

Wigdor LLP Files Class Action Against New York Sports Clubs For Charging Gym Membership Fees Amid Covid-19 Shutdown

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At a time when New Yorkers are encouraged to stay indoors to minimize the spread and economic impact of COVID-19, New York Sports Clubs ("NYSC") is defrauding and stealing from its gym members, a class action lawsuit filed by Wigdor LLP against NYSC's publicly-traded parent company Town Sports International Holdings and Town Sports International, LLC (together, "TSI") alleges.

The lawsuit was filed on March 26, 2020 on behalf of NYSC member Mary Namorato and a proposed Class of similarly situated individuals. As alleged, despite all NYSC gyms being closed since March 16, 2020, TSI has unlawfully continued to charge its customers' credit cards for monthly gym membership fees. Incredibly, TSI has made it virtually impossible for members to cancel their memberships and has even refused to honor many members' cancellation requests, according to the Complaint.

In stark contrast, numerous other gym brands such as Equinox, Planet Fitness and Blink Fitness have announced that gym membership charges have been frozen due to gym closures. Meanwhile, NYSC members have been frantically posting messages on Twitter, Yelp and Facebook desperately seeking help to avoid further charges, yet NYSC has failed to provide any substantive response to these requests, as set forth in the lawsuit.

As outlined in the Complaint, TSI has a well-documented history of engaging in deceptive, dishonest and fraudulent conduct that amounts to stealing from customers; TSI has faced multiple investigations from the Washington D.C. Attorney General's Office for fraudulently refusing to allow customers to cancel their memberships. Wigdor LLP has also filed multiple class action lawsuits against TSI alleging similarly fraudulent misconduct.

BREAKING: We filed a class action lawsuit against <u>@NYSC</u> for continuing to charge membership fees while their gyms are closed due to <u>#COVID19</u>. We cannot allow corporate greed to go unchecked while hundreds of thousands of New Yorkers are suffering. <u>https://t.co/wSJJg1DwaC</u> — WigdorLaw (@WigdorLaw) March 26, 2020

The Plaintiff and proposed Class are represented by Wigdor LLP Partner <u>David E. Gottlieb</u> and Associate <u>Taylor J. Crabill.</u>

Statement from David E. Gottlieb, Partner at Wigdor LLP:



"TSI must do right by New Yorkers who are at the epicenter of this global crisis by freezing all gym memberships effective immediately, honoring all written or verbal membership cancellation requests, and issuing refunds to those members who were fraudulently charged fees for gym memberships that they are now unable to use.

"We call on our public institutions — including the New York State Attorney General's Office and the New York City Department of Consumer Affairs — to take formal action against TSI to protect the hundreds of thousands of New Yorkers being victimized by this corporate greed."

Read the Full Amended Complaint HereABC News

"Fitness industry must 'fight' to regain trust as gyms reopen" March 26, 2020

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New York Daily News

"Gym members sue New York Sports Club for refunds after coronavirus closures" March 26, 2020

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New York Post

"New York Sports Club sued for charging members during coronavirus closures" March 26, 2020

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Yahoo! Finance

"Gyms still charging members despite coronavirus-related closures" March 27, 2020

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CBS2 New York

"Coronavirus Update: Consumers Struggle With Gym Memberships, Recurring Fees Amid Shutdown March 26, 2020

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Club Industry

"Town Sports Accused of Unjustly Charging Members, Refusing Cancellations During Coronavirus Shutdown"

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TMZ

"NY SPORTS CLUBS SUED - YOU CAN'T CHARGE US During Coronavirus Closure" March 26, 2020

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Bleacher Report

"Mary Namorato Suing NY Sports Clubs for Charging Dues Amid COVID-19 Shutdown" March 26, 2020

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"New York Gym Chain Sued for Charging Fees Amid Virus Closure"

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Newsweek

"NEW YORK SPORTS CLUBS SUED FOR STILL CHARGING GYM FEES FOR MORE THAN 600,000 MEMBERS DESPITE CORONAVIRUS CLOSURE"

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Gothamist

"NYSC Hit With Class-Action Lawsuit Over Membership Fees During Shutdown"

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Business Insurance

"Gym sued for continuing to charge members during closure"

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Inquisitr

"N.Y. Fitness Chain Sued For Charging Membership Fees During Coronavirus Shutdown: 'Height Of Corporate Greed'"

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New York Daily News

"Members worked up over gym's refusal to refund dues over coronavirus closings" March 25, 2020

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Staten Island Advance

"Customers mad that New York Sports Clubs still charging them during the coronavirus shutdown" March 27, 2020

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