World Gym Desert Cities

Cancellation and Breach

1. If, by reason of death or disability, Member is unable to receive all services for which Member has contracted, Member and Member's estate shall be relieved from the obligation of making payment for services other than those received prior to death or the onset of disability.

2. If Member moves further than 25 miles from the health studio and is unable to transfer the contract to a comparable facility, Member shall be relieved from the obligation of making payment for services other than those received prior to the move and the contract shall be deemed canceled upon payment of a 2-month cancellation fee or a \$100 cancellation fee, whichever is greater. (Does not apply to an open end contract.) If less than half your contract period remains, then it's a fee of \$50.00. Proof of move must be documented.

3. The Member or World Gym may cancel an Draft/EFT Membership effective as of one day before the anniversary of the Start Date of the Draft/EFT Membership, or effective as of the first day of any month after the anniversary of that Start Date, by notice at least thirty (30) days but no longer than forty-five (45) days before the date the cancellation of the EFT Membership is to be effective.

4. The Enrollment Fee described in this contract does not represent a prepaid sum for health studio services but is a non- refundable fee earned by World Gym at the time of enrollment for sales commissions, data entry, membership documentation, and enrollment processing services.

6. Any notice required or permitted under member contract shall be sent by certified mail, return receipt requested, with postage fully paid, to 46760 Commerce CRT, La Quinta, CA 92253. Cancellation notice may also be given at an appointment with a cancellation manager at the club of enrollment from 8am - 6pm, Monday - Friday.

7. Member will be in breach of member contract if Member fails to perform or abide by any term or condition of this contract, including but not limited to payment of any amount due on or before the date the payment is due. If Member is in breach, Member's membership privileges may be denied, but Member's remaining obligations under member contract will continue. The balance of payments Member owes may be accelerated and become due and payable immediately at the option of World Gym.