

The Orlando Museum of Art (OMA or Museum) has decided to dismiss its claims against several defendants (Pierce O'Donnell, John Leo Mangan III, a/k/a Lee Mangan, a/k/a Leo Mangan, William Michael Force a/k/a Michael William Force, Taryn Burns, Basquiat Venice Collection Group, MJL Family Trust LLC, and Richard LiPuma) in the lawsuit the Museum filed against those it believes responsible for the Heroes & Monsters exhibition (H&M Exhibition). Notably, the Museum has not dismissed its case against Aaron De Groft, the former Executive Director and CEO of OMA and the person responsible for handpicking the forged artwork and fast-tracking the H&M Exhibition.

Our choice not to dismiss our claims against Aaron De Groft is based on the evidence outlined in our lawsuit. As our Complaint states, OMA uncovered a vast conspiracy that De Groft initiated soon after he assumed control of the Museum. He abused his position of trust, lied to anyone who questioned the provenance of the artwork, created an environment of fear and hostility amongst the staff, and brought great shame to our community by mounting an exhibition of forged works in which he had a hidden financial interest, as discovered by the investigation commissioned by the OMA Board of Trustees and detailed in our Complaint. At a time when authenticity and provenance are increasingly questioned, we must continue to stand against those like De Groft, who would abuse the process for personal gain.

The Museum's unbudgeted expenses are significant and directly result from De Groft's wrongful conduct. As a result of the H&M Exhibition, the Museum has had to comply with *four* separate grand jury subpoenas (none of which were budgeted or foreseen) and otherwise cooperate with the still-ongoing FBI criminal investigation—an investigation into a long con that began more than ten years ago and that the Museum should have never been dragged into.

As has been reported, the first two grand jury subpoenas were served by the FBI in July 2021, before the H&M Exhibition opened. De Groft and the former Board Chair did not share the existence of these first two subpoenas with the Board of Trustees. A third grand jury subpoena was served on the Museum by the FBI – and complied with – shortly after the FBI seized the artwork in June 2022.

A fourth grand jury subpoena was served on the Museum by the FBI in August 2023, approximately two weeks *after* the lawsuit was filed against De Groft and the other defendants. Like the first two subpoenas, this fourth subpoena required the Museum to collect, produce, and sort documents and electronically stored information, including thousands of emails. The subpoenas specified very technical requirements for the collection and production, which in turn necessitated the services of electronic discovery (or e-discovery) professionals. These professionals were retained through our law firm, and the fees the Museum paid for their services are reflected as “legal fees” in the Museum's financials. Of the total amount of the Museum's “legal fees,” approximately \$315,000 is for the services of the e-discovery professionals and compliance costs associated with the grand jury subpoenas served by the FBI. These costs were significant, unforeseen, and unbudgeted. Of course, the Museum cannot refuse to comply with the subpoenas, and despite our requests, there is no reimbursement or subsidy to assist a nonprofit arts

institution like OMA with these compliance costs. The Museum should never have been put in a position to bear these costs, and the fault for this lies squarely with De Groft and the co-defendants.

Much has been made about the Museum's financial position, but the rumors circulating in the media and elsewhere paint only half the picture. Importantly, the Museum's revenue (from donations, grants, admissions, special events, and the gift shop) has not declined substantially since the initial fallout from the H&M Exhibition. However, organizations suffering from such unbudgeted professional expenses, as outlined above, must make serious financial decisions. The decision to dismiss the above-referenced defendants was made by the Executive Committee of the Board, acting on its authority, on behalf of the OMA Board of Trustees, because of the Museum's current financial position, and because of the unbudgeted and unforeseen costs of complying with the fourth grand jury subpoena served by the FBI *after* our lawsuit was filed in August.

For the same reason, OMA previously decided to engage in preliminary and confidential settlement discussions with the above-referenced defendants (but not De Groft) in November. Ultimately, we decided to dismiss the Museum's claims against those defendants rather than continue protracted settlement negotiations.

Importantly, OMA never discussed settling the case against De Groft, given our evidence of the severe harm he has caused the Museum, this community, and the art world.

Despite the decision announced today, we still firmly believe that we have the evidence to win this case (coupled with the confession by Michael Barzman that the artwork was fake, which he admitted to the FBI in 2023). However, the cost to fight against multiple defendants is too high and would be accrued in addition to the previously discussed expenses. Our priority has been and will continue to be to balance the righting of the serious wrongs perpetrated against the Museum and this community. We plan to balance this while sustaining the Museum so it can continue to fulfill its mission, as it has done for the last 100 years.

As we start our 100th year, and look toward our next century of stimulating creativity and curiosity with compelling art and new ideas, OMA continues to appreciate the support of its donors, devoted employees, members, elected officials, and the arts community. We hope our efforts to pare down our lawsuit will allow us to reduce expenses, continue to provide the public with the entire story behind the H&M Exhibition, and hold De Groft accountable.