A private club owned and operated by its members.

e. Except for purposes of sections 552.4, 552.7, 552.13, and 552.14, a facility operated by the state or any of its political subdivisions.

f. A facility owned and operated on a not-for-profit basis by a person or a contractor of a person that is operated solely for the purpose of serving employees of the person, whether currently employed or retired, and family members of employees.

4. *"Physical exercise club contract"* means an agreement by which a buyer is entitled to membership in a physical exercise club or use of the services or facilities of a physical exercise club.

5. *"Prepayment"* means any partial or full payment for services or the use of facilities made before the services are actually made available by the physical exercise club or the facility is fully opened for business as described in section 552.16, subsection 3.

88 Acts, ch 1221, §1; 98 Acts, ch 1044, §1