Electronic Signatures

According to Georgia Law (O.C.G.A. § 10-12-7), a signature shall not be denied legal effect or enforceability solely because it is in electronic form. This code section also states that, “If a law requires a signature, an electronic signature shall satisfy the law.” As you know, the Health Spa provisions of the Fair Business Practices Act require that consumers are provided with copies of their membership contracts after the execution of the contract.

Therefore, all gym contracts that are offered online must have a specific section in each contract which should inform consumers that they are agreeing to the terms of the contract and are signing the contract electronically. Regardless of what that section of the contract looks like, it must be clear to the consumer that they are signing the contract by providing an electronic signature. For example, we have seen instances in which a check box is provided in the electronic contract with a statement which indicates that by checking that box, a consumer agrees to provide an electronic signature to the contract. Another alternative is a brief statement on the electronic contract that states that the consumer should be aware that their acceptance of the terms of the contract, will serve as an electronic signature. Consumers should then be given the opportunity to obtain an electronically signed copy of the contract. As a reminder, great care must be taken to ensure that each electronic template, whether online or onsite at the gym, remains in compliance with Georgia Law. Please contact us with questions or concerns on these matters.

For concise Health Spa compliance updates and information, please follow us on twitter at www.twitter.com/GOCA2.