



COMMEMORATIVE AIR FORCE

Commemorative Air Force Headquarters
Midland International Airport
P.O. BOX 62000, MIDLAND, TEXAS 79711-2000
(877) 767-7175, FAX (432) 563-8046
www.commemorativeairforce.org

Director of Membership Marketing/PR
Autumn Esparza
aesparza@cafhq.org
(432) 563-1000, ext. 2231
(432) 661-8092

FOR IMMEDIATE RELEASE

State District Judge Issues Order Appointing Receiver

Midland, Texas (March 9, 2010) — On Monday, March 8, 2010, a State District Judge entered an "Order Appointing Receiver", placing the American Heritage Airpower Museum (AAHM) into temporary receivership.

The Order comes after an evidentiary hearing where State District Judge, Rodney W. Satterwhite, heard witness testimony and admitted documentary evidence. The Commemorative Air Force (CAF) and members of its governing board, the CAF General Staff (board of directors), (as Plaintiffs) sought the appointment of a Receiver under Sections 11.404(a)(1)(C) and 11.404(a)(3) of the Texas Business Organizations Code. These statutes authorize a Court to appoint a receiver if "the actions of the governing persons of the entity are illegal, oppressive, or fraudulent" or when "courts of equity have traditionally appointed a receiver."

The Court's Order results from a lawsuit filed by the Commemorative Air Force and members of its governing board against the Museum, on Feb. 1, 2010. The lawsuit alleges that the Museum was acting in violation of its Bylaws and that ". . . some members of the Museum Board are attempting illegally to gain functional separation and control of the Museum from the CAF by simply ignoring the Museum Bylaws. . ." The lawsuit also charges that "the current Museum Board has no legal authority to conduct the business of the Museum, to deal with its assets or funds, or to contract with third parties. Such circumstance puts at risk both the assets of the Museum and the CAF, assets which have been dedicated to the public trust for charitable and educational purposes." The lawsuit sought the appointment of a Receiver to cause the Museum Board to come into compliance with the Museum's Bylaws, in particular the requirement that a majority of the Museum Board must also be currently serving members of the CAF General Staff. On the same day that the suit was filed, State

District Judge, John G. Hyde, caused the issuance of a Temporary Restraining Order enjoining the "Museum (its agents, officers, directors, employees, or anyone acting in concert therewith), from attempting to hold any meetings of the Museum Board for any purpose other than to reconstitute its Board membership to comply with its Bylaws . . ."

The March 8, Court's Order finds that "a Receiver should be appointed as requested by Plaintiffs." The Court's Order states it is to take effect in seven days and authorizes the appointed receiver "to call and conduct a meeting of the Board of Directors of the Museum . . . to cause the election of properly qualified members of that Board of Directors so that a majority of the members of the Museum Board of Directors also currently serve as members of the CAF General Staff as is required by the Museum Bylaws . . ."

Collecting, restoring and flying vintage historical aircraft for more than half a century, the Commemorative Air Force (CAF) ranks as one of the largest private air forces in the world. The CAF is dedicated to Honoring American Military Aviation through flight, exhibition and remembrance. A non-profit educational association, the CAF has approximately 9,000 members and a fleet of 156 airplanes distributed throughout the country to 74 units located in 27 states for care and operation.

For more information, visit www.commemorativeairforce.org or call (432) 563-1000.

– END –