

Lifetime Dues Paid ?

Travel America (TA) Violates Bankruptcy Commitment

Many former TAI members were notified by TA this March that a major commitment made to secure approval of the reorganization plan in Ohio is “out the window”!!

TA, as a prerequisite to securing approval of the Ohio Plan for Reorganization, specifically stated in that plan:

The Debtor will specifically assume all of its membership agreements in effect as of the Petition Date. The membership agreements are set forth in the Debtor's Schedule G. **The effect of this assumption is that the terms and conditions of each member's contract with the Debtor, including any addenda, will remain the same.** For example, a member whose dues are contractually frozen for life will continue to have their dues frozen for life. On the other hand, the Debtor will retain its contractual right to amend the rules and regulations from time to time. A copy of the rules and regulations is attached as Exhibit G.1. These contracts will be assigned to **Travel America, who will abide by the terms and conditions in effect at the time of the filing of the Petition. There will be no increase in annual dues, unless a specific member's contract provides for an increase.**

[Ohio Reorganization Plan – Pages 12 and 13]

The March 2001 letter from TA, signed by Ray Novelli, states that “your (lifetime dues paid) annual maintenance fees will be [increased to] \$198....[and] may increase [still further].” We believe that his action is in specific violation with the covenant made with the Federal Bankruptcy court in Ohio and with the creditor members in that bankruptcy.

Mr. Novelli new that there was a substantial number of “Lifetime Dues Paid memberships in Thousand Adventures of Ohio.[and other TAI subsidiaries], as evidenced by the reorganization plan. It is not something he learned ‘after the fact’ of the Plan confirmation.

Part of the cost of stepping into the shoes of the Ohio Debtor, was the assumption of all membership contracts “including the Addenda” that he hoped to acquire in that bankruptcy.

We believe that, if you are denied access to a TA facility because of this new tactic by Mr. Novelli's companies, you may be entitled to take legal action against them.

We also believe that we can find both Federal and State attorneys and Judges that will agree that this is a fraudulent and deceptive practice of Mr. Novelli and his companies in order to secure confirmation of the Plan.

IF YOU ARE A “LIFETIME DUES PAID” FORMER MEMBER OF TAI WHO WAS DECEIVED BY WHAT WE BELIEVE WAS A FRAUDULENT PROMISE IN THE OHIO REORGANIZATION PLAN – TELL US HOW TO GET IN TOUCH WITH YOU. WE WILL HELP THE YOU COMPLAIN TO THE APPROPRIATE AGENCY AND WORK WITH YOU TO HELP FORCE TA TO HONOR THEIR OHIO COVENANTS.

You are not alone! You CAN fight back. They may even owe you some kind of “Punitive Damages” for what they have done.

Dan Hopper, Chmmm NAM