

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

PEOPLE OF THE STATE OF NEW YORK,  
BY LEITIA JAMES,  
ATTORNEY GENERAL OF  
THE STATE OF NEW YORK,

Plaintiff,

v.

THE NATIONAL RIFLE ASSOCIATION  
OF AMERICA INC., WAYNE LAPIERRE,  
WILSON PHILLIPS, JOHN FRAZER, and  
JOSHUA POWELL

Defendants.

Index No. 451625/2020

**Verified Answer of Wilson Phillips**

Defendant Wilson Phillips (“Phillips”) by and for his Verified Answer to Plaintiff’s Verified First Complaint (“Original Complaint”) and Plaintiff’s Verified First Amended Complaint (“Amended Complaint”)<sup>1</sup>, says as follows. Unless expressly admitted, all allegations in the Complaint are denied.

### **PRELIMINARY STATEMENT**

1. The allegations contained in Paragraph 1 are admitted.
2. Phillips denies the allegations of Paragraph 2-5, lacks knowledge sufficient to admit or deny Paragraphs 6 and 7 and denies Paragraphs 8-11. Paragraphs 12 and 13 contain legal conclusions to which Phillips is not required to admit or deny.

### **PART ONE-THE PARTIES**

(Paragraphs 14 – 21)

3. The allegations of Part One of the Complaint, with the exception of Paragraph 20, relate to other named parties, purport to represent the contents of the NRA bylaws, and/or include legal conclusions to which no responsive pleading is required.
4. As regarding Paragraph 20, Phillips admits that he served as Treasurer of the NRA between 1993 and 2018 when he retired. Phillips admits that he maintains a residence in Texas.

### **PART TWO-JURISDICTION AND VENUE**

(Paragraphs 22-26)

5. The allegations of Part Two include legal conclusions to which no responsive pleading is required.

---

<sup>1</sup> Plaintiff has represented that the only difference between the Original Complaint and Amended Complaint is the verification page, and the two documents are otherwise identical.

**PART THREE-APPLICABLE LAW**

(Paragraphs 27-54)

6. The allegations of Part Three contain legal conclusions to which no responsive pleading is required.

**PART FOUR-THE NRA'S HISTORY AND INTERNAL GOVERNANCE****I. The NRA's History**

7. Upon information and belief, the allegations about the NRA's founding, purpose, history and tax-exempt status set forth in Paragraphs 55-58, are admitted.
8. Phillips admits that LaPierre has been involved with the NRA for nearly 30 years, but denies Plaintiff's characterization of LaPierre's tenure and the remaining allegations of Paragraph 59.

**II. The NRA's Internal Structure and governance****A. The NRA's Organizational Structure**

9. The allegations of Paragraph 60 and 61 are admitted.

**B. The NRA's Bylaws**

10. The allegations of Paragraph 62 contain legal conclusions to which no responsive pleading is required.
11. Phillips admits that the NRA is organized pursuant to bylaws as stated in Paragraph 63, but refers the Court to the bylaws for a true and accurate statement of their contents.

**i. Board of Directors**

12. The allegations of Paragraph 64 contain legal conclusions to which no responsive pleading is required. Additionally, Paragraph 64 purports to represent the contents of the NRA's certificate of incorporation, to which Phillips directs the Court for a true and accurate statement of its contents.

13. The allegations of Paragraph 65 purport to represent the contents of the NRA bylaws, to which Phillips directs the Court for a true and accurate statement of its contents.

**ii. NRA Officers**

14. Phillips admits the allegations of Paragraph 66.

15. Phillips admits the allegations of Paragraph 67.

16. Phillips admits the allegations of Paragraph 68.

**a. Executive Vice President**

17. Phillips admits the allegations of Paragraph 69.

18. Phillips admits the allegations of Paragraph 70.

19. Phillips admits the allegations of Paragraph 71.

20. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 72.

**b. President**

21. The allegations contained in Paragraph 73 include legal conclusions to which no responsive pleading is required.

22. Phillips admits the allegations of Paragraph 74.

23. Upon information and belief, Phillips admits the allegations of Paragraph 75.

**c. Vice Presidents**

24. Phillips admits the allegations of Paragraph 76.

**d. Treasurer/Secretary/Executive Directors**

25. Phillips admits the allegations of Paragraph 77.

- 26. Phillips admits the allegations of Paragraph 78.
- 27. Phillips admits the allegations of Paragraph 79.
- 28. Phillips admits the allegations of Paragraph 80.
- 29. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 81.

**iii. Standing and Special Committees**

- 30. Phillips admits that the NRA Board of Directors has multiple standing and special committees, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 82.

**a. Officers Compensation Committee**

- 31. Phillips admits that the NRA had an officers compensation committee, and directs the Court to the relevant corporate documents for a true and accurate statement of their contents about the officers compensation committee as stated in the allegations of Paragraph 83.

**b. Executive Committee and Executive Counsel**

- 32. Phillips admits that the NRA had an Executive Committee, and directs the Court to the relevant corporate documents for a true and accurate statement of their contents about the Executive Committee as stated in the allegations of Paragraph 84.
- 33. Phillips admits that the NRA had an Executive Council, and directs the Court to the relevant corporate documents for a true and accurate statement of their contents about the Executive Counsel as stated in the allegations of Paragraph 85.

**c. Nominating Committee**

34. Phillips admits that the NRA had a Nominating Committee, and directs the Court to the relevant corporate documents for a true and accurate statement of their contents about the Nominating Committee as stated in the allegations of Paragraphs 86-87.

**d. Audit Committee**

35. Phillips admits that the NRA had an Audit Committee and directs the Court to the Audit Committee Charter, the NRA's bylaws, the NRA Policy Manual, the NRA Statement of Corporate Ethics, and relevant corporate documents for a true and accurate statement of their contents about the Audit Committee as stated in the allegations of Paragraph 88-94. Further, Paragraph 88 purports to represent the contents of statute N-PCL § 712 and state a legal conclusion, to which no response is required.

**iv. Disclosure Requirements and Prohibitions on Private Benefits and Reimbursements Absent Board Approval.**

36. The allegations of Paragraph 95 purport to quote the NRA bylaws, and therefore do not require a response except to refer the Court to the bylaws for a true and accurate statement of their contents.
37. The allegations of Paragraph 96 purport to quote the NRA bylaws, and therefore do not require a response except to refer the Court to the bylaws for a true and accurate statement of their contents.
38. The allegations of Paragraph 97 purport to quote the NRA bylaws, and therefore do not require a response except to refer the Court to the bylaws for a true and accurate statement of their contents.

**C. The NRA's Policy and Procedures on Hiring, Spending, Procurement, Travel Reimbursement, Conflicts of Interest, and Related Party Transactions.**

39. The allegations of Paragraph 98 purport to quote the NRA Employee Handbook and the NRA Policy Manual and therefore do not require a response except to refer the Court to these documents for a true and accurate statement of their contents.

**i. Contract Review Policy**

40. The allegations of Paragraph 99 purport to describe the NRA Contract Review Policy and therefore do not require a response except to refer the Court to the policy for a true and accurate statement of its contents.

41. The allegations of Paragraph 100 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

42. The allegations of Paragraph 101 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

43. The allegations of Paragraph 102 purport to describe an NRA memorandum and therefore do not require a response except to refer the Court to the relevant memorandum for a true and accurate statement of its contents.

44. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 103.

**ii. Employment Rules**

45. The allegations of Paragraph 104 purport to describe NRA employment policies and therefore do not require a response except to refer the Court to the relevant policies for a true and accurate statement of their contents.

46. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 105.

**iii. Independent Contractors**

47. The allegations of Paragraph 106 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

**iv. Travel and Business Expense Reimbursement Policy**

48. The allegations of Paragraph 107 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

49. The allegations of Paragraph 108 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

50. The allegations of Paragraph 109 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

51. The allegations of Paragraph 110 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

52. The allegations of Paragraph 111 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

53. The allegations of Paragraph 112 purport to describe an NRA policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

**v. Statement of Corporate Ethics**

54. The allegations of Paragraph 113 purport to describe an NRA Statement of Corporate Ethics and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

55. The allegations of Paragraph 114 purport to describe an NRA whistleblower policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

56. The allegations contained in Paragraph 115 include legal conclusions to which no responsive pleading is required.

**vi. Purchasing Policy**

57. The allegations of Paragraph 116 purport to describe an NRA Purchasing Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

58. The allegations of Paragraph 117 purport to describe an NRA Purchasing Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

59. The allegations of Paragraph 118 purport to describe an NRA Purchasing Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.
60. The allegations contained in Paragraph 119 include legal conclusions to which no responsive pleading is required.
61. The allegations of Paragraph 120 purport to describe an NRA Purchasing Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.
62. The allegations of Paragraph 121 purport to describe an NRA Purchasing Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

**vii. Officers and Board of Directors Policy – Disclosure of Financial Interests**

63. The allegations of Paragraph 122 purport to describe an NRA Officers and Board of Directors Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.
64. The allegations of Paragraph 123 purport to describe an NRA Officers and Board of Directors Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.
65. The allegations of Paragraph 124 purport to describe an NRA Officers and Board of Directors Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

66. The allegations of Paragraph 125 purport to describe an NRA public filings and therefore do not require a response except to refer the Court to the relevant filings for a true and accurate statement of their contents.

67. The allegations contained in Paragraph 126 include legal conclusions to which no responsive pleading is required.

**viii. Conflict of Interest and Related Party Transaction Policy**

68. The allegations of Paragraph 127 purport to describe an NRA Conflict of Interest and Related Party Transaction Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

69. The allegations contained in Paragraph 128 include legal conclusions to which no responsive pleading is required.

70. The allegations of Paragraph 129 purport to describe an NRA Conflict of Interest and Related Party Transaction Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

71. The allegations of Paragraph 130 purport to describe an NRA Conflict of Interest and Related Party Transaction Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

72. The allegations of Paragraph 131 purport to describe an NRA Conflict of Interest and Related Party Transaction Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

73. The allegations of Paragraph 132 purport to describe an NRA Conflict of Interest and Related Party Transaction Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.

**PART FIVE-DEFENDANTS' VIOLATIONS OF NEW YORK LAW**

**I. Widespread Violations of Law of the NRA's Senior Management under the Leadership and Direction of Wayne LaPierre**

74. Phillips admits the allegations of Paragraph 133 were true at the time of his retirement from the NRA, but denies knowledge or information sufficient to form a belief as to the truth of the allegations at present.
75. Phillips admits the allegations of Paragraph 134 were true at the time of his retirement from the NRA, but denies knowledge or information sufficient to form a belief as to the truth of the allegations at present.
76. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 135.
77. Phillips admits that LaPierre hired Phillips as Treasurer and he served in that position for 26 years until his retirement in 2018, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of Paragraph 136.
78. Phillips admits that LaPierre hired Frazer as General Counsel, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of Paragraph 137.
79. Phillips admits that LaPierre hired Powell as his Chief of Staff in 2016, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of Paragraph 138.

80. Phillips denies the allegations of Paragraph 139.

**A. LaPierre's Improper Spending and Expensing**

81. Phillips denies the allegations of Paragraph 140.

82. Phillips denies the allegations of Paragraph 141.

83. Phillips denies the allegations of Paragraph 142.

**i. LaPierre's Private Flights**

84. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 143.

85. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 144.

86. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 145.

87. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 146.

88. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 147.

89. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 148.

90. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 149.

91. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 150.
92. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 151.
93. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 152.
94. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 153.
95. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 154.
96. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 155.
97. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 156.
98. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 157.
99. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 158.
100. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 159.

**ii. LaPierre's Bahamas and Yachting Trips**

101. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 160.
102. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 161.
103. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 162.
104. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 163.
105. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 164.
106. Phillips admits that NRA partnered with ATI to produce and develop a television show called Crime Strike, but Phillips denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 165.
107. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 166.
108. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 167.
109. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 168.
110. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 169.

111. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 170.
112. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 171.
113. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 172.
114. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 173.
115. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 174.
116. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 175.

**iii. LaPierre's Personal Travel Consultant**

117. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 176.
118. The allegations of Paragraph 177 purport to describe an NRA Travel Policy and therefore do not require a response except to refer the Court to the relevant policy for a true and accurate statement of its contents.
119. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 178.
120. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 179.

121. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 180.
122. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 181.
123. Phillips denies the allegations of Paragraph 182.
124. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 183.
125. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 184.
126. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 185.
127. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 186.
128. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 187.
129. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 188.
130. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 189.

**iv. LaPierre's Personal Expense Reimbursements**

131. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 190.
132. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 191.
133. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 192.
134. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 193.
135. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 194.
136. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 195.
137. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 196.
138. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 197.
139. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 198.

**v. LaPierre's Consulting Budget**

140. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 199.

141. Phillips admits the allegations of Paragraph 200 were true at the time of his retirement from the NRA, but denies knowledge or information sufficient to form a belief as to the truth of the allegations at present.

142. Phillips denies the allegations of Paragraph 201.

143. Phillips denies the allegations of Paragraph 202.

144. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 203.

145. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 204.

146. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 205.

vi. **LaPierre's Security Costs**

147. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 206.

148. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 207.

149. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 208.

150. Upon information and belief, Phillips admits the allegations of Paragraph 209.

151. Phillips admits that he and Ackerman executive executed an agreement on May 11, 2018, and refers the Court to that agreement for a true and accurate statement of its contents as stated in the allegations of Paragraph 210.
152. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 211.
153. Phillips admits that WBB Investments LLC sent an invoice to the NRA for \$70,000, but refers the Court to the applicable NRA policy for a true and accurate statement of its contents as stated in the allegations of Paragraph 212.
154. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 213.
155. Phillips admits the allegations of Paragraph 214, except to the extent it purports to represent the contents of written communications, which Phillips directs the Court to the communications in question for a true and accurate statement of their contents.
156. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 215.

**B. Wilson “Woody” Phillip’s Conflicts of Interest, Related Party Transactions, and Self-Dealing**

157. Phillips admits he served as Treasurer of the NRA from 1992 to 2018, but denies Plaintiff’s characterization of his performance as Treasurer as alleged Paragraph 216.
158. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 217, but to the extent a response is required, Phillips denies the allegations.

159. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 218.

160. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 219.

161. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 220.

**i. Phillips's Conflict of Interest with Respect to HomeTelos**

162. Phillips admits that the NRA paid certain sums of money to HomeTelos and that he had a friendship with the CEO of HomeTelos, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 221.

163. Phillips denies that there was a "potential conflict of interest," but admits the other allegations of Paragraph 222.

164. Phillips denies the allegations of Paragraph 223.

165. The allegations of Paragraph 224 purport to represent the contents of Phillips' conflict of interest disclosure forms, to which Phillips refers the Court for a true and accurate statement of their contents. Phillips denies that any of his disclosures on the referenced forms were improper.

166. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 225.

167. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 226.

168. Phillips denies the first sentence of Paragraph 227, admits the second sentence of Paragraph 227, and directs the Court to the Audit Committee's statement for a true and accurate statements of its contents.

**ii. Phillips's July 2018 Trip on Grand Illusion**

169. Phillips lacks knowledge of the testimony of LaPierre and therefore can neither admit or deny it. Otherwise, he admits the allegations of Paragraph 228.

170. Phillips admits he disclosed the trip on the Financial Disclosure Questionnaire, but refers the Court to that document for a true and accurate statement of its contents as stated in the allegations of Paragraph 229.

171. Phillips admits knowledge of the Audit Committee ratifying his trip, but directs the Court to the relevant written documents for a true and accurate statement of their contents as stated in the allegations of Paragraph 230.

**iii. Phillips's Consulting Agreement**

172. Phillips admits the first sentence of Paragraph 231. The remainder of the allegations in Paragraph 231 state legal conclusions to which no response is required.

173. Phillips admits that he entered into a consulting agreement with the NRA, and refers the Court to the agreement for a true and accurate statement of its contents as stated in Paragraph 232.

174. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 233.

175. Phillips denies the allegations of Paragraph 234.

176. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 235.
177. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 236.
178. Phillips admits that he submitted certain monthly invoices to the NRA to be paid to WHIP LLC, and that WHIP LLC received certain payments from the NRA, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 237.

**C. Joshua Powell's Conflicts of Interest, Related Party Transactions, and Negligence**

179. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 238.
180. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 239.
181. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 240.
182. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 241.
183. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 242.

**i. Powell's Compensation**

184. Phillips admits he was involved in setting Powell's compensation, but directs the Court to the referenced employment documents for a true and accurate statement of their contents as stated in the remaining allegations of Paragraph 243.

185. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 244.

186. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 245.

187. Phillips admits the allegations of Paragraph 246.

**v. Powell's Spending and Reimbursement Requests**

188. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 247.

189. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 248.

190. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 249.

191. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 250.

192. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 251.

193. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 252.

**iii. Powell's and Phillips's Negligence in Entering into Multimillion-Dollar Verbal Contracts**

194. Phillips admits the allegations of Paragraph 253.

195. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 254.

196. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 255.

197. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 256.

198. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 257.

199. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 258.

**iv. Powell's Conflict of Interest Concerning His Wife's Employment**

200. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 259.

201. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 260.

202. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 261.

203. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 262.

204. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 263.

205. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 264.

206. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 265.

**v. Powell's Related Party Transaction with His Father**

207. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 266.

**vi. Powell's Record of Alleged Sexual Harassment and Discrimination**

208. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 267.

209. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 268.

210. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 269.

211. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 270.

**A. John Frazer's Negligence and Certifications of False or Misleading Annual Filings**

212. Phillips admits the allegations of Paragraph 271 were true at the time of his retirement from the NRA, but denies knowledge or information sufficient to form a belief as to the truth of the allegations at present.
213. Upon information and belief Phillips admits the allegations of Paragraph 272.
214. Upon information and belief Phillips admits the allegations of Paragraph 273.
215. Upon information and belief Phillips admits the allegations of Paragraph 274.
216. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 275.
217. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 276.
218. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 277.

**i. Failure to Comply with Relevant Governance Requirements**

219. The allegations contained in Paragraph 278 include legal conclusions to which no responsive pleading is required.
220. The allegations contained in Paragraph 279 include legal conclusions to which no responsive pleading is required.

**ii. Certification of False or Misleading Annual Filings**

221. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 280.

222. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 281.

**B. Improper Expenditures by LaPierre's Senior Assistant and Direct Report**

223. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 282.

224. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 283.

225. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 284.

226. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 285.

227. Phillips denies the allegations of Paragraph 286.

228. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 287.

229. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 288.

230. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 289.

231. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 290.

232. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 291.

233. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 292.

234. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 293.

235. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 294.

236. The allegations contained in Paragraph 295 include legal conclusions to which no responsive pleading is required.

**II. The NRA's Use of Longtime Vendors and Consulting Agreements to Hide Improper Expenditures, Self-Dealing, and Related Party Transactions**

237. Phillips denies the allegations of Paragraph 296.

**A. Ackerman McQueen and Mercury Group**

**i. The NRA's Decades-Long Relationship with Ackerman**

238. Phillips admits the allegations of Paragraph 297.

239. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 298.

240. Phillips denies the allegations of Paragraph 299.

241. Phillips admits the allegations of Paragraph 300 were true at the time of his retirement from the NRA, but denies knowledge or information sufficient to form a belief about the events after the date of his retirement.

242. Upon information and belief, Phillips admits that LaPierre and the President of the Mercury Group had a close relationship, but denies knowledge or information to form a belief as to the remaining allegations of Paragraph 301.

243. Upon information and belief, Phillips admits the allegations of Paragraph 302.

**ii. The NRA's Practices Concerning Ackerman's Budgeting and Invoicing**

244. Upon information and belief, Phillips admits the allegations of Paragraph 303.

245. The allegations of Paragraph 304 purport to quote the Services Agreement and therefore do not require a response except to refer the Court to this document for a true and accurate statement of its contents.

246. Phillips admits the allegations of Paragraph 305.

247. Phillips admits the allegations of Paragraph 306.

248. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 307.

249. Phillips denies the first and third sentences of Paragraph 308, and as to the second sentence, directs the Court to the NRA's complaint for a true and accurate statement of its contents.

**iii. NRA Executives' Misuse of Out of Pocket Expenses**

250. Phillips denies the allegations of Paragraph 309.

251. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 310.

252. Phillips admits that Ackerman billed the NRA for out of pocket expenses, but directs the Court to the referenced invoices for a true and accurate statement of their contents as stated

in the allegations of Paragraph 311. Phillips denies that “Ackerman took no steps to verify whether the out of pocket expenses were compliant with NRA policies governing travel and entertainment.”.

253. Phillips denies the allegations of Paragraph 312.

254. Phillips admits the annual NRA budget contained a line item for Pass-Through Expenses, but directs the Court to the annual budgets for a true and accurate statement of their contents as stated in the allegations of Paragraph 313.

255. The allegations contained in Paragraph 314 include legal conclusions to which no responsive pleading is required.

256. Phillips denies the allegations of Paragraph 315.

257. Upon information and belief, Phillips admits that a “pass through arrangement” was used at times to pay for certain NRA expenses, but denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of Paragraph 316.

258. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 317.

259. Upon information and belief, Phillips admits that a “pass through arrangement” was used at times to pay for certain travel expenses, but denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations of Paragraph 318.

260. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 319.

261. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 320.

262. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 321.

263. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 322.

264. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 323.

265. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 324.

**iv. The NRA's Failure to Conduct Proper Oversight of Ackerman Billing**

266. Phillips denies the allegations of Paragraph 325, except he admits that he was generally aware of the process.

267. Phillips denies the allegations of Paragraph 326.

**v. The Benefits of Under Wild Skies Television Programming**

268. Upon information and belief, Phillips admits the allegations of Paragraph 327.

269. Phillips admits the allegations of Paragraph 328, except as to the reference "Upon information and belief, since 2010, the NRA has paid UWS over \$18 million", which Phillips denies knowledge or information sufficient to form a belief as to the truth of this allegation.

270. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 329.

271. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 330.

272. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 331.

273. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 332.

**vi. The NRA's Supplemental Income Payments to Under Wild Skies' Principal**

274. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 333.

275. Phillips denies the allegations of Paragraph 334.

276. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 335.

277. The allegations of Paragraph 336 purport to represent the contents of invoices, and Phillips refers the Court to these invoices for a true and accurate statement of their contents, without which Phillips can neither admit nor deny the allegations of Paragraph 336.

278. Phillips denies the allegations of Paragraph 337.

**B. Consulting Agreements with Former Employees**

279. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 338.

**i. Consulting Agreement with Former Executive Director of General Operations**

280. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 339.

281. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 340.
282. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 341.
283. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 342.
284. Phillips admits that he signed a consulting agreement, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 343.
285. The allegations of Paragraph 344 purport to represent the contents of the referenced consulting agreement, therefore Phillips directs the Court to this agreement for a true and accurate statement of its contents.
286. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 345.

**ii. Consulting Agreement with Former NRA Employee/NRA Foundation Executive Director**

287. Phillips admits that the NRA Foundation Executive entered into a consulting agreement with the NRA, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 346. Additionally, Phillips directs the Court to the referenced agreement for a true and accurate statement of its contents as stated in Paragraph 346.
288. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 347.

289. The allegations of Paragraph 348 purport to represent disclosures on NRA's IRS Forms, to which Phillips directs the Court for a true and accurate statement of their contents, and otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 348.
290. Paragraph 349 purports to represent the contents of a consulting agreement, and therefore does not require a response, except to direct the Court to the referenced document for a true and accurate statement of its contents.
291. The allegations contained in Paragraph 350 include legal conclusions to which no responsive pleading is required.
292. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 351.
293. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 352.
294. Phillips denies the allegations of Paragraph 353.
295. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 354.
296. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 355.

**iii. Consulting Agreement with Former NRA Managing Director of Affinity and Licensing**

297. Phillips admits that the former NRA Managing Director of Affinity and Licensing entered into a consulting agreement with the NRA, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 356.
298. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 357.
299. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 358.
300. Phillips admits he signed the agreement, but directs the Court to the referenced agreement for a true and accurate statement of its contents as stated in Paragraph 359.
301. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 360.
302. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 361.
303. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 362.
304. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 363.
305. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 364.

### **C. Related Party Transactions with Board Members**

306. The allegations contained in Paragraph 365 include legal conclusions to which no responsive pleading is required.

**i. Board Member No. 1**

307. Upon information and belief, Phillips admits the allegations of Paragraph 366.

308. Upon information and belief, Phillips admits the allegations of Paragraph 367.

309. Phillips admits the existence of an agreement between the NRA and Board Member No. 1 but denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 368. Additionally, Phillips directs the Court to the referenced agreement for a true and accurate statement of its contents as stated in Paragraph 368.

310. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 369.

311. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 370.

312. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 371.

313. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 372.

314. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 373.

315. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 374.

**ii. Board Member No. 2**

316. Upon information and belief, Phillips admits the allegations of Paragraph 375, except as to the allegation “Board Member No. 2 was not re-nominated in 2020”, which Phillips denies knowledge or information sufficient to form a belief as to the truth of this allegation as it post-dates his retirement.

317. Phillips admits that Board Member No. 2 entered into a consulting agreement with the NRA, but otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 376. Additionally, Phillips directs the Court to the referenced agreement for a true and accurate statement of its contents as stated in Paragraph 376.

318. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 377.

319. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 378.

320. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 379.

321. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 380.

**iii. Board Member No. 3**

322. Phillips admits the allegations of Paragraph 381.

323. Upon information and belief Phillips admits the allegations of Paragraph 382.

324. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 383.

325. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 384.

326. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 385.

**iv. Board Member No. 4**

327. Phillips admits the allegations of Paragraph 386.

328. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 387.

329. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 388.

330. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 389.

331. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 390.

332. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 391.

333. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 392.

**v. Board Member No. 5**

334. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 393.

335. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 394.

336. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 395.

**III. The Individual Defendants Received Excessive Compensation that the NRA Did Not Accurately Disclose****A. The NRA Board Failed to Follow an Appropriate Process to Determine Reasonable Compensation for NRA Executives**

337. The allegations contained in Paragraph 396 include legal conclusions to which no responsive pleading is required.

338. The allegations contained in Paragraph 397 include legal conclusions to which no responsive pleading is required.

339. The allegations contained in Paragraph 398 include legal conclusions to which no responsive pleading is required.

340. The allegations of Paragraph 399 purport to quote the NRA bylaws, and therefore do not require a response except to refer the Court to the bylaws for a true and accurate statement of their contents.

341. Phillips denies the allegations of Paragraph 400.

342. Phillips denies the allegations in Paragraph 401.

343. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 402.

344. Phillips admits the allegations in Paragraph 403, but denies that there was anything improper about his conduct described in Paragraph 403.

345. Phillips admits that he provided talking points to the OCC Chair as alleged in Paragraph 404 and refers the Court to that document for a true and accurate statement of its contents. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in the second sentence of Paragraph 404.

346. Phillips denies knowledge or information sufficient to admit or deny the allegations of Paragraph 405, except as to the allegation “The OCC recommended that Phillips’s total compensation be increased from approximately \$669,000 in 2017 to approximately \$830,000 in 2018, which included a bonus of \$210,000,” which Phillips admits.

347. Phillips denies knowledge or information sufficient to admit or deny the allegations contained in Paragraph 406.

348. Phillips denies the allegations of Paragraph 407.

349. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 408.

350. The allegations contained in Paragraph 409 include legal conclusions to which no responsive pleading is required.

351. Phillips denies the allegations of Paragraph 410.

352. Phillips denies the allegations of Paragraph 411.

353. Phillips denies the allegations of Paragraph 412.

**B. The Officers Compensation Committee and the NRA Board Failed to Consider or Approve LaPierre's and Phillips's Complete Compensation Prior to Making Compensation Determinations**

354. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 413.

355. The allegations contained in Paragraph 414 include legal conclusions to which no responsive pleading is required.

356. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 415.

357. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 416.

358. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 417.

359. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 418.

360. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 419, except as to signing the post-employment contract, which Phillips admits.

361. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 420.

362. Phillips admits he signed the letter referenced in Paragraph 421, but directs the Court to the letter for a true and accurate statement of its contents, and otherwise denies knowledge

or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 421.

363. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 422.

364. As to Paragraph 423, Phillips admits to signing the memorandum agreement and directs the Court to that document for a true and accurate statement of its contents. Phillips denies knowledge or information sufficient to form a belief as to the truth of the other allegations contained in Paragraph 423.

365. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 424.

366. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 425.

367. Phillips admits the allegation in Paragraph 426 of having an NRA-issued credit card but Phillips denies the rest of the allegations of Paragraph 426.

368. Phillips denies the allegations of Paragraph 427.

**C. LaPierre Failed to Properly Determine Powell's Compensation**

369. Phillips admits the allegations of Paragraph 428.

370. Phillips admits he was involved in setting Powell's compensation, but directs the Court to the referenced employment documents for a true and accurate statement of their contents as stated in the remaining allegations of Paragraph 429.

371. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 430.

**D. The NRA's Compensation Disclosures to the Attorney General and the Internal Revenue Service Were False or Misleading**

372. The allegations contained in Paragraph 431 include legal conclusions to which no responsive pleading is required.
373. The allegations contained in Paragraph 432 include legal conclusions to which no responsive pleading is required.
374. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 433.
375. The allegations contained in Paragraph 434 include legal conclusions to which no responsive pleading is required.
376. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 435.
377. The allegations contained in Paragraph 436 include legal conclusions to which no responsive pleading is required.
378. Upon information and belief Phillips admits the allegations of Paragraph 437.
379. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 438.
380. Phillips denies the allegations of Paragraph 439.
381. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 440.
382. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 441.

383. The allegations contained in Paragraph 442 include legal conclusions to which no responsive pleading is required.

384. Phillips denies the allegations of Paragraph 443.

**IV. The NRA's Retaliation Against Dissidents on the Board**

**A. Dissident No. 1**

**i. LaPierre Recruits Dissident No. 1 as President and Negotiates Ackerman Contract**

385. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 444.

386. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 445.

387. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 446.

388. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 447.

389. Upon information and belief Phillips admits the allegations of Paragraph 448, but directs the Court to the quoted Services Agreement for a true and accurate statement of its contents.

390. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 449.

391. Phillips denies the allegations of Paragraph 450.

392. Upon information and belief Phillips admits the allegations of Paragraph 451.

**ii. Dissident No. 1 Undertakes His Fiduciary Responsibilities as NRA President**

393. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 452.
394. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 453.
395. Upon information and belief, Phillips admits the allegations of Paragraph 454.
396. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 455
397. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 456.
398. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 457.
399. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 458.
400. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 459.
401. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 460.
402. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 461.

403. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 462.

**iii. LaPierre Voices Concern about Dissident No. 1's Contract**

404. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 463.

405. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 464.

406. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 465.

407. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 466.

408. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 467, but refer the Court to the quoted documents for a true and accurate statement of their contents.

409. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 468.

410. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 469.

411. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 470.

412. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 471.

**B. Dissident Board Members**

413. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 472.
414. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 473.
415. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 474.
416. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 475.

**V. The NRA Board's Failures Resulting in Violations of Law**

417. Phillips denies the allegations of Paragraph 476.
418. The allegations contained in Paragraph 477 include legal conclusions to which no responsive pleading is required.
419. The allegations of Paragraph 478 purport to describe the Mission Statement of the NRA Audit Committee and therefore do not require a response except to refer the Court to the policy for a true and accurate statement of its contents.
420. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 479.
421. Phillips denies the allegations of Paragraph 480.
422. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 481.

423. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 482.

424. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 483.

**A. Audit Committee's Failure to Respond Adequately to Whistleblowers**

425. The allegations contained in Paragraph 484 include legal conclusions to which no responsive pleading is required.

426. The allegations of Paragraph 485 purport to describe the NRA Statement of Corporate Ethics and therefore do not require a response except to refer the Court to the policy for a true and accurate statement of its contents.

427. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 486.

428. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 487.

429. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 488.

430. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 489.

431. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 490.

432. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 491.

433. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 492.
434. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 493.
435. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 494.
436. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 495.
437. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 496.
438. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 497.

**B. Audit Committee's Failure to Appropriately Review and Approve Related Party Transactions and Conflicts of Interest**

439. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 498.
440. The allegations contained in Paragraph 499 include legal conclusions to which no responsive pleading is required. Additionally, the allegations of Paragraph 499 purport to describe the NRA Conflict of Interest and Related Party Transaction Policy and therefore do not require a response except to refer the Court to the policy for a true and accurate statement of its contents.

441. The allegations of Paragraph 500 purport to describe the policy of the Audit Committee and therefore do not require a response except to refer the Court to the policy for a true and accurate statement of its contents.
442. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 501.
443. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 502.
444. The allegations contained in Paragraph 503 include legal conclusions to which no responsive pleading is required.
445. Phillips denies the allegations of Paragraph 504.
446. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 505.
447. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 506.
448. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 507.
449. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 508.
450. The allegations contained in Paragraph 509 include legal conclusions to which no responsive pleading is required.

451. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 510.
452. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 511.
453. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 512.
454. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 513.
455. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 514.
456. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 515, except as to Subpart b of 515 which Phillips denies.
457. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 516.
458. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 517.

**C. Audit Committee's Failure to Oversee Adequately the External Auditors**

459. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 518.
460. The allegations of Paragraph 519 purport to describe the NRA Audit Committee's Charter and therefore do not require a response except to refer the Court to the policy for a true and accurate statement of its contents.

461. The allegations of Paragraph 520 contain legal conclusions which do not require a response from Phillips.
462. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 521.
463. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 522.
464. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 523.
465. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 524.
466. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 525.
467. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 526.
468. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 527.
469. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 528.
470. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 529.

471. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 530.

472. The allegations contained in Paragraph 531 include legal conclusions to which no responsive pleading is required.

**D. The Audit Committee Acted Ultra Vires in Indemnifying Officers, Directors, and Employees**

473. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 532.

474. Phillips denies sufficient knowledge or information to form a belief as to the truth of the allegations contained in Paragraph 533.

**VI. The NRA's Failure to Institute an Effective Compliance Program**

475. Phillips denies the allegations of Paragraph 534.

476. Phillips denies the allegations of Paragraph 535.

477. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 536.

478. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 537.

479. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 538.

480. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 539.

481. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 540.

482. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 541.

483. The allegations contained in Paragraph 542 include legal conclusions to which no responsive pleading is required.

484. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 543.

## **VII. The NRA's False Regulatory Filings**

485. The allegations contained in Paragraph 544 include legal conclusions to which no responsive pleading is required.

486. The allegations contained in Paragraph 545 include legal conclusions to which no responsive pleading is required.

487. Regarding Paragraph 546, Phillips admits he signed the referenced documents but otherwise denies the allegations.

488. Phillips denies the allegations of Paragraph 547.

489. Phillips denies that he made any false or misleading statements or omissions as alleged in Paragraph 548, and refers the Court to the forms cited in this Paragraph for a true and accurate statement of their contents. Phillips otherwise denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 548 and all of its subparts.

**VIII. The NRA's Violation of its Duties under the New York Prudent Management of Institutional Funds Act**

490. The allegations contained in Paragraph 549 include legal conclusions to which no responsive pleading is required.
491. The allegations contained in Paragraph 550 include legal conclusions to which no responsive pleading is required.
492. The allegations contained in Paragraph 551 include legal conclusions to which no responsive pleading is required.
493. The allegations contained in Paragraph 552 include legal conclusions to which no responsive pleading is required.
494. The allegations contained in Paragraph 553 include legal conclusions to which no responsive pleading is required.
495. The allegations contained in Paragraph 554 include legal conclusions to which no responsive pleading is required.
496. The allegations contained in Paragraph 555 include legal conclusions to which no responsive pleading is required.
497. The allegations contained in Paragraph 556 include legal conclusions to which no responsive pleading is required.
498. Upon information and belief, Phillips admits the allegations of Paragraph 557.
499. The allegations contained in Paragraph 558 (a) include legal conclusions to which no responsive pleading is required. Phillips denies the allegations of Paragraph 558, (b)-(p).

500. The allegations contained in Paragraph 559 include legal conclusions to which no responsive pleading is required.

**CAUSES OF ACTION**

**FIRST CAUSE OF ACTION**

**Dissolution of the NRA – N-PCL §§ 112(a)(1), 112(a)(5), 1101(a)(2)**  
**(Against Defendant NRA)**

501. Regarding Paragraph 560, Phillips incorporates his responses to Paragraphs 1-559.

502. The allegations contained in Paragraph 561 include legal conclusions to which no responsive pleading is required.

503. The allegations contained in Paragraph 562 include legal conclusions to which no responsive pleading is required.

504. The allegations contained in Paragraph 563 include legal conclusions to which no responsive pleading is required.

505. The allegations contained in Paragraph 564 include legal conclusions to which no responsive pleading is required.

506. The allegations contained in Paragraph 565 include legal conclusions to which no responsive pleading is required.

507. The allegations contained in Paragraph 566 include legal conclusions to which no responsive pleading is required.

508. The allegations contained in Paragraph 567 include legal conclusions to which no responsive pleading is required.

509. The allegations contained in Paragraph 568 include legal conclusions to which no responsive pleading is required.

510. The allegations contained in Paragraph 569 include legal conclusions to which no responsive pleading is required.

511. The allegations contained in Paragraph 570 include legal conclusions to which no responsive pleading is required.

512. The allegations contained in Paragraph 571 include legal conclusions to which no responsive pleading is required.

513. The allegations contained in Paragraph 572 include legal conclusions to which no responsive pleading is required.

514. The allegations contained in Paragraph 573 include legal conclusions to which no responsive pleading is required.

515. The allegations contained in Paragraph 574 include legal conclusions to which no responsive pleading is required.

**SECOND CAUSE OF ACTION**  
**Dissolution of the NRA – N-PCL §§ 112(a)(7), 112(a)(2)(D)**  
**(Against Defendant NRA)**

516. Phillips incorporates responses to Paragraphs 1-574 in regards to Paragraph 575.

517. The allegations contained in Paragraph 576 include legal conclusions to which no responsive pleading is required.

518. The allegations contained in Paragraph 577 include legal conclusions to which no responsive pleading is required.

519. Phillips denies the allegations of Paragraph 578.

520. The allegations contained in Paragraph 579 include legal conclusions to which no responsive pleading is required.

**THIRD CAUSE OF ACTION**  
**For Breach of Fiduciary Duty Under N-PCL §§ 717 and 720 and Removal Under**  
**N-PCL §§ 706(d) and 706(d) AND 714(c)**  
**(Against Defendant LaPierre)**

521. Phillips incorporates responses to Paragraphs 1-579 in regards to Paragraph 580.

522. Upon information and belief Phillips denies allegations contained in Paragraph 581.

523. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 582.

524. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 583.

525. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 584.

526. Phillips incorporates responses to Paragraphs 1-584 in regards to Paragraph 585.

**FOURTH CAUSE OF ACTION**  
**For Breach of Fiduciary Duty to the NRA Under N-PCL §§ 717 and 720 and Removal**  
**Under N-PCL §§ 706(d) and 706(d) and 714(c)**  
**(Against Defendant Frazer)**

527. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 586.

528. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 587.

529. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 588.

530. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 589.

**FIFTH CAUSE OF ACTION**  
**For Breach of Fiduciary Duty Under N-PCL §§ 717 and 720**  
**(Against Defendant Phillips)**

531. Phillips incorporates responses to Paragraphs 1-589 in regards to Paragraph 590.

532. Phillips denies the allegations of Paragraph 591.

533. Phillips denies the allegations of Paragraph 592.

534. Phillips denies the allegations of Paragraph 593.

535. Phillips incorporates responses to Paragraphs 1-593 in regards to Paragraph 594.

**SIXTH CAUSE OF ACTION**  
**For Breach of Fiduciary Duty Under N-PCL §§ 717 and 720**  
**(Against Defendant Powell)**

536. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 595.

537. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 596.

538. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 597.

**SEVENTH CAUSE OF ACTION**  
**For Breach of EPTL § 8-11.4**  
**(Against Defendant LaPierre)**

539. Phillips incorporates responses to Paragraphs 1-597 in regards to Paragraph 598.

540. The allegations contained in Paragraph 599 include legal conclusions to which no responsive pleading is required.

541. The allegations contained in Paragraph 600 include legal conclusions to which no responsive pleading is required.

542. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 601.

**EIGHTH CAUSE OF ACTION**  
**For Breach of EPTL § 8-11.4**  
**(Against Defendant Frazer)**

543. Phillips incorporates responses to Paragraphs 1-601 in regards to Paragraph 602.

544. The allegations contained in Paragraph 603 include legal conclusions to which no responsive pleading is required.

545. The allegations contained in Paragraph 604 include legal conclusions to which no responsive pleading is required.

546. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 605.

**NINTH CAUSE OF ACTION**  
**For Breach of EPTL § 8-11.4**  
**(Against Defendant Phillips)**

547. Phillips incorporates responses to Paragraphs 1-605 in regards to Paragraph 606.

548. The allegations contained in Paragraph 607 include legal conclusions to which no responsive pleading is required.

549. The allegations contained in Paragraph 608 include legal conclusions to which no responsive pleading is required.

550. Phillips denies the allegations of Paragraph 609.

**TENTH CAUSE OF ACTION**  
**For Breach of EPTL § 8-11.4**  
**(Against Defendant Powell)**

551. Phillips incorporates responses to Paragraphs 1-609 in regards to Paragraph 610.
552. The allegations contained in Paragraph 611 include legal conclusions to which no responsive pleading is required.
553. The allegations contained in Paragraph 612 include legal conclusions to which no responsive pleading is required.
554. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 613.

**ELEVENTH CAUSE OF ACTION**  
**Wrongful Related-Party Transactions – N-PCL § 112(a)(10), 715(f)**  
**and EPTL § 8-1.9(c)(4)**  
**(Against Defendant LaPierre)**

555. Phillips incorporates responses to Paragraphs 1-613 in regards to Paragraph 614.
556. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 615.
557. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 616.
558. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 617.

**TWELFTH CAUSE OF ACTION**  
**Wrongful Related-Party Transactions – N-PCL §§ 112(a)(10), 715(f)**  
**and EPTL § 8-1.9(c)(4)**  
**(Against Defendant Powell)**

559. Phillips incorporates responses to Paragraphs 1-617 in regards to Paragraph 618.

560. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 619.

561. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 620.

562. Phillips denies knowledge of information sufficient to form a belief as to the truth of the allegations contained in Paragraph 621.

**THIRTEENTH CAUSE OF ACTION**  
**Wrongful Related-Party Transactions – N-PCL §§ 112(a)(10), 715(f)**  
**and EPTL § 8-1.9(c)(4)**  
**(Against Defendant Phillips)**

563. Phillips incorporates responses to Paragraphs 1-621 in regards to Paragraph 622.

564. Phillips denies the allegations of Paragraph 623.

565. Phillips denies the allegations of Paragraph 624.

566. Phillips denies the allegations of Paragraph 625.

**FOURTEENTH CAUSE OF ACTION**  
**Wrongful Related-Party Transactions – N-PCL §§ 112(a)(10), 715(f)**  
**and EPTL § 8-1.9(c)(4)**  
**(Against Defendant NRA)**

567. Phillips incorporates responses to Paragraphs 1-625 in regards to Paragraph 626.

568. The allegations contained in Paragraph 627 include legal conclusions to which no responsive pleading is required.

569. The allegations contained in Paragraph 628 include legal conclusions to which no responsive pleading is required.

570. The allegations contained in Paragraph 629 include legal conclusions to which no responsive pleading is required.

571. The allegations contained in Paragraph 630 include legal conclusions to which no responsive pleading is required.

572. The allegations contained in Paragraph 631 include legal conclusions to which no responsive pleading is required.

573. The allegations contained in Paragraph 632 include legal conclusions to which no responsive pleading is required.

**FIFTEENTH CAUSE OF ACTION**  
**Violation of the Whistleblower Protections of N-PCL § 715(b)**  
**and EPTL § 8-1.9**  
**(Against Defendant NRA)**

574. Phillips incorporates responses to Paragraphs 1-632 in regards to Paragraph 633.

575. The allegations contained in Paragraph 634 include legal conclusions to which no responsive pleading is required.

576. The allegations contained in Paragraph 635 include legal conclusions to which no responsive pleading is required.

577. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 636.

578. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 637.

**SIXTEENTH CAUSE OF ACTION**  
**For Breach of NYPMIFA, Article 5-A of the N-PCL**  
**(Against Defendant NRA)**

579. Phillips incorporates responses to Paragraphs 1-637 in regards to Paragraph 638.
580. The allegations contained in Paragraph 639 include legal conclusions to which no responsive pleading is required.
581. The allegations contained in Paragraph 640 include legal conclusions to which no responsive pleading is required.
582. The allegations contained in Paragraph 641 include legal conclusions to which no responsive pleading is required.
583. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 642.

**EIGHTEENTH CAUSE OF ACTION**  
**For Unjust Enrichment Derivatively in Favor of the NRA Under**  
**N-PCL § 623 and common law**  
**(Against LaPierre, Phillips, Frazer and Powell)**

584. Phillips incorporates responses to Paragraphs 1-642 in regards to Paragraph 643.
585. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 644.
586. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 645.
587. Phillips incorporates responses to Paragraphs 1-645 in regards to Paragraph 646.
588. The allegations contained in Paragraph 647 include legal conclusions to which no responsive pleading is required.
589. The allegations contained in Paragraph 648 include legal conclusions to which no responsive pleading is required.

590. The allegations contained in Paragraph 649 include legal conclusions to which no responsive pleading is required.
591. The allegations contained in Paragraph 650 include legal conclusions to which no responsive pleading is required.
592. The allegations contained in Paragraph 651 include legal conclusions to which no responsive pleading is required.
593. The allegations contained in Paragraph 652 include legal conclusions to which no responsive pleading is required.
594. The allegations contained in Paragraph 653 include legal conclusions to which no responsive pleading is required.
595. The allegations contained in Paragraph 654 include legal conclusions to which no responsive pleading is required.
596. The allegations contained in Paragraph 655 include legal conclusions to which no responsive pleading is required.
597. The allegations contained in Paragraph 656 include legal conclusions to which no responsive pleading is required.
598. The allegations contained in Paragraph 657 include legal conclusions to which no responsive pleading is required.
599. Phillips denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 658.
600. Phillips denies the allegations of Paragraph 659.

601. Phillips denies the allegations of Paragraph 660.

602. Phillips denies the allegations of Paragraph 661.

603. Phillips denies the allegations of Paragraph 662.

604. The allegations contained in Paragraph 663 include legal conclusions to which no responsive pleading is required.

605. Upon information and belief Phillips admits the allegations in Paragraph 664 have been made in the Complaint, but denies the allegations have merit as to him.

606. The allegations contained in Paragraph 665 include legal conclusion to which no responsive pleading is required.

607. Phillips denies the allegations of Paragraph 666.

608. Regarding the Prayer for Relief, Phillips does not need to admit or deny because the prayers set out legal conclusions; however, Phillips denies the allegations and denies that Plaintiff is entitled to any of the prayed for relief against him.

### **FIRST AFFIRMATIVE DEFENSE**

The First Amended Complaint fails to state a claim against Defendant Phillips.

### **SECOND AFFIRMATIVE DEFENSE**

Whatever injuries may have been sustained were caused in whole or in part, or were contributed to, by the culpable conduct and/or want of care on the part of an entity or individuals over whom Phillips had no control.

### **THIRD AFFIRMATIVE DEFENSE**

The NRA, whom Plaintiff alleges sustained damages due to the actions of Defendant Phillips, failed to mitigate said damages.

#### **FOURTH AFFIRMATIVE DEFENSE**

The Court lacks jurisdiction over Defendant Phillips.

#### **FIFTH AFFIRMATIVE DEFENSE**

That the relative culpability of each party who is or may be liable for the damages alleged by the plaintiff in this action should be determined in accordance with the decisional and statutory law of the State of New York, and the equitable share of each party's liability for contribution should be determined and apportioned in accordance with the relative culpability, if any, of each such party pursuant to Article 14 of the CPLR.

WHEREFORE, Defendant Wilson Phillips demands judgment dismissing the Complaint and the First Amended Complaint against him with prejudice.

Dated: October 30, 2020  
New York, New York

By: /s/ Seth Farber

Seth Farber  
WINSTON & STRAWN LLP  
200 Park Avenue  
New York, New York 10166  
Tel: (212) 294-6700  
[sfarber@winston.com](mailto:sfarber@winston.com)

Mark Werbner (*pro hac vice* admission pending)  
Elyse Lyons (*pro hac vice* admission pending)  
WINSTON & STRAWN LLP  
2121 North Pearl St.  
Dallas, Texas 75201  
Tel: (214) 453-6500  
[mwerbner@winston.com](mailto:mwerbner@winston.com)  
[elyons@winston.com](mailto:elyons@winston.com)

*Counsel for Defendant Wilson Phillips*

VERIFICATION

STATE OF TEXAS            )  
                                       ) ss.:  
 COUNTY OF DALLAS        )

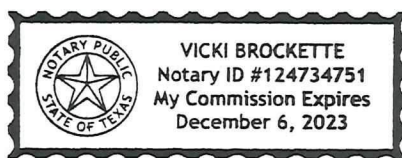
Wilson Phillips, being duly sworn, deposes and says:

I am a named defendant in the above-captioned action. I have read the foregoing Original Verified Answer and know the contents thereof; that the same are true of my own knowledge, except as to matters therein stated to be alleged upon information and belief, and as to those matters, I believe them to be true.

  
 Wilson Phillips

OCTOBER 29, 2020  
 Date

SUBSCRIBED AND SWORN before me on this 29<sup>th</sup> day of October in 2020.



  
 Notary Public in and for the State of Texas

Vicki Brockette  
 Printed Name