SUPERIOR COURT OF THE DISTRICT OF COLUMBIA CIVIL DIVISION

DISTRICT OF COLUMBIA	
Plaintiff, v.	Case No.: 2021 CA 000722 B
NEW TSI HOLDINGS, INC.	
Defendant.	

CONSENT JUDGMENT AND ORDER

This Consent Judgment and Order is entered into by the Court upon the agreement between the District of Columbia ("District"), acting through the Office of the Attorney General for the District of Columbia ("OAG"), and New TSI Holdings, Inc., the operator of Washington Sports Club, ("Defendant" or "Washington Sports Club"). The District and Defendant are referred to collectively as the "Parties."

PREAMBLE

A. WHEREAS, the District is a municipal corporation empowered to sue and be sued, created by an Act of Congress, and is the local government for the territory constituting the seat of the government of the United States. D.C. Code § 1-102. The District is represented by and through its chief legal officer, the Attorney General for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest. D.C. Code § 1-301(a)(1).

B. WHEREAS, Defendant operates its business (gyms located at 3100 14th Street, NW,

Washington, DC 20010 ("Columbia Heights Club"); 1835 Connecticut Ave NW, Washington, D.C. 20009 ("Dupont Club"); 2251 Wisconsin Avenue, NW, Washington, DC 20007 ("Glover Park Club")) in the District.

C. WHEREAS on March 9, 2021, the District filed a Complaint against Defendantfor violations of the Mayor's Order Nos. 2020-080, related Phase Two Guidance, the Protecting Workers from COVID-19 Congressional Review Emergency Amendment Act of 2020 ("Emergency Act"), D.C. Code § 32-141.01 *et seq.*, and the District's Consumer Protection Procedures Act ("CPPA"), D.C. Code § 28-3901 *et seq.* The District's Complaint alleges that Defendant violated these Orders and laws at the Dupont Club by failing to comply with protective mask-wearing and social-distancing rules contained therein for the prevention of the deadly COVID-19 virus, by misrepresenting information on its website related to protective mask-wearing and the public health guidelines, and by not following other procedures for public health. These claims are hereinafter referred to as the "Covered Conduct."

D. WHEREAS, the Parties have resolved the Covered Conduct as provided below in lieu of further litigation.

E. WHEREAS, this Agreement does not constitute any admission by Defendant of any of the District's allegations.

F. WHEREAS, the Parties have reached a full and final settlement agreement as set forth below:

TERMS AND CONDITIONS

NOW, in consideration of the mutual promises and covenants contained in this Agreement, the Parties agree to the following terms, which the Court enters as an Order and Judgment:

1. <u>Payment</u>. Defendant agrees to the financial terms as outlined below:

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- a. Within seven (7) days after this Agreement is fully executed, Defendant shall make one (1) payment to the District of Columbia in the amount of \$100,000.00.
- b. Payments made by Defendant pursuant to this paragraph shall be made by wire payment consistent with instructions to be provided by the District.

<u>Compliance with Mayoral Order 2020-080.</u> Defendant shall comply with Mayor's
Order No. 2020-080¹ as follows:

- Post signage at the front door, and throughout each Washington Sports Club facility stating that a person may not use the Gym's facilities without wearing a protective mask.
- b. Ask any person who removes their protective mask inside each Washington Sports Club facility to immediately put their protective mask on or to leave the Club.
- c. Update the Washington Sports Club website so that the Gym policies described on the website comply with Mayor's Order No. 2020-080, including, but not limited, to, the protective mask-wearing requirements, the requirement to have six feet distance between patrons, and ten feet distance between machines that are in operation and generally between patrons while they are exercising.
- d. Invite members, via signage and e-mails to members, to bring to the attention of staff any non-compliance with protective mask-wearing and distancing requirements.

3. <u>Compliance with Phase Two COVID-19 Guidance for Gyms and Work-Out</u> Studios. Defendant shall comply with Phase Two COVID-19 Guidance for Gyms and Work- Out

¹ Mayor's Order No. 2020-080 can be found at <u>https://coronavirus.dc.gov/maskorder</u>.

Studios², as long as that Guidance is in effect, by doing the following:

- a. Ensure that employees and Gym patrons comply with Phase Two Guidance in its entirety by reminding those employees and patrons when they are not doing so and removing those employees and patrons from the premises (e.g. asking the patrons to leave and calling the Metropolitan Police Department if they refuse to leave) if they do not comply once reminded of the rules.
- b. Arrange exercising areas, including those with cardiovascular and strength equipment, such that patrons may maintain at least 10 feet of social distance between one another while on those machines or otherwise exercising in the Gym and removing those patrons from the premises (e.g. asking the patrons to leave and calling the Metropolitan Police Department if they refuse to leave) if they refuse to comply once reminded of the rules.
- c. Ensure that patrons maintain proper social distance from each other while in Washington Sports Club by reminding those patrons when they are not doing so and removing those patrons from the premises (e.g. asking the patrons to leave and calling the Metropolitan Police Department if they refuse to leave) if they refuse to comply once reminded of the rules.
- d. Maintain supplies to allow for frequent hand hygiene (soap and water or alcohol-based hand sanitizers with at least 60% alcohol) in client areas (e.g., check-in/check-out spaces, exercising areas).

² The Phase Two Guidance for Gyms and Workout Studios can be found at <u>https://coronavirus.dc.gov/sites/default/files/dc/sites/coronavirus/page_content/attachments/COVID-19_DC_Health_Guidance_for_Gyms_and_Workout_Studios_2020.08.31_FINAL.pdf.</u>

- e. Provide staff with appropriate personal protective equipment based on their work tasks (e.g., protective masks, gloves) and cloth face coverings.
- f. Update the Washington Sports Club website so that the Gym policies described on the website comply with Phase Two Guidance.

4. <u>Compliance with the CPPA</u>. Defendant shall comply with the CPPA in its business practices, including by:

- a. Maintaining a website that does not misrepresent District law.
- b. Not falsely advertising to consumers a level of health safety that is contradicted by other Gym policies.

5. <u>Compliance with Future Mayoral Orders and Legislation</u>. Defendant shall comply with any subsequent Mayor's Order or mandatory Guidance that relates to the operations of Washington Sports Club (i.e., as a gym) as it pertains to the public health emergency.

6. <u>Release by the District</u>. Conditioned upon receipt of the Settlement Amount

detailed in Paragraph 1 above, and compliance with the Mayoral Orders pursuant to Paragraphs 2 through 5, the District releases Defendant from any and all actions or causes of action, which the District ever had, now has, or may have, against Defendant arising out of the Covered Conduct through the date of signing this agreement, including, but not limited to, any and all claims that could be civilly brought under the District's Protecting Businesses and Workers from COVID-19 Congressional Review Emergency Amendment Act of 2020 ("Emergency Act"), D.C. Code § 32-141.01 *et seq.*

7. Provided that both Parties execute a copy of this Agreement, the Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. 8. This Agreement is governed by the laws of the District of Columbia. The Parties agree that the exclusive jurisdiction and venue for any dispute arising between the Parties under this Agreement shall be the Superior Court of the District of Columbia.

9. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

10. If Defendant fails to pay the Consent Judgment Amounts pursuant to Paragraph 1 or fails to comply with Mayoral Orders pursuant to Paragraphs 2 through 5, then Defendant consents to an entry of judgment in the amount of the remainder of the monies owed, including the amount in Paragraph 1(a), plus reasonable attorney's fees and court costs.

THE DISTRICT OF COLUMBIA

KARL A. RACINE Attorney General for the District of Columbia

KATHLEEN KONOPKA Deputy Attorney General Public Advocacy Division

JIMMY R. ROCK Assistant Deputy Attorney General Public Advocacy Division

Date: April 15, 2021

By:

JENNIFER L. BERGER, D.C. Bar No. 490809 Chief, Social Justice Section Public Advocacy Division 400 6th Street, NW, 10th Floor Washington, DC 20001 Phone: (202) 531-2917 jennifer.berger@dc.gov Attorney for the District of Columbia

NEW TSI HOLDINGS, INC.

By:

By:



Date: April 15, 2021

New TSI Holdings, Inc. (Through counsel)

Date: April 15, 2021

Patrick K. Burns, D.C. Bar No. 1005930 Gordan Rees Scully Mansukhani, LLP 1140 Third Street NE \Washington, D.C. 20001 Phone: (202) 370-8003 pburns@grsm.com *Attorney for Defendant*

Date:

Judge Fern Flanagan Saddler Associate Judge