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## PRESS RELEASE

## Consumer Protection Division Charges Jessup Health Club with Failing to Protect Members' Payments

**BALTIMORE, MD** (January 14, 2020) – Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division filed administrative charges against the owners of the Anytime Fitness health club located at 8160 Washington Boulevard in Jessup, Maryland. The charges against Legacy Fitness Center, Inc. and its owner, Susan Mancho, allege that they are operating the club in violation of Maryland's Health Club Services law and Consumer Protection Act by collecting advance payments from members but failing to post a surety bond with the Division in an amount sufficient to protect those advance payments.

Maryland's Health Club Services law requires health clubs, self-defense schools, and weight loss centers in Maryland to register annually with the Consumer Protection Division. Those businesses that collect more than three month's payment in advance from members, including by charging any annual fees, must also provide the Division with a surety bond, letter of credit, or cash deposit in an amount sufficient to reimburse consumers in the event they were to close. The business is required to provide the Division with an annual certified public accountant (CPA) report documenting the amount of the bond they are required to post.

"Health clubs that take consumers' money for future services must provide security for those upfront payments by posting a bond," said Attorney General Frosh.

The charges allege that Legacy Fitness and Mancho charge members an annual "enhancement fee," but failed to replace a \$50,000 surety bond that was canceled and to provide the required CPA report documenting that the \$50,000 bond was adequate to protect members. The charges seek an order requiring Legacy Fitness and Mancho to cease and desist from violating the law and pay restitution, civil penalties, and costs based on their violations. A hearing on the charges is scheduled for January 30, 2020, beginning at 10:00 a.m. at the Office of Administrative Hearings in Hunt Valley, Maryland.

Attorney General Frosh encourages consumers who are considering joining a health club, weight loss center, or self-defense school to contact the Health Club Registration Unit in his Consumer Protection Division at 410-576-6350 to find out whether the club is registered and bonded. More information about joining a health club may be found on the Attorney General's website at <a href="http://www.marylandattorneygeneral.gov/Pages/CPD/Healthclub/default.aspx">http://www.marylandattorneygeneral.gov/Pages/CPD/Healthclub/default.aspx</a>.