

CANCELLATION LETTER

September 21, 2009

To Whom it May Concern:

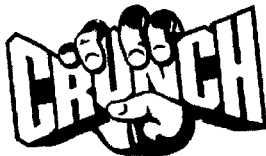
I am writing to inform you of a change with regard to my automatic payment withdrawal regarding membership number _____ contract enclosed). I am requesting that my membership contract be canceled due to the recent change in the management and operating company of Crunch to Formula Fitness.

Currently my \$69.00 payment is automatically withdrawn from my checking account on a monthly basis. I hereby notify you of the **cancellation** of the authorization for the above referenced automatic payment withdrawals effective immediately.

Thank you for your prompt attention to this request.

Amanda Riecke

A handwritten signature in cursive script, appearing to read "A. Riecke".



CRUNCH MEMBERSHIP AGREEMENT

Crunch Grand & Wabash

38 East Grand Ave, Chicago, IL 60611
Tel (312) 828-9777 Fax (312) 828-9770

Member #:
Membership: x All Crunch Annual
Start Date: 01/17/2009
Obligation Date: 01/16/2010

Agreement #:
Membership Rep: Leeanne Rathmanner

Name: Amanda Riecke
Address:
City, State, ZIP:
Business Phone:
Home Phone:

Referred By:

Payment Options
Periodic Billing Continuous, Periodic Billing Continuous

Notes
Promotion: \$0 Down/\$0 Pro-rate Annuals. Initiation Fee -
Discount 100%; Add Item# PT Kickoff - PT Kickoff A/B

Member Initial Payment

#	Description	Amount
1	x All Crunch Annual	0.00
2	x Enrollment Fees-Annual	0.00
3	PT Kickoff A/B	0.00
	Subtotal:	0.00
	Sales Tax:	0.00
	Total:	0.00

Member Recurring Dues

#	Description	Amount	First Billing	Last Billing
1	x All Crunch Annual	69.00	Feb 2009	

Dues along with authorized member charges will be collected electronically no later than 3rd of the month unless previously paid by other means.

Payment Authorization

Card Type: Credit Card
Card #:
Exp. Date:

Name on Card: Amanda Riecke

I authorize that my applicable fees be deducted from the primary account noted above for Crunch by using Electronic Funds Transfer. This authorization for the automatic debit remains in full effect until I cancel my membership in writing in conformance with the rules and regulations.

Member's Signature

Date

Buyer's Signature

Date

CONSUMER RIGHT TO CANCELLATION:

This contract may not require total payments in excess of \$2,500.00 per year.

This contract may be cancelled by you within 3 business days after the contract is signed by you, and all monies paid pursuant to this contract shall be refunded to you. For purposes of this paragraph, business day shall mean any day on which the facility is open for business.

If you purchased a plan at a facility which has not yet opened for business at the time this contract was signed, you shall have seven calendar days in which to cancel this contract and receive a full refund of monies paid. In addition, if this contract is for services for a club under construction or not yet open, if the facility or services contracted for are not available within 12 months from the date of this agreement, or within three months of any date specified in the contract, whichever is earlier, you may cancel the contract and receive a full refund within 30 days of receipt by the center of the cancellation notice.

If, by reason of death or disability, you are unable to receive all of the services for which you contracted under this Agreement, you and your estate shall be relieved from the obligation of making payment for services other than those received prior to your death or the onset of your disability. If you prepaid any sum for services, so much of the sum as is allocable to services not taken prior to your death or disability shall be promptly refunded to you or your representative. Your disability must be confirmed in writing by a physician.

To cancel a membership pursuant to the paragraphs set forth above, you must submit a written notice of cancellation to the Club delivered by certified or registered mail at the address specified on the front page of this agreement. All refunds shall be made within 30 days of the receipt of a proper notice of cancellation.

Should you move further than 25 miles from the club and be unable to transfer this membership to a comparable facility within 25 miles of your new residence, you shall be relieved from your obligation of making payment for the balance of the term of this agreement other than those charges allocable to the time prior to the Club's receipt of such reasonable evidence of such relocation. Notwithstanding the above you will be charged an administrative fee of 10% of the unused portion of the contract or \$50, whichever is less.

Member's Signature

Date

Staff: Leeanne Rathmanner

Date

By Member's and/or Buyer's execution of a Membership Agreement with Crunch (the "Agreement"), the Member agrees to the following Terms and Conditions ("Terms and Conditions"):

ADDITIONAL MEMBERSHIP AGREEMENT TERMS

(1) MEMBERSHIP PAYMENTS AND TERMS

(1.1) **Rules, Regulations and Schedules.** Member agrees to abide by the rules, regulations and schedules of Crunch, which may be posted at a facility or issued orally, and which may be amended from time to time at Crunch's sole discretion. Upon joining, Member and/or Buyer must pay the appropriate initial charges. At the sole discretion of Crunch, a Member's membership may be revoked or suspended at any time if in the judgment of Crunch (a) Member consistently fails to observe the Rules and Regulations (b) has otherwise behaved in a manner contrary to the best interests of Crunch or any of Crunch's Members, (c) Member has instituted any type of legal action against Crunch, including but not limited to civil actions, arbitrations and/or mediations, and/or (d) Crunch has instituted any type of legal action including but not limited to civil actions, arbitrations and/or mediations against Member.

(1.2) **Member's Obligation.** Member and/or Buyer shall not be relieved of the obligation to make payments agreed to and no deduction from any payments shall be made because of Member's failure to use the Crunch facilities. Dues are for the period stated in the Agreement.

(1.3) **Initiation Fee.** There may be a one-time initiation fee which Member and/or Buyer shall be required to pay upon execution of the agreement and acceptance of the Terms and Conditions with Crunch or as otherwise agreed to by Crunch. This fee will change from time to time at Crunch's discretion. This fee is nonrefundable. Resignation from Crunch shall not terminate the obligation to pay the initiation fee in full. There will be no further initiation fee as long as the Membership has not terminated or expired.

(1.4) **Monthly Dues and other Fees.** Member or buyer shall pay, in advance, monthly Membership dues as set forth in the agreement. Crunch may adjust monthly dues upon giving Members thirty (30) days prior notice, posted in a Crunch facility and/or sent by mail to Member. Crunch may adjust any fees other than monthly dues at any time at its sole discretion.

(1.5) **Form of Payment.** Monthly dues and incidental charges are payable by Electronic Funds Transfer ("EFT") from the Member's checking account, savings account, credit card account, or debit card account. Members must authorize payments to be made through a third party administered electronic funds transfer system. Members maintain full control and privacy over their accounts at all times, and the transfer of funds affects only those fees that have prior authorization of the Member. The transfer will take place automatically once every month unless Crunch notifies the Member otherwise. If Crunch does not collect Member's monthly dues using the form of payment provided by the Member, then Crunch may continue attempting to collect Member's monthly dues, plus any applicable fees, using the form of payment provided by the Member.

(1.6) **Dishonored Check or Credit Card.** If any check, account debit, or credit card charge payable to Crunch by Member and/or Buyer is returned, rejected or dishonored, Crunch management shall, in each instance (a) assess a charge equal to any charge imposed by the financial institution, any costs and expenses incurred in connection with collection plus an administrative fee which may be adjusted from time to time, and (b) collect the current and past due balance owed Crunch in any subsequent month.

(1.7) **Limited Memberships.** Memberships may be limited so that Members may have reasonable access to Crunch facilities. It is to be expected that there may be occasional delays, especially during peak hours, in using the fitness equipment; or that Members may not always be able to attend preferred exercise classes. The availability of classes and equipment are subject to demand and are available on a first-come first-served basis.

(1.8) **Unpaid Balances.** All balances owed by Member and/or Buyer that are 30, 60 and 90 days in arrears are subject to monthly service charges of \$15 per month in arrears. These fees may be adjusted from time to time. Any unpaid balances for membership fees, goods or services past thirty (30) days may result in suspension of membership privileges. Member and/or Buyer shall be obligated to pay any cost incurred by Crunch for collection. The renewal fee for paid in full annual memberships must be paid by 12:00 midnight on the anniversary date of the annual membership or Member's privileges to use Crunch facilities may be suspended and a new initiation fee will be required. Crunch reserves the right to charge past due balances, plus applicable charges, to the Membership account under the EFT authorization.

(1.9) **Membership Term.** The term of Membership is a minimum one-year period (unless the Agreement states otherwise), after which the Member may cancel the membership for any reason by following the procedures set forth in Section 4. After the first term of membership, the membership will automatically continue on a month-to-month basis unless Member has cancelled or is canceling his or her membership pursuant to the procedures set forth in Section 1.10.

(1.10) Cancellation of Membership - In Term.

(1.10.1) Member has three (3) business days to cancel the Agreement from date of purchase. To cancel, mail a letter to the following address: Crunch Member Services, P.O. Box 1918, Old Chelsea Station New York, NY 10113. It is recommended that (you) Member send (your) Member's cancellation notice by registered or certified mail or statutory overnight delivery, return receipt requested, in order to prove that (you) Member did cancel. If Member hand delivers Member's cancellation to a Crunch facility, Member should be sure to receive a signed statement from a Crunch employee acknowledging Member's cancellation. To be effective, Member's cancellation must be either postmarked by midnight, or hand delivered by midnight on the third (3rd) business day after the contract was signed, and must include all contract forms, membership cards, and any and all other documents and evidence of membership previously delivered to Member.

(1.10.2) **Death or Disability.** If, by reason of death or disability, you are unable to receive all of the services for which you contracted under this Agreement, you and your estate shall be relieved from the obligation of making payment for services other than those received prior to your death or the onset of your disability. If you prepaid any sum for services, so much of the sum as is allocable to services not taken prior to your death or disability shall be promptly refunded to you or your representative. Your disability must be confirmed in writing by a physician. To cancel a membership pursuant to the paragraphs set forth above, you must submit a written notice of cancellation to the Club delivered by certified or registered mail at the address specified on the front page of this agreement. All refunds shall be made within 30 days of the receipt of a proper notice of cancellation.

(1.10.3) **Close of Facility and/or Move.** Under this contract, no further payments shall be due to anyone, including any purchaser of any note associated with or contained in this contract, in the event the Crunch facility at which the Agreement is entered into ceases operation and fails to offer an alternate location, substantially similar, within twenty five (25) miles.

(1.10.4) **New Facility.** If you purchased a plan at a facility which has not yet opened for business at the time this contract was signed, you shall have seven calendar days in which to cancel this contract and receive a full refund of monies paid. In addition, if this contract is for services for a club under construction or not yet open, if the facility or services contracted for are not available within 12 months from the date of this agreement, or within three months of any date specified in the contract, whichever is earlier, you may cancel the contract and receive a full refund within 30 days of receipt by the center of the cancellation notice.

(1.10.5) **Relocation.** Should you move further than 25 miles from the club and be unable to transfer this membership to a comparable facility within 25 miles of your new residence, you shall be relieved from your obligation of making payment for the balance of the term of this agreement other than those charges allocable to the time prior to the Club's receipt of such reasonable evidence of such relocation. Notwithstanding the above you will be charged an administrative fee of 10% of the unused portion of the contract or \$50, whichever is less.

(1.10.6) **Other.** To cancel Member's membership prior to fulfillment of the original Agreement term, for reasons other than those listed in Section 1.10, Member must complete a request for cancellation form (which may be found at any Crunch facility upon request) and pay all necessary early termination fees (at the time of your request) ("Membership Buyout"). Membership privileges will end effective the date signed by the General Manager or US post mark on certified mail recommended. The Membership Buyout Fee is \$200 payable by cancelling Member, due upon delivery of a Request for Cancellation Fee.

(1.10.7) **Written Requests.** Memberships cannot be cancelled by phone or verbal conversation. Cancellation requests will only be honored if sent in writing or filed out at a Crunch facility. All paperwork is deemed a request until Crunch employee can validate paperwork and approve such cancellation. A cancellation that has been denied will be sent in writing back to Member along with reason of denial or instructions for acceptance and refund.

(1.10.8) Cancellation Out of Term.

(1.10.8.1) To cancel a membership after completing the original term, Member must (1) complete a Request for Cancellation Form at least thirty (30) days prior to their next bill date; (2) pay the next scheduled monthly dues payment; (3) relinquish Membership Card; and (4) pay in full any unpaid dues or indebtedness incurred prior to the cancellation date. Cancelling members will receive temporary authorization, providing access to the club through the termination date. Additional information about canceling is available at www.crunch.com and by calling Member Services at (888) 310-6011.

By Member's and/or Buyer's execution of a Membership Agreement with Crunch (the "Agreement"), the Member agrees to the following Terms and Conditions ("Terms and Conditions"):

ADDITIONAL MEMBERSHIP AGREEMENT TERMS

(1) MEMBERSHIP PAYMENTS AND TERMS

(1.1) **Rules, Regulations and Schedules.** Member agrees to abide by the rules, regulations and schedules of Crunch, which may be posted at a facility or issued orally, and which may be amended from time to time at Crunch's sole discretion. Upon joining, Member and/or Buyer must pay the appropriate initial charges. At the sole discretion of Crunch, a Member's membership may be revoked or suspended at any time if in the judgment of Crunch (a) Member consistently fails to observe the Rules and Regulations (b) has otherwise behaved in a manner contrary to the best interests of Crunch or any of Crunch's Members, (c) Member has instituted any type of legal action against Crunch, including but not limited to civil actions, arbitrations and/or mediations, and/or (d) Crunch has instituted any type of legal action including but not limited to civil actions, arbitrations and/or mediations against Member.

(1.2) **Member's Obligation.** Member and/or Buyer shall not be relieved of the obligation to make payments agreed to and no deduction from any payments shall be made because of Member's failure to use the Crunch facilities. Dues are for the period stated in the Agreement.

(1.3) **Initiation Fee.** There may be a one-time initiation fee which Member and/or Buyer shall be required to pay upon execution of the agreement and acceptance of the Terms and Conditions with Crunch or as otherwise agreed to by Crunch. This fee will change from time to time at Crunch's discretion. This fee is nonrefundable. Resignation from Crunch shall not terminate the obligation to pay the initiation fee in full. There will be no further initiation fee as long as the Membership has not terminated or expired.

(1.4) **Monthly Dues and other Fees.** Member or buyer shall pay, in advance, monthly Membership dues as set forth in the agreement. Crunch may adjust monthly dues upon giving Members thirty (30) days prior notice, posted in a Crunch facility and/or sent by mail to Member. Crunch may adjust any fees other than monthly dues at any time at its sole discretion.

(1.5) **Form of Payment.** Monthly dues and incidental charges are payable by Electronic Funds Transfer ("EFT") from the Member's checking account, savings account, credit card account, or debit card account. Members must authorize payments to be made through a third party administered electronic funds transfer system. Members maintain full control and privacy over their accounts at all times, and the transfer of funds affects only those fees that have prior authorization of the Member. The transfer will take place automatically once every month unless Crunch notifies the Member otherwise. If Crunch does not collect Member's monthly dues using the form of payment provided by the Member, then Crunch may continue attempting to collect Member's monthly dues, plus any applicable fees, using the form of payment provided by the Member.

(1.6) **Dishonored Check or Credit Card.** If any check, account debit, or credit card charge payable to Crunch by Member and/or Buyer is returned, rejected or dishonored, Crunch management shall, in each instance (a) assess a charge equal to any charge imposed by the financial institution, any costs and expenses incurred in connection with collection plus an administrative fee which may be adjusted from time to time, and (b) collect the current and past due balance owed Crunch in any subsequent month.

(1.7) **Limited Memberships.** Memberships may be limited so that Members may have reasonable access to Crunch facilities. It is to be expected that there may be occasional delays, especially during peak hours, in using the fitness equipment; or that Members may not always be able to attend preferred exercise classes. The availability of classes and equipment are subject to demand and are available on a first-come first-served basis.

(1.8) **Unpaid Balances.** All balances owed by Member and/or Buyer that are 30, 60 and 90 days in arrears are subject to monthly service charges of \$15 per month in arrears. These fees may be adjusted from time to time. Any unpaid balances for membership fees, goods or services past thirty (30) days may result in suspension of membership privileges. Member and/or Buyer shall be obligated to pay any cost incurred by Crunch for collection. The renewal fee for paid in full annual memberships must be paid by 12:00 midnight on the anniversary date of the annual membership or Member's privileges to use Crunch facilities may be suspended and a new initiation fee will be required. Crunch reserves the right to charge past due balances, plus applicable charges, to the Membership account under the EFT authorization.

(1.9) **Membership Term.** The term of Membership is a minimum one-year period (unless the Agreement states otherwise), after which the Member may cancel the membership for any reason by following the procedures set forth in Section 4. After the first term of membership, the membership will automatically continue on a month-to-month basis unless Member has cancelled or is canceling his or her membership pursuant to the procedures set forth in Section 1.10.

(1.10) Cancellation of Membership - In Term.

(1.10.1) Member has three (3) business days to cancel the Agreement from date of purchase. To cancel, mail a letter to the following address: Crunch Member Services, P.O. Box 1918, Old Chelsea Station New York, NY 10113. It is recommended that (you) Member send (your) Member's cancellation notice by registered or certified mail or statutory overnight delivery, return receipt requested, in order to prove that (you) Member did cancel. If Member hand delivers Member's cancellation to a Crunch facility, Member should be sure to receive a signed statement from a Crunch employee acknowledging Member's cancellation. To be effective, Member's cancellation must be either postmarked by midnight, or hand delivered by midnight on the third (3rd) business day after the contract was signed, and must include all contract forms, membership cards, and any and all other documents and evidence of membership previously delivered to Member.

(1.10.2) **Death or Disability.** If, by reason of death or disability, you are unable to receive all of the services for which you contracted under this Agreement, you and your estate shall be relieved from the obligation of making payment for services other than those received prior to your death or the onset of your disability. If you prepaid any sum for services, so much of the sum as is allocable to services not taken prior to your death or disability shall be promptly refunded to you or your representative. Your disability must be confirmed in writing by a physician. To cancel a membership pursuant to the paragraphs set forth above, you must submit a written notice of cancellation to the Club delivered by certified or registered mail at the address specified on the front page of this agreement. All refunds shall be made within 30 days of the receipt of a proper notice of cancellation.

(1.10.3) **Close of Facility and/or Move.** Under this contract, no further payments shall be due to anyone, including any purchaser of any note associated with or contained in this contract, in the event the Crunch facility at which the Agreement is entered into ceases operation and fails to offer an alternate location, substantially similar, within twenty five (25) miles.

(1.10.4) **New Facility.** If you purchased a plan at a facility which has not yet opened for business at the time this contract was signed, you shall have seven calendar days in which to cancel this contract and receive a full refund of monies paid. In addition, if this contract is for services for a club under construction or not yet open, if the facility or services contracted for are not available within 12 months from the date of this agreement, or within three months of any date specified in the contract, whichever is earlier, you may cancel the contract and receive a full refund within 30 days of receipt by the center of the cancellation notice.

(1.10.5) **Relocation** Should you move further than 25 miles from the club and be unable to transfer this membership to a comparable facility within 25 miles of your new residence, you shall be relieved from your obligation of making payment for the balance of the term of this agreement other than those charges allocable to the time prior to the Club's receipt of such reasonable evidence of such relocation. Notwithstanding the above you will be charged an administrative fee of 10% of the unused portion of the contract or \$50, whichever is less.

(1.10.6) **Other.** To cancel Member's membership prior to fulfillment of the original Agreement term, for reasons other than those listed in Section 1.10, Member must complete a request for cancellation form (which may be found at any Crunch facility upon request) and pay all necessary early termination fees (at the time of your request) ("Membership Buyout"). Membership privileges will end effective the date signed by the General Manager or US post mark on certified mail recommended. The Membership Buyout Fee is \$200 payable by cancelling Member, due upon delivery of a Request for Cancellation Fee.

(1.10.7) **Written Requests.** Memberships cannot be cancelled by phone or verbal conversation. Cancellation requests will only be honored if sent in writing or filled out at a Crunch facility. All paperwork is deemed a request until Crunch employee can validate paperwork and approve such cancellation. A cancellation that has been denied will be sent in writing back to Member along with reason of denial or instructions for acceptance and refund.

(1.10.8) Cancellation Out of Term.

(1.10.8.1) To cancel a membership after completing the original term, Member must (1) complete a Request for Cancellation Form at least thirty (30) days prior to their next bill date; (2) pay the next scheduled monthly dues payment; (3) relinquish Membership Card; and (4) pay in full any unpaid dues or indebtedness incurred prior to the cancellation date. Cancelling members will receive temporary authorization, providing access to the club through the termination date. Additional information about canceling is available at www.crunch.com and by calling Member Services at (888) 310-6011.

(3.18) **Non-Discrimination.** Crunch represents that it will not discriminate against any person because of sex, race, creed, age, color, national origin, sexual orientation, or ancestry in considering applications for membership. The minimum age for Crunch membership is eighteen (18), unless parental permission and Crunch's consent is given and approved by Crunch at Crunch's sole discretion.

(3.19) **Children's Use.** All children under eighteen (16) years of age must be accompanied by such child's parent at all times within a Crunch facility unless they are in a supervised activity. Some children's programs require fees to be paid in advance. Crunch reserves the right to discontinue use by any child who is unsupervised, or whose behavior is offensive or disruptive.

(3.20) **Group Exercise Policies.** Each class is limited to a set number of participants. Members should not enter a class late or leave a class early without the instructor's consent. No one will be admitted ten (10) minutes after the scheduled class time. If Member is just starting a group fitness program or has an injury, prenatal or problem that may prevent full participation, please discuss this with the group fitness instructor at least five (5) minutes before class. Proper clothing and footwear must be worn in all group fitness classes. Crunch reserves the right to change the group fitness schedule at any time including the addition or the deletion of classes, as well as changes in instructors, class times and length of classes. Crunch reserves the right to change group fitness policies when necessary and require advanced reservations for heavily attended classes. Reservations may be released within five (5) minutes prior to the scheduled class time and Member may enter on a walk in basis provided there are openings in the class. Member's attending a class shall, in addition to the Terms and Conditions, follow any rules promulgated by such class' instructors.

(3.21) **Personal Training.** In addition to these Terms and Conditions, any and all personal training provided by Crunch shall be pursuant to any additional terms and conditions set forth in a separate personal training contract entered into by a Member and Crunch. Use of personal trainers not approved by Crunch is prohibited at all Crunch facilities. Member may not train other members or guests, conduct business activity or solicit any business at any Crunch facility. Any violation of this policy may result in legal action as well as forfeiture of any remuneration received by a Member or guest for such services.

(3.22) **Changing the Rules and Regulations.** Crunch may at its sole discretion change these Terms and Conditions at any time.

(4) **Entire Agreement.** The Agreement, these Terms and Condition, and all rules and regulations of Crunch, as revised from time to time, constitute the entire and exclusive agreement between Crunch and Member, and supersedes all prior promises, representations, understandings and/or agreements relating to this membership purchase. The Agreement may be modified only by an instrument in writing; however, Crunch or any assignee of the Agreement is authorized to correct patent errors in the Agreement (and in other related documents) and Member and/or Buyer may verbally authorize payment of the outstanding balance of the membership fee by the automatic payment plan. Crunch can void the Agreement if it is not completed by a Crunch employee in accordance with the current pricing and payment programs, or if there has been any misrepresentation by Member. No written alterations or amendments to the Agreement and/or these Terms and Conditions shall be valid and Crunch employees are not authorized to make any changes written and/or verbal, additions or modifications to this Agreement.

If you have any questions regarding the Agreement or these Terms and Conditions please contact Crunch Member Services at (888)310-6011 or email Crunch at crunchms@crunch.com.

Member's Signature

Date

Buyer's Signature

Date