



“Alone and our voice is small. — Stand together and we will be heard.” Barbara Mozingo, NAM
“Many voices make a platform on which all of us can stand” - Murna Lindsey, NAM

Solving the Membership Campground Problem

Should the membership camping industry police themselves?

We continue to find and report problems with greedy campground operators. The camping industry has refused, so far, to police itself. This failure, if it continues, will taint the entire industry. We believe there is a place for good, honest, and fair campground operators.

People have hoped that Coast to Coast or RPI would set the needed standards – but both of these companies depend on these very operators for their own livelihood. There is no evidence that either of these companies are interested in curbing the abuse of campers by their largest clients.

The National Association of RV Parks and Campgrounds (ARVC) also seems reluctant to consider standards of conduct for its members that would protect campers from coercive and abusive schemes of campground operators. We have to wonder if this amounts to an endorsement of such tactics?

See Solving the Problem (Page 5)

Iowa AG vs Cutty’s [IA]

(Excerpts)

This information is provided by the Consumer Protection Division of the Iowa Department of Justice to assist former Cutty’s Campground members who have been sued in small claims court for debts purportedly owed. This memorandum is written in generic form to be used by numerous consumers against whom debt collection actions have been brought.

While facts may differ from consumer to consumer, the contracts at issue and the basic facts are essentially the same. Debt collection lawsuits are being brought against dozens of consumers for past membership dues where these consumers have not used Cutty’s campground for years. Many have not received bills for these dues, nor have they made any payments for more than ten years. These actions are not for purposes of collecting on the underlying contracts: these were paid in full, most many years ago. These collection actions are solely for purposes of membership dues.

See No Lifetime Dues! (Page 3)

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**Help us pass the word —
Make at least 3 copies of this
newsletter and pass it on to
other campers so they can
protect themselves from the
scam artists...**

YOUR DONATIONS HELP WITH OUR WORK

Voice: (937) 236-2882

eMail: nam@natlassoc.org

web site: <http://www.natlassoc.org>

TAI Class-Action Status

Douglas Napier, Esq.

Members should be encouraged by the recent events in the bankruptcy proceedings.

Although we suggested language to the Trustee to include in his notice to members, there was still considerable confusion about the status of the members' claims. Be assured that if a member filed a claim in the bankruptcy estate, that claim is not forgotten. But instead of the bankruptcy court trying to sort out the priorities of thousands of claims (from members, the IRS, creditors, employees, etc.), the court agreed to pay ALL of the surplus money to the class of members to be shared by all former TAI members.

This accomplished two things - one, it made sure that the members' claims were recognized as legitimate, and two, it gave the members a priority over all other creditors and claimants so that all the surplus comes to the members.

If the Trustee was to have to evaluate the claims, he could have accepted some and rejected other based on how the claim form was filled out, the documentation supplied, the date it was filed, etc. We don't know how much surplus money will be left in the bankruptcy estate, but every little bit helps.

(Continued in the next column)

A Smart Husband

He left home with some of his campground buddies one Friday afternoon. But instead of coming home for dinner, he stayed out the entire weekend, hunting with the boys and spent all his money.

He finally appeared at home Sunday night and was confronted by his angry wife who complained for nearly two hours with a tirade about his actions.

Finally she stopped nagging and simply said to him, "How would like it if you didn't see me for 2 or 3 days?" To which he replied, "That would be fine with me."

Monday went by and he didn't see his wife. Tuesday and Wednesday came and went and he didn't see her.

On Thursday, the swelling went down just enough so he could see her a little out of the corner of his left eye.

What Happens Next?

What happens next? First of all, every member who filed a claim in the bankruptcy was put on a roster that the Trustee prepared. All of those names and addresses have been given to me to include in our database of members. Many have already registered with the class through our office. We will make sure that everyone is on our list.

Any money we receive from the bankruptcy will be combined with other settlements and recoveries and ultimately this money will be distributed to the members. I cannot say for certain when this distribution will be made. It will depend largely on the state court to determine the timing of trial on the remaining defendants and the timing and method of distribution. There will likely have to be two mailings associated with distribution - one to confirm the names and addresses of members so checks can be sent to real people at their correct address, and the second to mail checks. The cost of these mailings is significant when you consider there may be as many as 80,000 members. We do not want to spend the money on postage but would rather maximize the amount of the checks to members.

The amount of money each member can expect? It depends on what additional amounts are collected and how many members register with the class, submit claims, and have confirmed mailing addresses. This is why it is important that each member informs our office if they move.

We are making great progress and are still confident of the merits of our case. Although the defense attorneys are making every effort to find technical ways to avoid liability, we think that righteous nature of our case will prevail. We must simply hope that the judge will exercise proper judicial authority, render legally sound decisions and not turn her back on the thousands of TAI members who are the real victims.

Douglas H. Napier
NAPIER, WOLF & NAPIER
607 Eighth Street, Suite One
Fort Madison, IA 52627
(319)372-2934

I know God won't give me more than I can handle. I just wish He didn't have so much confidence in me.

No Lifetime Dues!

I. Claim for "Past Due Membership" is Barred by the Statute of Limitations

As set out below, consumers have not contracted for lifetime obligations to pay membership dues to Cutty's. ... these actions are clearly barred by the statute of limitations..

II. The Contracts Do Not Obligate the Consumers to Membership in Perpetuity

The underlying contracts at issue are installment purchase contracts of what is, in essence, a time-share at a campground. Though denominated "Real Estate Contract," what is "purchased" is a 1/3000th undivided interest in Cutty's campground. ... undivided 1/3000th interest does not entitle the buyer to permanent occupancy, or even to a guaranteed camping spot at the campground. ...

It is important to recognize that the alleged debt being sought in these cases is not the amount due under the purchase contract for the 1/3000th undivided interest in the property. That contract has long been fulfilled.

Rather, the purported debt which Cutty's is suing for is membership dues allegedly in arrears for, in some cases, more than a decade.

The only contract which the consumers signed includes this provision:

By virtue of Buyer's ownership of the undivided interest described herein, Buyer is **eligible** for membership in the Club. Buyer agrees to pay to the Club when due, all dues and assessments, required by or pursuant to the bylaws of the Club.

That clause does not specify that membership is required for lifetime, or so long as the buyer owns the 1/3000th undivided interest in the "real estate." The provision in the contract merely states that Buyer's are eligible for membership. The reasonable construction is that, for buyers who chose to become and remain members, they pay the dues. (At best, the clause is ambiguous, and any ambiguities in a contract are construed against the drafter.)

The easiest way to find something lost around the RV is to buy a replacement.

...The Iowa Supreme Court has stated that contracts must be quite explicit for them to embody perpetual obligation. The courts are prone to hold against the theory that a contract infers a perpetuity of right or imposes a perpetuity of obligation The [Cutty] contract is far from explicit that membership is mandatory and of indefinite duration...

The contract itself does not obligate these consumers to be members of a club in perpetuity, and the campground's claim for past membership dues is not supported by the contract.

III. Efforts to Collect Time-Barred Consumer Debts Constitute Unfair and Deceptive Collection Practices

Though the statute of limitations is an affirmative defense, the passage of the time-bar is not a technicality. Such statutes and the related doctrine of laches reflect a policy that at a certain point, "the right to be free of state claims in time comes to prevail over the right to prosecute them." ...

... The court held that the standard is not that of a lawyer or a judge, but that of an unsophisticated consumer. ...

CONCLUSION

For, the foregoing reasons, [Cutty's] claims should fail.

NOTE:

A copy of the letter from the Attorney General's Consumer Protection Office is *on the next page* for your information/use. We believe the case is presently pending in the Iowa Supreme Court.

[Editor's Note: We have tried to include the significant points of the AG notice above. The complete text is available for download from our web site or if you send us a request with a stamped self-addressed envelope, we will mail it to you.]

Politics is supposed to be the second oldest profession. I have come to realize that it bears a very close resemblance to the first.

[REDACTED]

[This is a faithful copy of a letter from the Iowa Attorney General's Consumer Protection Office to a former member of Cutty's. It has been sanitized to protect the privacy of the addressee — Ed]

5 Star Scheme - Exposed

We have many complaints about agents of this campground demanding *dues* that they are not entitled to and making threats that we do not believe will hold up under legal scrutiny.

“YOU ARE NOT ALONE” - in your efforts to get these people off your backs and out of your wallets and savings accounts...

We have contacted an attorney in Mississippi that knows all about the schemes of that campground. He has agreed to combine the claims of people who are being harassed by them.

The rules seem clear.

- If you use their facilities - you must pay their fees and obey their rules.
- If you do NOT pay their fees or obey their rules - they are within their rights to deny you the use of their facilities.
- They do NOT - in our opinion - have a right to demand that you pay “Back Dues” unless you want to be reinstated as a member.
- You do NOT have an obligation to sell your former membership to someone else - in our opinion - a silly notion!

These opinions have been tested in several other states and have been upheld. It appears that we might get a chance to test them against 5 Star too.

An Attorney for former 5 Star members.

We found an attorney that we think can help you fight them. He has experience with these people and knows about their schemes. Here’s how to contact him:

James F Thompson, Esq.
2317 14th St.
Gulfport, MS 39501
(228) 864-0233
(800) 275-0657

BECHA CAN’T DO THIS...

Place a pencil and paper on the table.
Sit beside it and lift your right foot.
Rotate your right foot in a clockwise direction.

While doing this
- write the number “6” on the paper.

Your foot changes direction
- no matter how hard you try not to!

Solving the Problem

What are the alternatives?

We continue to recommend that, in addition to suing the offending operators, you need to report problems to the people who are supposed to protect you: state attorneys general, federal agencies such as the Federal Trade Commission, etc. How can they protect you if they don’t know about your problem?

Be proactive.

In the absence of self-regulation by the camping industry – an apparent solution is to demand that our legislators and law enforcement officials establish and enforce laws that put an end to the schemes of the few, but large segment, of this industry that is reeking so much havoc.

NAM will help you find the names, addresses, email addresses, etc., of attorneys, attorneys general, legislators, and others that can either help you with your immediate problem or establish and enforce laws that can help curb the problems.

Remember: If they don’t know about the problem – they can’t fix it.

Problems reported to us include:

- High-pressure, deceptive, and coercive sales practices.
- False allegations after the sale, that purchasers must pay dues “for life” or in the alternative, sell the membership so someone else who must pay dues for THEIR lifetime.
- Abusive and deceptive collection tactics for falsely alleged debts for “dues”.
- Arbitrarily transferring campground memberships from place to another without the permission of the member.
- Marketing the “advance payment of future dues” or “memberships at a discount rate” while contemplating bankruptcy without disclosing that bankruptcy is likely.
- I’m sure you can add to this list...

So what can you do about it? **FIGHT BACK!** Don’t be intimidated – get angry and fight back. **See *Campground Mafia* (Page 6)**

“Fight the Campground Mafia!”

“Many voices make a platform on which all of us can stand.”

Complain to your attorney general in writing; complain to your congressmen in writing; file a complaint with NAM, complain to the FTC in writing... You get the idea. If they don't get your complaint – they don't know that there is a problem.

Most important – it is cheaper to hire an attorney than to pay the scam artists. They will always come back for more if they know you are an easy target.

We have reported on some of the offenders in this and other newsletters.

Stay tuned – pass the word - don't give in – follow through.

Dan Hopper
NAM

Willow Creek (IL) - Status

We believe that Willow Creek and the people who work there are under investigation by the Illinois Attorney General's office but that is not yet confirmed. We will update you in our next newsletter.

Meeting Scheduled for Victims

Ms. Lindsey, our Illinois representative, is planning a meeting of former members of that campground.

When: Sunday, March 28th
Where: Ken-Rock Community Ctr.
3218 11th St.
Rockford, IL
Time: 2:00 PM

Contact Murna for reservations and information:

Phone: (815) 874-7203
email: ml7675@aol.com

WHAT IS THE NATIONAL ASSOCIATION FOR MEMBERS (NAM)?

NAM was organized to advocate for ALL people who use campground resorts, condominiums, and timeshares. We want to stabilize and improve the rights members should have in their contracts. Many of us, speaking with one voice can make things change for the better. NAM is that voice. We will work with government agencies, campground resort owners/developers, and others to stabilize, improve, and enforce the rights you get in your contract.

There is no fee for our newsletters nor any service we provide. We do, however, depend on donations from people who believe in what we are doing to help with our expenses. We are registered with the government as a nonprofit organization and your donations are tax deductible.

You can help. Join the NAM — Make a Difference. Send us the following information, it will not be provided to any non-government organization and will not be used for commercial purposes by anyone.

Note: NAM may "not" obligate you in any way to pay money for any purpose without your explicit consent.

GET IN TOUCH WITH US:

INTERNET SITE: <http://www.natlassoc.org>
eMail Address: chmn@natlassoc.com or chmn@natlassoc.org
Voice Nr: (937) 236-2882

GET THE NEWSLETTER: (There is no cost to you.)
Send us 5 or 6 Self-addressed, Stamped, size #10 (Business Size) Envelopes to:

NAM Treasurer
4740 Silver Oak Street
Dayton, Ohio 45424-4650

Name: _____
Street Address: _____
City: _____
State: _____ Zip: _____
email address: _____
Phone: (_____) _____ - _____

I am interested in supporting the NAM. I want to:

- Receive the NAM newsletter.
- Reproduce/distribute my copy of the newsletter.
- Make a donation to support NAM activities.

I am enclosing a check for \$ _____

- Report on issues related to
RV campers or timeshares

We also want your comments and suggestions.

Please send them to us at:

NAM
4740 Silver Oak Street
Dayton, OH 45424-4650

Thank you,
Dan Hopper, Chmn

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