

Aviation Association Management, Inc.

P.O. Box 3372

Wichita, Kansas 67277

MANAGEMENT CONTRACT
FOR THE
VIETNAM HELICOPTER PILOTS ASSOCIATION

FEBRUARY 1, 1987

DEFINITION OF ABBREVIATIONS

For the purposes of this agreement it is understood that the initials VHPA stand for the Vietnam Helicopter Pilots Association and the initials AAM stand for Aviation Association Management, Inc., P. O. Box 9372, 2120 Airport Rd., Wichita, Kansas 67277

IDENTITY

AAM recognizes the importance of the VHPA maintaining its own separate, distinct and unique identity. To accomplish this AAM will provide VHPA with it's own distinct Post Office Box for a mailing address and answer the VHPA phone line in the name of the VHPA. The phone number will be listed with information and directory service in the name of VHPA. All contact with members, potential members, advertisers, etc. will be in the name of the VHPA.

OFFICE SPACE

As part of this agreement AAM shall provide adequate office space to conduct VHPA business, maintain VHPA records and store and market VHPA goods. VHPA Members will always be welcome to visit VHPA Headquarters.

STAFF

AAM will provide adequate staffing to carry out the day to day business of the VHPA. One staff member will be assigned the primary duties of the VHPA. Other staff members will be assigned various VHPA tasks as the VHPA work load dictates.

AAM currently has five full time employees; one executive and technical, one publications/conventions/special programs, and three clerical. AAM also utilizes various part time employees as required.

TELEPHONE SERVICE

AAM will provide one phone line and number for VHPA business. This phone number will be listed with directory assistance as the Vietnam Helicopter Pilots Association and the phone will be answered in the name of the VHPA. The VHPA phone will be answered between the hours of 8 a.m. and 5 p.m. CST, Monday through Friday, and at all other times that AAM staff members are present in the office.

Should experience indicate that additional phone lines are required AAM will provide them to VHPA at AAM's cost.

Due to the variables involved, long distance expenses are not included in this proposal. AAM will invoice VHPA separately for this expense and will provide a log of the party called and the purpose.

AAM participates in the Wichita Airport Authority phone system which has access to WATS lines and other long distance services. This should provide the most economical cost to the VHPA.

Initially AAM will maintain a log of incoming calls to show how they are handled. After AAM has demonstrated it is handling incoming calls properly AAM will request that it be relieved of this function. AAM feels that with the proper procedures to handle incoming calls, maintenance of such a log is a needless waste of clerical staff time, which becomes an expense AAM had not included in it's original proposal.

BOOKKEEPING

AAM will maintain the financial records of the VHPA using standard bookkeeping procedures. By the fifteenth of each month AAM will mail each of the officers of VHPA a copy of the trial balance and year to date financial statement as of the end of the preceding month. This date is conditional on the bank statements and any information required from the officers having been received by AAM on or before the 10th of the month. AAM will notify the VHPA Executive Director on the 11th of each month of any deficiencies in this area.

In order for AAM to maintain accurate records it will be necessary for the VHPA records be made available to AAM at the commencement of this agreement in a neat, orderly and accurate form.

DEPOSITS/DISBURSEMENTS

AAM will deposit in a timely manner all funds from all sources received on behalf of VHPA. These funds will be deposited in an account established by the VHPA at a Wichita financial institution selected by the VHPA. AAM will furnish the VHPA Executive Director monthly a list of deposit amounts and their sources.

If desired, AAM will establish MasterCard and Visa accounts for VHPA so that members may pay for membership, convention fees, products, etc. AAM has found this to be an effective and useful tool for association membership and income.

AAM does not wish to be involved in the disbursement of VHPA funds, nor a signatory on any VHPA accounts. AAM will invoice VHPA for its management fees and forward all invoices from other sources to the VHPA Executive Director for approval and payment.

In the event AAM incurs expenses on behalf of VHPA outside of the management contract, AAM will submit an expense report with

documentation. AAM will receive the approval of the VHPA Executive Director before expending any funds for purposes not already budgeted.

If the VHPA desires, AAM will maintain the VHPA checkbook in its offices and will cut checks to go along with the invoices forwarded to the Executive Director. Also, if desired, AAM will receive and reconcile the bank statement before forwarding it on to the Executive Director. These two items would facilitate the maintaining of the financial records.

AUDITING

AAM recommends as a matter of good business practice that the VHPA have an audit of the VHPA financial records by an independent accountant once a year.

AAM will provide said accountant with any and all VHPA financial records in its possession, will make available to the accountant the AAM bookkeeper to explain how the records are maintained and will provide the accountant with adequate office space during the audit.

It is suggested that the audit coincide with the end of the VHPA fiscal year to facilitate the filing of the proper tax forms. Auditing expense, outside of VHPA staff time provided, is not included in this contract.

DATA BASE MAINTENANCE

AAM will maintain computerized Data Bases of MEMBERS, FRIENDS, and COMPLIMENTARY as defined in Appendix H of this agreement. These Data Bases will be maintained using IBM PC Compatible D-Base III and copies of the Data Bases will be provided in disc form on a monthly basis to the Data Base Chairman.

It is recognized that the VHPA membership roster is the exclusive property of the VHPA and will not be utilized for any purposes other than those specified by the VHPA.

DUES COLLECTION

AAM will send out annual dues notices to members in a timely manner. AAM will review the existing VHPA renewal procedures and make recommendations to the VHPA for improvement, if needed.

VHPA NEWSLETTER

AAM will typeset, layout, print, label and deliver to the post office for mailing, four issues annually of the VHPA publication VHPA Newsletter.

AAM has the capability to edit the newsletter as well but recognizes that the VHPA may want someone else in this position. AAM will work with any person so designated. Depending on degree of control and approval desired, some extension of deadlines and time periods called out in this agreement may be required to allow for the transmitting of documents.

Under the terms of this agreement the newsletter will be a minimum of twelve pages in length, printed in blue on 70# Ivory stock. VHPA may select any quantity up to 2500 copies per issue to be printed as part of this agreement. AAM suggests that VHPA use any extra copies for promotional purposes.

AAM will work closely with the VHPA, its board and its members to generate articles of a specific nature of interest to the membership so as to increase the value of membership.

It is suggested that VHPA establish, if one does not already exist, a newsletter committee to work with AAM to continually improve the quality of VHPA Newsletter.

Outside copy must be submitted to AAM by the 1st of the month preceding publication date.

VHPA Newsletter will be mailed on or before the the 30th day after the submission deadline. AAM realizes the importance of timely delivery of the publication. AAM guarantees to deliver the publication to the Post Office on time.

THE DIRECTORY

AAM will edit, print, label and deliver to the Post Office one issue annually of the VHPA directory.

This directory will be similar to the latest issue of the directory unless otherwise directed by VHPA. It is understood that directions that effect the size, quantity and quality may result in changes in the fees paid to AAM.

The VHPA will select the cut-off deadline for the directory. Publication and mailing will be completed approximately 45 days later.

AAM will print the directory in a quantity of up to 2500 as part of this agreement.

It is recognized that the VHPA may wish to change various aspects of the directory such as format, color, size, etc. For this reason it is understood that the directory portion of this agreement, including changes in the overall cost figures of this agreement, may be modified by mutual consent without voiding the remainder of the agreement.

AAM recommends consideration of an 8 1/2 by 11 format which will allow more flexibility and second class mailing. AAM believes that such a format that is more than suitable to the VHPA and an improvement on the present format can be produced within the terms of this agreement.

MEMBERSHIP PROMOTION

AAM believes that the best way to promote membership is to have quality services and then contact prospective members frequently to tell them about it. AAM will work with the VHPA Board to establish an ongoing program of membership promotion. Staff time required for membership promotion is included in this agreement. Due to the variables involved, materials (excluding extra copies of VHPA Newsletter called out previously) and postage are excluded from this agreement and would be billed separately.

POSTAGE

Included in this proposal is postage costs for normal office operations including membership renewal and new member packages. Second class postage for the newsletter and directory are also included. First class postage for newsletter and directory will increase costs stated in this agreement \$3,800 annually.

VHPA will be responsible for postage costs for major membership promotions and convention promotions not included in the newsletter.

MISCELLANEOUS PRINTING/OFFICE SUPPLIES/MERCHANDISE

AAM will supply all routine supplies such as membership cards, stationary, membership and renewal forms as necessary for efficient operation of the VHPA office. VHPA will make available to AAM any existing supplies of such items. AAM will not change the format of any item without the approval of VHPA. Such items as pins, decals, certificates, etc. will be at the expense of VHPA as AAM does not have sufficient information on these items to include them in the contract at this time. AAM will be pleased to bid on these items when requested by the board. AAM will store and inventory VHPA products and supplies and will promote VHPA products whenever feasible.

VHPA CONVENTION

The staff of AAM has extensive experience in planning and executing Aviation Association conventions.

AAM will assist VHPA and in the planning of the annual convention. If desired by VHPA, AAM will handle convention registration and financial accounting. If desired by VHPA, AAM will supply up to

three staff members for convention duties such as manning registration desk, supervising various functions, etc. This staff will be furnished at no charge to VHPA. However, VHPA will pay reasonable travel, meal and lodging expenses.

A principal in AAM, Mr. John Frank, is also a VHPA member. If and when Mr. Frank attends the annual reunion it will be as a VHPA member and at his own expense. At the reunions he attends Mr. Frank will participate in whatever VHPA administrative meetings that the board desires.

VHPA BOARD OF DIRECTORS MEETINGS

If requested, AAM will send a representative to the VHPA Board of Directors meetings. There will be no additional charge for this attendance except for reasonable hotel, travel and meal costs. An AAM representative will attend any VHPA Board of Directors meeting held within 100 miles of Wichita at no expense to the VHPA.

The VHPA President will notify AAM at least ten working days in advance of any board meeting of those portions of the agenda that VHPA wishes AAM to participate in. This will allow the AAM representative to bring the appropriate information and documentation.

RELATIONSHIP WITH OFFICERS AND DIRECTORS

AAM will strive to assist the Executive Council of VHPA in the accomplishment of their duties. Executive Council members are welcome at AAM and VHPA headquarters at any time. To allow AAM to assure that the proper persons are available and prepared, three working days notice is requested if significant VHPA business is to be conducted by the visiting member of the Executive Council.

In order to avoid ambiguity, AAM requests that it receive its instructions from the Council and its members through the Executive Director, in writing when possible.

TAX FORMS/GOVERNMENT REPORTS

With the exception of those items prepared by an accountant employed by the VHPA, AAM will prepare and file all appropriate tax forms and local, state and Federal Government reports. Performance of these duties by AAM is conditional on VHPA furnishing AAM with adequate information regarding VHPA's incorporation, bylaws and tax status so that AAM can determine what reports are required.

APPENDICES

Appendices "A" thru "H" which deal with the specific handling of

VHPA activities are attached to and incorporated in this agreement. Additional appendices may be added and existing ones modified or deleted by mutual agreement between AAM and the VHPA Executive Director.

SUMMARY OF ITEMS COVERED BY THIS AGREEMENT

Headquarters Office
Headquarters Staff
VHPA Newsletter Layout, Printing and Labeling
Directory Editing, Printing and Mailing
Second Class Postage for Newsletter and Directory
Mailing Address
Bookkeeping
Office Supplies and Postage
Membership Roster Maintenance
Basic Telephone Service
Tax Forms/Government Reports

SUMMARY OF ITEMS NOT COVERED BY THIS AGREEMENT

First Class Postage for Newsletter and Directory
Expenses Related To Major Promotions
Pins, Certificates, Decals, etc.
Legal Services
Convention Expenses
Meeting Expenses
Long Distance Phone Calls
Annual Audit

LENGTH OF AGREEMENT

When executed by VHPA and AAM this agreement shall remain in force for a period of one year, unless terminated or extended by mutual consent. Each party shall give the other party at least thirty days notice of its intentions to terminate the agreement. At least thirty days prior to the end of the term of this agreement each party shall notify the other party of any changes or modifications requested to extend the agreement. In the absence of such notification or notice of termination this agreement shall remain in force beyond the one year period on a month to month basis.

AAM is in the Aviation Association Management Business and is desirous to establish a long term relationship with VHPA by providing VHPA with quality service at reasonable cost. The one year term of this agreement was selected to allow each party to determine how well the relationship operates and what changes experience indicates.

RENUMERATION TO AAM

AAM will perform the services in this agreement for the annual sum of \$28,000.00. This will be payable in monthly billings of \$2,333.33. AAM will invoice VHPA on the first of each month for services rendered during the previous month. VHPA agrees to pay such billings by the 15th of the month in which it was billed.

Renumeration to AAM is based on a maximum association size of 2,500. Should the VHPA exceed this size during the term of this agreement, AAM will invoice VHPA \$11.20 per member above 2,500, prorated for the months left in the agreement.

EFFECTIVE DATE

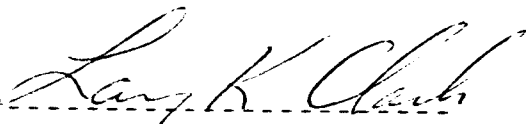
This agreement becomes effective February 1st, 1987.

Representing Aviation Association Management, Inc.



John M. Frank
President

Representing Vietnam Helicopter Pilots Association



Larry K. Clark
Executive Director

Attachments: Appendices "A" through "H"

Appendix A Incoming Mail Processing

The mail that will be received at the VHPA Post Office Box will normally consist of the following classifications:

1. Request for information about joining the VHPA.
2. Applications with annual dues.
3. Applications without annual dues.
4. Annual dues renewals.
5. Change of address for members.
6. Request to locate a former friend.
7. Items for the newsletter (both articles and photos).
8. Complaints.
9. Invoices or bills.
10. Request for donations from other associations.
11. Copies of old orders or class rosters.
12. Orders for VHPA merchandise.
13. Reunion Registrations.
14. Returned mail, not deliverable mail.
15. Newsletter subscription requests.
16. Other miscellaneous items.

The distribution of the above classes is as follows:

1. See Appendix B
2. See Appendix B and C
3. See Appendix B
4. See Appendix C
5. See Appendix B
6. Send this information on to the Data Base Chairman.
7. Send this information on to the Newsletter Editor.
8. Send this information on to the Executive Director.
9. See Appendix F
10. Send this information on to the Executive Director.
11. Send this information on to the Data Base Chairman.
12. Send this information on to the Executive Director.
(this may change in the future)
13. See Appendix D
14. See Appendix B
15. See Appendix B
16. Send all other items on to the Executive Director.

Appendix B Membership Services

A. Request for information to join the VHPA should be replied to by sending the person a copy of the VHPA information sheet with application form. (to be developed with AAM) The persons name and any information as given in the letter, will be entered in the data base as a "friend" or non active member until the application form with annual dues is returned. The data base must accommodate the request and see that a complimentary copy of the next newsletter only is mailed to this individual.

B. Applications without accompanying dues should be entered into the data base as non active members or "friends". A copy of the next newsletter only will be sent when printed as a complimentary copy.

C. Applications with annual or life dues will be entered into the data base as active members. A member number will be assigned as the next number in sequence. A membership certificate will be lettered with the member name and number and mailed to the new member. Also a membership card will be included with the certificate. A copy of the last newsletter and the last membership directory will be sent to the new member as long as printed supplies last. Some years the VHPA may also include with the membership items above, a premium gift such as a patch, window decal, etc. to be enclosed with the certificate.

D. Change of address notifications should be entered into the data base and the change notice forwarded on to the Data Base Chairman who will attach the address change to the original application form.

E. Mail that is returned should have the data base checked for correct addresss information. If the problem cannot be corrected and the mail resent by AAM, then the returned mail should be sent on to the Data Base Chairman who will check the application form for another address or telephone number to call so as to reestablish contact with the member.

F. All membership related correspondence, items A thru E above, will be forwarded to the Data Base Chairman at least once per month. AAM will also forward a printed copy of any new or modified membership records that include new or modified class or unit information. The Data Base Chairman will review the membership related correspondence and the printed copy of the AAM record, recommending changes to AAM as appropriate. The Data Base Chairman will retain the membership related correspondence for the VHPA.

Appendix C Incoming Funds

A. All funds received will be deposited into the VHPA bank account not less than once per week. Checks will be stamped on the reverse side with the VHPA "deposit only account number" imprint. An accounting of the number of the checks and amounts will be handled under Appendix F.

B. Money paid as either annual or life membership dues will be noted in the data base so that renewal reminders can be sent to the member at the proper time in the future.

C. Money paid as Reunion Registrations will be accounted for separately and should be checked against the reunion registration form to verify that the member has enclosed the correct amount.

D. Orders for merchandise that include payment made payable to the VHPA will be consolidated on at least a monthly basis and forwarded on to the appropriate supplier of the merchandise for his direct shipment to the customer. AAM will supply the vendor with a list of the members ordering items complete with address and information about the order such as size, quantities, color and etc.

E. The shirt vendor will be notified of each new life member so that he can supply that new life member with the correct life member shirt in the member's size and desired color.

F. In the event that a check is returned by the bank for non-payment, AAM will contact the member and attempt to make that debt good.

G. Subscriptions for the newsletter will be entered into the subscriptions subset of the Complimentary data base as outlined in Appendix H so that a copy ...

Appendix D Reunion Registrations

A. Reunion Registrations will be consolidated and listed with the member's number, name, number attending the various functions and the amount paid. AAM will verify that the member is current with his membership dues and will be responsible for determining if the member has submitted the proper amount to cover the registration fees and meals or other activities.

B. A list of the pre-registered members will be printed and sent to the Reunion Chairman at least once per month or upon his request.

C. AAM will use the data base to print name tags for all members and wives or guests, registered and attending the reunion. The format and data to be printed on each name tag will be coordinated with the Reunion Chairman at least 60 days prior to the reunion.

Appendix E Newsletters

A. Information received in the mail that consist of articles or photos submitted to the Newsletter Editor, shall be forwarded on to the Editor at least once per week.

B. The newsletter will be printed and mailed at least quarterly to all active members, new request for information to join the VHPA, subscribers and complimentary copies.

C. The draft layout will be sent to the Editor for his final approval before going to final press. The Editor, or in his absence the VHPA President or Executive Director, will have final authority as to the content and layout of the VHPA Newsletter.

D. Any overage during the printing process will be addressed and sent to new members that join after the newsletter was printed and mailed.

E. AAM will assist the VHPA in securing paid advertisements for each issue from aviation or veterans type of vendors that wish to place ads.

Appendix F Financial Records

A. Only the Executive Director, President and Vice President may be signatories on the VHPA checking account.

B. AAM will consolidate at least monthly all invoices and bills, including the AAM statement, and print the checks to pay these amounts and attach the check to the supporting documents. The payable package will be sent to the Executive Director for his review and signature on each check.

C. The supporting documents will be returned to AAM for accounting purposes and shall be retained until the auditor has reviewed the records and is finished with the supporting documents.

D. A monthly statement of the VHPA accounts will be prepared and sent to all members of the Executive Council.

E. An annual report will be sent to the IRS so as to maintain the Non-Profit Veterans status of the VHPA.

F. The VHPA checking account will be balanced each month with the statement received from the bank.

G. Life Membership dues will be placed into an interest type account and not into the general fund checking account.

Appendix G Membership Directory

A. A Membership Directory will be printed and mailed to all active members at least once per year.

B. AAM will be responsible for the active membership data.

C. The Data Base Chairman will be responsible for the KIA/MIA, Died since the war, Call Sign and other statistical data to be printed in the directory.

D. AAM will coordinate with the VHPA Membership Directory Editor on all items related to the Directory.

E. AAM will retain any overage or extra copies after the printing and mailing so that new members that join may receive a copy of the directory. Directory copies will not be sold nor provided to non VHPA members.

Appendix H VHPA Data Bases

AAM will maintain three major data bases for VHPA and they are: MEMBERS, FRIENDS, and COMPLIMENTARY. The basic record format for all these data bases is the same so that they can be merged to produce common lists as necessary. The basic record format is described in detail below. The MEMBERS data base contains everyone that is or was once a dues paid member of VHPA. Once assigned a four digit number, that number remains with the individual forever and applies to no one else. The Dues field determines whether the member is active or not. The FRIENDS data base contains everyone known to VHPA that could be a member. Once a number becomes available again (namely the person dies or becomes a VHPA member), it can be reassigned to another individual. The COMPLIMENTARY data base has three subsets as follows: Complimentary, Honorary, and Subscriptions. The Complimentary data base contains those receiving a complimentary copy of the VHPA newsletter. The Honorary data base contains those awarded Honorary VHPA membership status. The Subscriptions data base contains those having paid for subscriptions to the VHPA newsletter.

Basic record format for all MEMBERSHIP related data bases is as follows:

Field Name	Length	Example	Description
MEMBER	5	M0123	Member number
HISTORY	8	86/04/23	Last correspondence date
DIRSORT	15	LAST FIRST MIDD	Name for sort purposes
NAME	26	First M. Last	Mailing label name
ADDRESS1	26	Apt. #	Address Field #1
ADDRESS2	26	Street Address	Address Field #2
CITYSTATE	26	City, State Code	City, two char state code
ZIP	10	10 digit zip	Postal zip code
DUES paid	8	87 88	Period dues have been
CLASS	12	67-13	Helicopter flight class
FIRST	20	68-69 C/2/17 CAV	* Southeast
SECOND	20	101 ABN	* Asian
THIRD	20		* Helicopter
FOURTH	20		* Combat Units
PRESFNT	25	Heli Pilot	Current Occupation