



July 10, 2009

Dear Valued Member:

Peak Fitness has been providing the communities in North and South Carolina the best value in fitness since 1999, and we intend to continue that mission for many more years.

Today, we made an important step toward accomplishing that mission: we have signed an agreement to be purchased by the investment firm Fuzion Investment Capital, LLC and voluntarily filed for Chapter 11 bankruptcy protection. This restructuring process will allow us to emerge a much stronger and healthier company.

We value you and want you to know what our plans are:

- We currently have 17 clubs open in the Carolinas. Our intentions are to have all currently open facilities remain open. However, as we work through this restructuring process there may be a couple of additional clubs that may close. In the event that this would happen we would make every effort to accommodate your membership at the most convenient location.
- Our facilities will continue to operate as normal. This process will not affect your membership.
- Our mission moving forward is to rebrand ourselves as the low cost, full-service provider in the marketplace. Our goal is to be the cleanest, sharpest, friendliest and most energetic fitness center in the region.
- Along with the rebranding, we will be performing various facility and equipment upgrades as we emerge from this restructuring process.

We are very excited about the new possibilities ahead. With a stronger financial position and great business plan we have positioned ourselves for success and growth.

We cannot thank you enough for your ongoing loyalty and support during this process. We look forward to providing a fun and affordable facility for your fitness needs in the future.

If you have any further questions about the reorganization process or how it will affect you, visit our website at <http://www.peakfitnessclubs.com/reorganizing.html>.

Sincerely,

Jeff Stec

CEO, Fitness Management