

during the Bankruptcy proceeding, and participation in prohibited excess benefits transactions;

(b) alleged whistleblower retaliation, including clashing accounts involving different outside counsel;

(c) board member travel authorizations, expenditures and reimbursements in violation of NRA policies and IRS requirements;

(d) alleged “use” of Ackerman McQueen to pay expenses incurred by NRA employees;

(e) alleged diversions of assets, including by Defendant LaPierre’s assistant,

(f) payments to Board member Marion Hammer; and

(g) alleged conflicts of interest, including social relationships with vendors of their owners/investors;

(3) the NRA’s handling of whistleblower complaints and the NYAG’s (false, contravened) allegation that this was “delegated” to outside counsel;

(4) reform of vendor relationships and compliance with contract procurement policies including those relating to major NRA vendors Membership Marketing Partners and related entities, Ackerman McQueen, Affiliated Television International, and Gayle Stanford-related entities;

(5) NRA Audit Committee review of allegations of

(a) wrongdoing and undisclosed conflicts of interest by defendant Wayne LaPierre;

(b) related party transactions with officer or directors;

(c) the preparation and certification of the NRA’s IRS Form 990s; and

(d) the allegations in the Plaintiff’s Complaint; and

(6) work done by K&L Gates, Morgan Lewis, Don Lan, Esq., the Brewer firm and other outside counsel and consultants hired as part of the NRA ‘course correction’ and touted by the NRA as evidence of its good faith reform efforts.”

4. In fact, the NYAG **inquired extensively into all of these topics**, and its briefing relies on deposition excerpts that omit the answers received

5. These answers were obtained over the course of the 26 fact witness depositions, 3 days of corporate representative depositions, and 11 expert witness depositions. In addition, the NRA has produced 331,928 documents in this matter, tens of thousands of which relate to the above topics. While witnesses on some occasions (unsurprisingly) invoked privilege in response to questions seeking privileged information, these instances were **minimal** when considered in the full context of the extensive testimony elicited by the NYAG regarding the “course correction.”

6. A true and correct copy of the first day of the NRA’s corporate representative deposition, which took place on July 29, 2022, is attached as **Exhibit A**. It lasted nearly 9 hours and encompasses over 400 pages.

7. A true and correct copy of the second day of the NRA’s corporate representative deposition, which took place on August 9, 2022, is attached as **Exhibit B**. It lasted nearly 7 hours and encompasses over 300 pages.

8. A true and correct copy of the third day of the NRA’s corporate representative deposition, which took place on September 9, 2022, is attached as **Exhibit C**. It lasted nearly 5 hours and encompasses over 200 pages.

9. On the third day of the NRA’s corporate representative deposition, the Special Master was personally on hand throughout the entire deposition to ensure that no privilege objections would be asserted improperly. He sustained many of the NRA’s objections to questioning by the NYAG that infringed on privileges. *See* Exh. C at 908:17–909:15, 911:24–919:25.

10. After the NYAG first asserted, months after the close of discovery, that the NRA had “blocked” its inquiry into certain topics by asserting attorney-client privilege, the NRA offered a fourth day of corporate representative deposition testimony. It made this offer in a phone call with the NYAG on November 30, 2022. It then reiterated the offer in a letter sent to the NYAG on December 1, 2022. A true and correct copy of that letter is attached as **Exhibit D**. The NRA stated:

In your letter dated October 20, 2022, and again on the call yesterday, you specifically cited day 1 of the NRA's corporate representative's deposition, particularly testimony concerning repayments of excess benefits or potential excess benefits by Wayne LaPierre, as an area where you believe that a selective disclosure has been made. As stated during the call, the Association is willing to offer another limited corporate representative deposition to cure any deficiencies to the extent they were not cured in days 2 or 3 of the corporate representative's deposition.

11. Quite tellingly, the NYAG **never responded** to the NRA's offer, despite the NRA reiterating the offer in subsequent phone calls. Instead, the NYAG pressed ahead with its false accusations that the NRA had "blocked" discovery.

12. Other NRA witnesses, including the NRA's Treasurer, Sonya Rowling, its President, Charles Cotton, the Chair of its Finance Committee and former Chair and current member of its Audit Committee, David Coy, its Chief Executive Officer, Wayne LaPierre, its General Counsel, John Frazer, and its Second Vice President, Willes Lee, also answered questions into these areas in great detail. A true and correct copy of Ms. Rowling's deposition is attached as **Exhibit E**; a true and correct copy of Mr. Cotton's deposition is attached as **Exhibit F**; a true and correct copy of Mr. Coy's deposition is attached as **Exhibit G**; a true and correct copy of Day 1 of Mr. LaPierre's deposition is attached as **Exhibit H**; a true and correct copy of Day 2 of Mr. LaPierre's deposition is attached as **Exhibit I**; a true and correct copy of Mr. Frazer's deposition is attached as **Exhibit L**; a true and correct copy of Mr. Lee's deposition is attached as **Exhibit M**.

13. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding "the identification, determination and calculation of [alleged] excess benefit transactions . . . by Wayne LaPierre" and "other NRA executives." The NRA answered these questions in detail. *See* pp. 343–347; 364–397; 455–582; 676–683; 770–833 of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* pp. 108–130 of Exhibit E; pp. 427–433 of Exhibit F; pp. 320–323 and 352–359 of Exhibit I; pp. 111–115 of Exhibit L; pp. 292–298 of Exhibit M.

14. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding “Wilson Phillips’ conduct as CFO and Treasurer,” alleged excess benefits he received, and the NRA’s investigations into his conduct. The NRA answered these questions in detail. *See* pp. 61–62; 336–347; 394–395; 418; 424; 506–521; 701; 825–833; 851–852; 868–869; 873; 935–943 of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* pp. 404–405 of Exhibit E; pp. 257–258 of Exhibit F; pp. 455–463 of Exhibit I; pp. 164–170 of Exhibit L.

15. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding “use of an NRA vendor (Ackerman McQueen) to pay for personal expenses incurred by NRA employees.” The NRA answered these questions in detail. *See* pp. 604–608; 614–617; 784–790; 888–895; 898–904; 906–907; 960–961 of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* pp. 323–327 of Exhibit E; pp. 457–459 of Exhibit F; pp. 275–277 of Exhibit H; p. 134 of Exhibit L; pp. 356–357 of Exhibit M.

16. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding alleged “diversions of assets, including by Defendant LaPierre’s longtime assistant,” the NRA’s investigations into these allegations, and remedial actions. The NRA answered these questions in detail. *See* pp. 274–277; 397–399; 797–798; 902–908 of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* p. 155 of Exhibit E; pp. 422–425 of Exhibit F; pp. 230–231 of Exhibit G; pp. 473–484 of Exhibit I.

17. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding alleged “payments to Board member Marion Hammer,” the NRA’s investigations into these allegations, and remedial actions. The NRA answered these questions in detail. *See* pp. 162–180; 336–337; 632; of Exhibits A, B, and C. Other witnesses also

gave extensive testimony into these topics. *See* pp. 300–301 of Exhibit E; pp. 367–374 of Exhibit F; pp. 407–426 of Exhibit I; pp. 371–378 of Exhibit L.

18. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding alleged “conflicts of interest, including the LaPierre family’s relationship with the owners of some of the NRA’s largest vendors,” the NRA’s investigations into these allegations, and remedial actions. The NRA answered these questions in detail. *See* pp. 191–238; 297–326; 656–678; 690–691; 730–731; 833–877; 957–958 of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* pp. 300–301 of Exhibit E; pp. 395–400 of Exhibit F; p. 270 of Exhibit G; pp. 23–48 of Exhibit H; pp. 323–324 of Exhibit L; pp. 282–291 of Exhibit M.

19. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding “the NRA’s handling of [alleged] whistleblower complaints.” The NRA answered these questions in detail. *See* pp. 325–347 of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* pp. 409–410 of Exhibit E; pp. 55–59 of Exhibit F; p. 293 of Exhibit G; pp. 201–212 of Exhibit L; pp. 155–160 of Exhibit M.

20. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding alleged “reform of vendor relationships and compliance with contract procurement policies including those relating to major NRA vendors Membership Marketing Partners and related entities, Ackerman McQueen, Affiliated Television International, and Gayle Stanford-related entities.” The NRA answered these questions in detail. *See* pp. 55–56; 140–144; 150–159; 201–206; 218–222; 355–361; 371–389; 404–408; 476–479; 535–557; 582–589; 604–622; 782; 850–877; 881–907; 919–958 of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* pp. 66–67 of Exhibit E; pp. 316–317 of Exhibit G; pp. 121–124 of Exhibit H; pp. 346–347 of Exhibit L.

21. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding the NRA's review of allegations of alleged "wrongdoing and undisclosed conflicts of interest by defendant Wayne LaPierre," potential "related party transactions with officer or directors," "the preparation and certification of the NRA's IRS Form 990s" and "the allegations in the Plaintiff's Complaint." The NRA answered these questions in detail. *See* pp. 59–60; 77–79; 116–207; 218–226; 231–232; 235–236; 365–383; 390–392; 397–411; 464–473; 475–534; 562–565; 567–586; 675–681; 696–698; 719–722; 770–771; 776–802; 810–824; 908–912; 962–973; of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these. *See* pp. 71–72 of Exhibit E; pp. 286–290 of Exhibit F; p. 173 of Exhibit G; p. 451 of Exhibit I; pp. 363–366 of Exhibit L; pp. 365–366 of Exhibit M.

22. In his three days of testimony, the NYAG questioned the NRA corporate representative **extensively** regarding "work done by K&L Gates, Morgan Lewis, Don Lan, Esq., the Brewer firm and other outside counsel and consultants." The NRA answered these questions in detail to the extent that they did not improperly invade privileges. *See* pp. 280–284; 369–374; 453–457; 471–473; 483–485; 495–496; 503–504; 774–776; 788–789; 811–812; of Exhibits A, B, and C. Other witnesses also gave extensive testimony into these topics. *See* pp. 207–210 of Exhibit E; pp. 132–137 of Exhibit F; pp. 382–384 of Exhibit G; pp. 317–319 of Exhibit I; pp. 281–284 of Exhibit L.

23. The NYAG contends that the NRA "used the Brewer Firm and other outside counsel to carry out key portions of the NRA's 'Course Correction,' some of which are allegedly ongoing." (NYSCEF at pp. 2–3). That is false.

24. For example, the NRA's President, Mr. Cotton, denied multiple times that the NRA was having the Brewer Firm conduct investigations or "provide[] any legal services to the NRA regarding general governance matters" and confirmed that the Brewer Firm's role was "limited to litigation" and that it is "our trial counsel." Exh. F at 438–440, 464.

25. Mr. Coy, the former head of the NRA's Audit Committee, provided similar testimony. Exh. G at 89, 91, 169–70 (“there’s a very clear separation of responsibilities. They are litigation counsel.”), 307.

26. Willes Lee, the NRA's First Vice President and member of the Audit Committee, stated: “Our lawyers and our counsel are great. But lawyers and counsel across the world gave advice and they consult with us. **I am the decisionmaker. Charles Cotton is the decisionmaker. The responsibility is vested in us.**” Exh. M at 380–81 (emphasis added).

27. The NYAG asserts that the NRA “did not provide the protocol it used for selecting, reviewing or sampling the documents submitted” and “obscur[ed] how it determined the universe of documents and sampled them.” (NYSCEF Doc. No. 1082 at 8, 4. That is false. The NRA submitted the December 16, 2022 Affirmation of Svetlana Eisenberg along with its sample. A true and correct copy of Ms. Eisenberg's Affirmation is attached as **Exhibit J**. In paragraph 10 of her Affirmation, Ms. Eisenberg provides the protocol and methodology for how the NRA produced its sample:

“Pursuant to the instruction of the Special Master and under my supervision, the NRA undertook an ongoing document-by-document review of all documents captured on the NRA's Supplemental Categorical Privilege Log. In the course of this review, professionals employed by my Firm reviewed again documents on the NRA's Supplemental Categorical Privilege Log.

“In the course of this review, professionals employed by my Firm reviewed again documents on the NRA's Supplemental Categorical Privilege Log to determine whether they relate to the NRA's ongoing efforts to comply with applicable laws, regulations, and policies. Because the Supplemental Categorical Privilege Log was built based on documents' reference to search terms selected by the NYAG, many documents on the NRA's Supplemental Categorical Privilege Log do not relate to compliance efforts. Instead, they sometimes refer to ordinary course business legal advice, litigation matters, and matters pertaining to the NRA's affiliates who are not parties to this action. In contrast, documents the NRA included in the pool used to generate the sample collection being submitted for in camera review today relate to (i) the NRA's whistleblower policy, (ii) attention to potential violations of NRA policies, (iii) potential related party transactions and compliance with laws and policies concerning such transactions, (iv) corrective action involving NRA officers and other employees, (v) training, and (vi) other compliance-related matters.”

Ms. Eisenberg and I also held multiple meet-and-confers and exchanged many emails with Ms. Connell, including sending her a Hits Report on December 15, 2022 showing how many documents hit on the search terms the parties had agreed to in the Supplemental Categorical Log.

28. In addition, the NRA produced an affidavit from John Frazer further describing and supporting the NRA's claims that the documents it produced in-camera are privileged. A true and correct copy of that affidavit is attached as **Exhibit K**.

Dated: January 23, 2023
Dallas, Texas

By: /s/ *Noah Peters*
Noah Peters
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America*