

Mail To:

Minnesota Attorney General's Office
 ATTN: Club Contracts Registration
 445 Minnesota Street, Suite 600
 St. Paul, MN 55101

STATE OF MINNESOTA
CLUB INITIAL REGISTRATION
– INSTRUCTIONS

(Pursuant to Minn. Stat. §§ 325G.23-.28)



WHO SHOULD FILE

An organization must file a registration statement, and thereafter renew the statement annually, if it is a health club, social referral club, or a buying club. Minn. Stat. § 325G.27.

- A “health club” is any for-profit organization whose primary purpose is offering one or more facilities for instruction, training, encouragement, or assistance in physical fitness in return for a fee.
- A “social referral club” is any for-profit organization whose primary purpose is matching men and women to facilitate dating or social contact.
- A “buying club” is any for-profit organization whose primary purpose is providing benefits to members resulting from the cooperative purchase of goods or services.

WHEN TO FILE

An club must register prior to doing business in Minnesota. Minn. Stat. § 325G.27.

- An club selling membership agreements prior to opening must register before engaging in any sales activities.

WHAT TO FILE

An club must file the below-listed materials with the Minnesota Attorney General's Office when registering. The materials that must be filed will vary depending on whether or not the club receives prepayments from members. Minn. Stat. § 325G.27.

All Clubs. All clubs must file the following materials when initially registering:

- ☐ Club Initial Registration form.
- ☐ \$250 initial registration fee.
- ☐ An exemplar copy of each version of all contracts, membership applications, membership agreements, terms of service, or other documents that the club enters into—or plans to enter into, if the club is not yet open—with members, or that govern the club's relationship with its members.

Additional Materials for Clubs Receiving Prepayments. Clubs requiring or otherwise receiving prepayments from members of more than \$50 should also file the following materials:

- ☐ Attach a copy of the club's financial statement for the most recent 12 month period. Please note—
 - The statement must be executed under oath by two officers of the club.
 - The statement must describe the club's total outstanding liabilities to members.
 - The statement must be prepared using generally accepted accounting principles.
 - If the club has not been open for a full year, the statement should cover the period of time the club has been open.

- ☐ Attach a copy of a compliant surety bond from a surety company admitted to do business in Minnesota. Clubs who must obtain a surety bond can satisfy this requirement using the form “Surety Bond of Health, Dating, or Buying Club” made available by the Office. Please note—
- The surety bond must be for an amount that equals the total outstanding liabilities of the club to its members, with a cap of \$200,000.
 - Clubs that are not yet open but that are receiving prepayments must still file a surety bond of at least \$25,000.
 - If certain conditions are met, clubs can provide alternative types of financial security other than a surety bond, in which case they must complete the form “Club Statement of Alternative Form of Security” made available by the Office.

Additional Materials for Clubs Not Receiving Prepayments. Clubs that do not require or otherwise receive prepayments from members of more than \$50 should also file the following materials:

- ☐ Enclose the form “Club Application for Exemption from Surety Bond Requirement.”

HOW TO FILE

A club should file this form and all attachments by mailing it to the following address: Minnesota Attorney General’s Office, ATTN: Club Contracts Registration, 445 Minnesota Street, Suite 600, St. Paul, MN 55101.

A club must include a \$250 initial registration fee by check and include the check with these materials.

PLEASE NOTE

Registration statements and annual reports that fail to include the appropriate attachments or the correct fee will be considered deficient. Deficient registration statements and annual reports will not be effective until all materials are received by the Minnesota Attorney General’s Office.

Minnesota law gives club members the right to cancel their membership agreement up to midnight of the third business day after signing the agreement. Minnesota law also requires clubs to issue to anyone who cancels their membership a full refund with ten days of cancellation. Minn. Stat. § 325G.24.

Clubs’ membership agreements must clearly and conspicuously notify members of their cancellation and refund rights under Minnesota law in the text of the agreement. Minn. Stat. § 325G.25.

Minnesota law generally prohibits club membership agreements of more than 18 months. Minn. Stat. § 325G.26.

If you have any questions, please contact the Minnesota Attorney General’s Office as follows:

Minnesota Attorney General’s Office
 ATTN: Club Contracts Registration
 445 Minnesota Street, Suite 600
 St. Paul, MN 55101
 (651) 296-9412

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STATE OF MINNESOTA
CLUB INITIAL REGISTRATION

(Pursuant to Minn. Stat. §§ 325G.23-.28)



SECTION A: Club Information

Legal Name of Organization: _____

Mailing Address:	Physical Address:
_____	_____
Contact Person	Contact Person
_____	_____
Street Address	Street Address
_____	_____
City, State, and Zip Code	City, State, and Zip Code
_____	_____
Phone Number	Phone Number
_____	_____
Email Address	Email Address

1. Primary purpose of the club:

- ☐ Offering facilities for instruction, training, encouragement, or assistance in physical fitness.
- ☐ Matching men and women for the purpose of dating or general social contact.
- ☐ Providing benefits to members through cooperative purchases of goods and services.
- ☐ Other (explain) _____

2. Type of legal entity:

- ☐ Corporation
- ☐ Partnership
- ☐ Sole Proprietorship
- ☐ Limited Liability Company
- ☐ Unincorporated Association
- ☐ Other: _____

3. Identify the date and the jurisdiction of organization/incorporation:



CLUB INITIAL REGISTRATION (Continued)

4. Date club began doing business in Minnesota: _____

5. Identify all names under which the club currently does business and all former names of the club (attach a list if more space is needed):

_____ ☐ d/b/a ☐ former name

_____ ☐ d/b/a ☐ former name

_____ ☐ d/b/a ☐ former name

6. If the club is owned by a natural person(s), identify this person(s) (attach a list if more space is needed):

Owner #1	Owner #2
<div style="border-bottom: 1px solid black; margin-bottom: 5px;">Name</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Phone Number</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Email Address</div>	<div style="border-bottom: 1px solid black; margin-bottom: 5px;">Name</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Phone Number</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">Email Address</div>

7. If the club has any parents, subsidiaries, or other affiliated companies, identify each these companies (attach a list if more space is needed):

_____ ☐ parent ☐ subsidiary ☐ other affiliate

_____ ☐ parent ☐ subsidiary ☐ other affiliate

_____ ☐ parent ☐ subsidiary ☐ other affiliate



CLUB INITIAL REGISTRATION (Continued)

8. Identify each facility at which the club currently does business in Minnesota (attach a list if more space is needed):

Facility #1	Facility #2
<div style="border-bottom: 1px solid black; margin-bottom: 10px;">Manager/Contact Person</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black;">Phone Number</div>	<div style="border-bottom: 1px solid black; margin-bottom: 10px;">Manager/Contact Person</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black;">Phone Number</div>
Facility #3	Facility #4
<div style="border-bottom: 1px solid black; margin-bottom: 10px;">Manager/Contact Person</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black;">Phone Number</div>	<div style="border-bottom: 1px solid black; margin-bottom: 10px;">Manager/Contact Person</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black;">Phone Number</div>

9. If the club is not yet open, identify the address(es) of all planned locations and the intended date each of these facilities will open (attach a list if more space is needed):

Facility #1	Facility #2
<div style="border-bottom: 1px solid black; margin-bottom: 10px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black;">Intended Opening Date</div>	<div style="border-bottom: 1px solid black; margin-bottom: 10px;">Street Address</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">City, State, and Zip Code</div> <div style="border-bottom: 1px solid black;">Intended Opening Date</div>



CLUB INITIAL REGISTRATION (Continued)

SECTION B: Club Membership Information

10. Identify the minimum and maximum duration of membership programs offered by the club:

11. Identify the minimum and maximum price of membership programs offered by the club:

12. Identify the total number of current Minnesota members of the club: _____

13. **Attach**: An exemplar copy of each version of all contracts, membership applications, membership agreements, terms of service, or other documents that the club enters into—or plans to enter into, if the club is not yet open—with members, or that govern the club’s relationship with its members.

SECTION C: Outstanding Liabilities

14. Has the club in the past 12 months required or received prepayments¹ from members of more than \$50 for any of the membership programs it offers?

☐ Yes ☐ No

14a. If you answered “no” to Question 14, skip Questions 15 to 19 and go to Question 20. If you answered “yes” to Question 14, identify the minimum and maximum prepayment that the club requires or receives for any of the membership programs it offers, and then answer Questions 15 through 19.

15. Identify the club’s total outstanding liabilities² to members and the date on which the club’s total outstanding liabilities to members were calculated:

Club’s Total Outstanding Liabilities to Members: _____

Date Total Outstanding Liabilities Was Calculated: _____

¹ Under Minnesota law, “prepayments” are any payment made before the service is rendered or the goods are received, including any service fee, application fee, administrative fee, enrollment fee, maintenance fee, or similar fee no matter how the fee is denominated.

² Under Minnesota law, “outstanding liabilities” means the total amount of prepayments actually received from club members, less the amount prorated over the duration of any contract for services rendered by the club.



CLUB INITIAL REGISTRATION (Continued)

16. **Attach**: A financial statement prepared using generally accepted accounting principles that reflects the club's total outstanding liabilities to its members.

16a. Is the attached financial statement executed under penalty of perjury by two officers of the club?

☐ Yes—Complete Question 17.

☐ No—Submit a financial statement that is executed under penalty of perjury by two officers.

17. Does the club plan to meet the financial security requirements of Minnesota Statutes section 325G.27 by filing a surety bond with the Minnesota Attorney General's Office, or is it providing an alternative form of security?

☐ By filing a surety bond—Complete Question 18.

☐ By filing an alternative form of security—Skip Question 18 and complete Question 19.

18. **Attach**: The form "Surety Bond of Health, Dating, or Buying Club," or an equivalent surety bond containing the same information, in an amount not less than the total of the club's outstanding liabilities.

18a. I certify that I have informed the bonding company that it must provide the Minnesota Attorney General's Office with written notice of cancellation or termination of the bond at least 30-days prior to the date of such cancellation or termination.

☐ Yes ☐ No

19. **Attach**: If the club did not enclose a surety bond with this initial registration pursuant to Questions 17 and 18, attach the form "Club Statement of Alternative Form of Security."

20. **Attach**: If the club does not require or receive any prepayments from members and thus did not have to answer Questions 15 to 19, attach a copy of the form "Club Application for Exemption from Surety Bond Requirement," signed under oath.



CLUB INITIAL REGISTRATION (Continued)

SECTION D: Certification

I am authorized to submit this Club Initial Registration form on behalf of _____ . I certify that the information contained in this Club Initial Registration form, and the documents included with the form, are complete, true, and correct. I acknowledge that am required to notify the Attorney General's Office of any change in the information provided in this form.

Signature

Name and Title (please print)

Date

Subscribed and sworn to before me this

_____ day of _____, 20____

Notary Public