

EXHIBIT AU

CHAR500

DA 275

NYS Annual Filing for Charitable Organizations
www.CharitiesNYS.comSend with fee and attachments to:
NYS Office of the Attorney General
Charities Bureau Registration Section
28 Liberty Street
New York, NY 10005**2019**Open to Public
Inspection**1. General Information**For Fiscal Year Beginning (mm/dd/yyyy) 01 / 01 / 2019 and Ending (mm/dd/yyyy) 12 / 31 / 2020

Check if Applicable: <input type="checkbox"/> Address Change <input type="checkbox"/> Name Change <input type="checkbox"/> Initial Filing <input type="checkbox"/> Final Filing <input type="checkbox"/> Amended Filing <input type="checkbox"/> Reg ID Pending	Name of Organization: National Rifle Association of America	Employer Identification Number (EIN): 530116130
	Mailing Address: c/o NRA OGC, 11250 Waples Mill Road	NY Registration Number: 02 - 21 - 64
	City / State / Zip: Fairfax, Virginia 22030	Telephone: 703-267-1250
	Website: www.nra.org	Email: gcounsel@nrahq.org

Check your organization's
registration category:☐ 7A only☐ EPTL only☒ DUAL (7A & EPTL)☐ EXEMPT*Confirm your Registration Category in the
Charities Registry at www.CharitiesNYS.com.**2. Certification**

See instructions for certification requirements. Improper certification is a violation of law that may be subject to penalties. The certification requires two signatories.

We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.

President or Authorized Officer:

Signature

John C. Frazer

John C. Frazer, Secretary

Print Name and Title

Date 11/16/20

Chief Financial Officer or Treasurer:

Signature

Craig B. Spray

Craig B. Spray, Treasurer

Print Name and Title

Date 11/16/20

3. Annual Reporting Exemption

Check the exemption(s) that apply to your filing. If your organization is claiming an exemption under one category (7A or EPTL only filers) or both categories (DUAL filers) that apply to your registration, complete only parts 1, 2, and 3, and submit the certified Char500. No fee, schedules, or additional attachments are required. If you cannot claim an exemption or are a DUAL filer that claims only one exemption, you must file applicable schedules and attachments and pay applicable fees.

☐ **3a. 7A filing exemption:** Total contributions from NY State including residents, foundations, government agencies, etc. did not exceed \$25,000 and the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during the fiscal year.☐ **3b. EPTL filing exemption:** Gross receipts did not exceed \$25,000 and the market value of assets did not exceed \$25,000 at any time during the fiscal year.**4. Schedules and Attachments**See the following page
for a checklist of
schedules and
attachments to
complete your filing.☒ Yes ☐ No

4a. Did your organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? If yes, complete Schedule 4a.

☐ Yes ☒ No

4b. Did the organization receive government grants? If yes, complete Schedule 4b.

5. FeeSee the checklist on the
next page to calculate your
fee(s). Indicate fee(s) you
are submitting here:

7A filing fee:

\$ 25.00 ☒

EPTL filing fee:

\$ 250.00 ☒

Total fee:

\$ 275.00

Make a single check or money order
payable to:
"Department of Law"

CHAR500**Annual Filing Checklist**

Simply submit the certified CHAR500 with no fee, schedule, or additional attachments IF:

- Your organization is registered as 7A only and you marked the 7A filing exemption in Part 3.
- Your organization is registered as EPTL only and you marked the EPTL filing exemption in Part 3.
- Your organization is registered as DUAL and you marked both the 7A and EPTL filing exemption in Part 3.

Checklist of Schedules and Attachments

Check the schedules you must submit with your CHAR500 as described in Part 4:

- ☒ If you answered "yes" in Part 4a, submit Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsel (FRC), Commercial Co-Venturers (CCV)
- ☐ If you answered "yes" in Part 4b, submit Schedule 4b: Government Grants

Check the financial attachments you must submit with your CHAR500:

- ☒ IRS Form 990, 990-EZ, or 990-PF, and 990-T if applicable

All additional IRS Form 990 Schedules, including Schedule B (Schedule of Contributors). Schedule B of public charities is exempt from disclosure and will not be available for public review.

- ☐ Our organization was eligible for and filed an IRS 990-N e-postcard. Our revenue exceeded \$25,000 and/or our assets exceeded \$25,000 in the filing year. We have included an IRS Form 990-EZ for state purposes only.

If you are a 7A only or DUAL filer, submit the applicable independent Certified Public Accountant's Review or Audit Report:

- ☐ Review Report if you received total revenue and support greater than \$250,000 and up to \$750,000.
- ☒ Audit Report if you received total revenue and support greater than \$750,000
- ☐ No Review Report or Audit Report is required because total revenue and support is less than \$250,000
- ☐ We are a DUAL filer and checked box 3a, no Review Report or Audit Report is required

Calculate Your Fee

For 7A and DUAL filers, calculate the 7A fee:

- ☐ \$0, if you checked the 7A exemption in Part 3a
- ☒ \$25, if you did not check the 7A exemption in Part 3a

For EPTL and DUAL filers, calculate the EPTL fee:

- ☐ \$0, if you checked the EPTL exemption in Part 3b
- ☐ \$25, if the NET WORTH is less than \$50,000
- ☐ \$50, if the NET WORTH is \$50,000 or more but less than \$250,000
- ☐ \$100, if the NET WORTH is \$250,000 or more but less than \$1,000,000
- ☒ \$250, if the NET WORTH is \$1,000,000 or more but less than \$10,000,000
- ☐ \$750, if the NET WORTH is \$10,000,000 or more but less than \$50,000,000
- ☐ \$1500, if the NET WORTH is \$50,000,000 or more

Send Your Filing

Send your CHAR500, all schedules and attachments, and total fee to:

NYS Office of the Attorney General
Charities Bureau Registration Section
28 Liberty Street
New York, NY 10005

Need Assistance?

Visit: www.CharitiesNYS.com
Call: (212) 416-8401
Email: Charities.Bureau@ag.ny.gov

Is my Registration Category 7A, EPTL, DUAL or EXEMPT?

Organizations are assigned a Registration Category upon registration with the NY Charities Bureau:

7A filers are registered to solicit contributions in New York under Article 7-A of the Executive Law ("7A")

EPTL filers are registered under the Estates, Powers & Trusts Law ("EPTL") because they hold assets and/or conduct activities for charitable purposes in NY.

DUAL filers are registered under both 7A and EPTL.

EXEMPT filers have registered with the NY Charities Bureau and meet conditions in **Schedule E - Registration Exemption for Charitable Organizations**. These organizations are not required to file annual financial reports but may do so voluntarily.Confirm your Registration Category and learn more about NY law at www.CharitiesNYS.com.**Where do I find my organization's NET WORTH?**

NET WORTH for fee purposes is calculated on:

- IRS Form 990 Part I, line 22
- IRS Form 990 EZ Part I line 21
- IRS Form 990 PF, calculate the difference between Total Assets at Fair Market Value (Part II, line 16(c)) and Total Liabilities (Part II, line 23(b)).

CHAR500

Instructions for Completing Your NY Annual Filing
www.CharitiesNYS.com

Need Assistance?

Visit: www.CharitiesNYS.com
Call: (212) 416-8401
Email: Charities.Bureau@ag.ny.gov

2019

Open to Public
Inspection

Before You Begin

Visit www.CharitiesNYS.com and search the Charities Registry to find your organization's NY State Registration Number (##-##-##) and Registration Category (7A, EPTL, DUAL, or EXEMPT). Knowing your organization's Registration Category will help you respond to Sections 1 and 3, determine the required attachments to the CHAR500 and calculate your filing fee. If your organization is not registered with the Charities Bureau, please complete CHAR410 "Registration Statement for Charitable Organizations".

1. General Information

Enter the accounting period covered by the report. Provide the best contact information for your organization. This information will be publicly available in the Charities Registry and will be used for communication to your organization. If your organization is registered and this is your regular annual filing, check *Initial Filing*. If your contact information needs to be updated, check *Address Change* and/or *Name Change*. Check *Amended Filing* if you are making a change to a previous filing. If you have submitted a CHAR410 - Registration Statement for Charitable Organizations - but do not yet have a NY State Registration Number, check *NY Reg Pending*. If this is a final filing and the organization is seeking dissolution or ceasing operations, check *Final Filing* and submit all applicable IRS schedules and attachments. If your organization is a NY corporation, visit www.CharitiesNYS.com for information on how to dissolve. Check the Charities Bureau Registration Category of your organization (7A, EPTL, DUAL, or EXEMPT). EXEMPT organizations are those that have registered with the NY Charities Bureau and meet conditions in [Schedule E - Registration Exemption for Charitable Organizations](#) - but have registered and file voluntarily.

2. Certification

When you have completed the form, sign and print the name, title and date. For 7A and DUAL filers, the CHAR500 must be signed by both the president or another authorized officer and the chief financial officer or treasurer. These must be different individuals. EPTL filers have the option of a single signature if the certification is by a banking institution or a trustee of a trust. Clearly state the title of the representative (e.g. "President," "CEO," "Treasurer," "CFO," "Bank Vice President" or "Trustee").

3. Annual Reporting Exemption

You may claim an exemption from the reporting and fee requirements if you meet the filing exemptions applicable to your organization. If claiming an exemption under one statute (7A and EPTL only filers) or both statutes (DUAL filers) that apply to your registration, complete only parts 1, 2, and 3, and submit the certified Char500. No fee, schedule, or additional attachments are required. Otherwise, file all required schedules and attachments and pay applicable fees.

Note: A 7A or DUAL filer with contributions over \$25,000 that did not contract with a professional fund raiser may check the 7A filing exemption in Part 3 if it (i) received all or substantially all of its contributions from a single government agency to which it submitted an annual report similar to that required by Executive Law Article 7A, or (ii) it received an allocation from a federated fund, United Way or incorporated community appeal and contributions from all other sources did not exceed \$25,000.

4. Schedules and Attachments

If you do not qualify for the reporting exemptions as described in Part 3, review the checklist of schedules and attachments required to complete your filing. If your organization qualified for and submitted an IRS 990-N "e-Postcard", you must complete and submit an IRS Form 990-EZ to the NY Charities Bureau for reporting purposes. The NY Charities Bureau will not accept an IRS 990-N "e-postcard" because it does not contain sufficient financial information.

5. Fee

Your total fee is based on your registration category (7A, EPTL or DUAL). 7A or EPTL filers only pay the fee that applies to the statute under which they have registered unless they have claimed an exemption in Part 3. DUAL filers must pay both fees, unless they have claimed an exemption in Part 3. Consult the CHAR500 to calculate your fee or contact the NY Charities Bureau if you have additional questions.

When to Submit Your Filing

7A and DUAL filers: postmarked within 4 1/2 months after the organization's accounting period ends. For example, fiscal year end December 31 reports are due by May 15th of the following year. EPTL filers: postmarked within 6 months after the organization's accounting period ends. An additional 180 day extension is automatically granted. [Information regarding extensions](#) is available at www.CharitiesNYS.com.

Where to Submit Your Filing

Payment must be made to the "Department of Law". Send the complete filing with payment to:
NYS Office of the Attorney General, Charities Bureau Registration Section, 28 Liberty Street, New York, NY 10005.

Penalties

The Attorney General may cancel the registration of or seek civil penalties from an organization that fails to comply with the filing requirements.

CHAR500**2019**Schedule 4a: Professional Fund Raisers, Fund Raising Counsels, Commercial Co-Venturers
www.CharitiesNYS.comOpen to Public
Inspection

If you checked the box in question 4a in Part 4 on the CHAR500 Annual Filing for Charitable Organizations, complete this schedule for EACH Professional Fund Raiser (PFR), Fund Raising Counsel (FRC) or Commercial Co-Venturer (CCV) that the organization engaged for fund raising activity in NY State. The PFR or FRC should provide its NY Registration Number to you. Include this schedule with your certified CHAR500 NYS Annual Filing for Charitable Organizations and use additional pages if necessary.

Definitions

A **Professional Fund Raiser (PFR)**, in addition to other activities, conducts solicitation of contributions and/or handles the donations (Article 7A, 171-a.4).

A **Fund Raising Counsel (FRC)** does not solicit or handle contributions but limits activities to advising or assisting a charitable organization to perform such functions for itself (Article 7A, 171-a.9).

A **Commercial Co-Venturer (CCV)** is an individual or for-profit company that is regularly and primarily engaged in trade or commerce other than raising funds for a charitable organization and who advertises that the purchase or use of goods, services, entertainment or any other thing of value will benefit a charitable organization (Article 7A, 171-a.6).

Professional fund raising does not include activities by an organization's development staff, volunteers, or a grantwriter who has been hired solely to draft applications for funding from a government agency or tax exempt organization.

1. Organization Information

Name of Organization:	NY Registration Number:
National Rifle Association of America	02 - 21 - 64

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type: <input type="checkbox"/> Professional Fund Raiser <input checked="" type="checkbox"/> Fund Raising Counsel <input type="checkbox"/> Commercial Co-Venturer	Name of FRP: 501c Solutions LLC	NY Registration Number: 45 - 53 - 03
	Mailing Address: 2530 Meridian Parkway, Suite 300	Telephone: 919-806-4758
	City / State / Zip: Research Triangle, NC 27713	

3. Contract Information

Contract Start Date: 01/01/2019	Contract End Date: 10/3/2019
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4. Description of Services

Services provided by FRP: Provides counsel and planning of events and programs as well as strategy development and research
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5. Description of Compensation

Compensation arrangement with FRP: Compensation by flat fee and/or net costs reimbursement.	Amount Paid to FRP: \$320,000
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6. Commercial Co-Venturer (CCV) Report

<input type="checkbox"/> Yes <input type="checkbox"/> No	If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?
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CHAR500**2019**Schedule 4a: Professional Fund Raisers, Fund Raising Counsels, Commercial Co-Venturers
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1. Organization Information

Name of Organization:

National Rifle Association of America

NY Registration Number:

02 - 21 - 64

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type:

Name of FRP:

InfoCision Management Corp.

NY Registration Number:

32 - 57 - 09

☒ Professional Fund Raiser

Mailing Address:

325 Springside Drive

Telephone:

330-668-1400

☐ Fund Raising Counsel☐ Commercial Co-Venturer

City / State / Zip:

Akron, OH 44333

3. Contract Information

Contract Start Date:

08/01/2011

Contract End Date:

06/20/2023

4. Description of Services

Services provided by FRP:

To plan, prepare, manage, and conduct a nationally directed outbound telemarketing development campaign to active, lapsed, or potential members/donors.

5. Description of Compensation

Compensation arrangement with FRP:

Per call basis

Amount Paid to FRP:

\$3,437,873

6. Commercial Co-Venturer (CCV) Report☐ Yes ☐ No

If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?

CHAR500**2019**Schedule 4a: Professional Fund Raisers, Fund Raising Counsels, Commercial Co-Venturers
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Professional fund raising does not include activities by an organization's development staff, volunteers, or a grantwriter who has been hired solely to draft applications for funding from a government agency or tax exempt organization.

1. Organization Information

Name of Organization:

National Rifle Association of America

NY Registration Number:

02 - 21 - 64

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type:

- ☐ Professional Fund Raiser
☒ Fund Raising Counsel
☐ Commercial Co-Venturer

Name of FRP:

Ackerman McQueen, Inc.

NY Registration Number:

- - -

Mailing Address:

1601 N W Expressway, Suite 1100

Telephone:

(405) 843-7777

City / State / Zip:

Oklahoma City, OK 73118

3. Contract Information

Contract Start Date:

01/01/2019

Contract End Date:

4. Description of Services

Services provided by FRP:

Provides counsel and planning for soliciting contributions and membership dues through and related to on-air television and web broadcasts.

*NRA contracted with Ackerman McQueen, Inc., in January of 2019 to perform certain services as a professional fundraising consultant. Nevertheless, the services were never performed. We are listing them in this filing but no activities ever took place under the contract

5. Description of Compensation

Compensation arrangement with FRP:

Compensation by flat fee for each new broadcast where consultant provides services.

Amount Paid to FRP:

6. Commercial Co-Venturer (CCV) Report

- ☐ Yes ☐ No If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?

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1. Organization Information

Name of Organization:

National Rifle Association of America

NY Registration Number:

02 - 21 - 64

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type: <input type="checkbox"/> Professional Fund Raiser <input checked="" type="checkbox"/> Fund Raising Counsel <input type="checkbox"/> Commercial Co-Venturer	Name of FRP:	McKenna & Association, LLC	NY Registration Number:	42 - 77 - 54
	Mailing Address:	1220 N. Fillmore Street, Suite 300	Telephone:	(571) 312-1465
	City / State / Zip:	Arlington, Virginia 22201		

3. Contract Information

Contract Start Date:

01/01/2019

Contract End Date:

12/31/2019

4. Description of Services

Services provided by FRP:

Provides counseling services in the area of general gift cultivation and major donor development.

5. Description of Compensation

Compensation arrangement with FRP:

Compensation by flat fee and/or net cost reimbursement

Amount Paid to FRP:

300,000

6. Commercial Co-Venturer (CCV) Report

☐ Yes ☐ No If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?

CHAR500**2019**Schedule 4a: Professional Fund Raisers, Fund Raising Counsels, Commercial Co-Venturers
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1. Organization Information

Name of Organization:

National Rifle Association of America

NY Registration Number:

02 - 21 - 64

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type: <input type="checkbox"/> Professional Fund Raiser <input checked="" type="checkbox"/> Fund Raising Counsel <input type="checkbox"/> Commercial Co-Venturer	Name of FRP: Allegiance Creative Group	NY Registration Number: 47 - 97 - 06
	Mailing Address: 11250 Waples Mill Road, Suite 310	Telephone: 703-267-1000
	City / State / Zip: Fairfax, Virginia 22030	

3. Contract Information

Contract Start Date:

12/01/2011

Contract End Date:

12/01/2021

4. Description of Services

Services provided by FRP:

Provides counsel and promotion planning for marketing and direct mail response mail and phone programs.

5. Description of Compensation

Compensation arrangement with FRP:

Compensation by management commission fee and/or net costs reimbursements.

Amount Paid to FRP:

\$1,080,000

6. Commercial Co-Venturer (CCV) Report

☐ Yes ☐ No If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?

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1. Organization Information

Name of Organization:

National Rifle Association of America

NY Registration Number:

02 - 21 - 64

2. Professional Fund Raiser, Fund Raising Counsel, Commercial Co-Venturer Information

Fund Raising Professional type: <input type="checkbox"/> Professional Fund Raiser <input type="checkbox"/> Fund Raising Counsel <input checked="" type="checkbox"/> Commercial Co-Venturer	Name of FRP: Rio Ammunition, Inc.	NY Registration Number: - - - -
	Mailing Address: 433 East Las Colinas Blvd., Suite 900	Telephone: (214) 389-1896
	City / State / Zip: Irving, TX 75039	

3. Contract Information

Contract Start Date:

06/05/2018

Contract End Date:

06/14/2019

4. Description of Services

Services provided by FRP:

Sales Promotion of specific ammunition that contains the NRA logo.

5. Description of Compensation

Compensation arrangement with FRP:

N/A

Amount Paid to FRP:

0.00

6. Commercial Co-Venturer (CCV) Report☒ Yes ☐ No

If services were provided by a CCV, did the CCV provide the charitable organization with the interim or closing report(s) required by Section 173(a) part 3 of the Executive Law Article 7A?

NATIONAL RIFLE ASSOCIATION OF AMERICA

BOARD OF DIRECTORS

JOE M. ALLBAUGH

National Rifle Association of America
c/o Office of the General Counsel
11250 Waples Mill Road
Fairfax, VA 22030
(703) 267-1250

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MATT BLUNT

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(703) 267-1250

ROBERT K. BROWN

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NATIONAL RIFLE ASSOCIATION OF AMERICA

FINANCIAL STATEMENTS

as of December 31, 2019 and 2018

AND

REPORT THEREON

NATIONAL RIFLE ASSOCIATION OF AMERICA**TABLE OF CONTENTS**

	<u>Page</u>
Report of Independent Auditors	1 - 2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 31

Independent Auditor's Report

Board of Directors
The National Rifle Association of America
Fairfax, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of The National Rifle Association of America (a nonprofit organization), which comprise the Statements of Financial Position as of December 31, 2019, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The National Rifle Association of America as of December 31, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditor's Report (continued)**Emphasis of Matters**

As discussed in Note 1 and Note 13 to the financial statements, in 2019, The National Rifle Association of America adopted Accounting Standards Update (ASU) No. 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), as amended, and ASU 2017-07, Compensation—Retirement Benefits (Topic 715); Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. Our opinion is not modified with respect to these matters.

As discussed in Note 1 to the financial statements, the accompanying financial statements are those of the National Rifle Association of America only and are not those of the primary reporting entity. The consolidated financial statements of NRA and its affiliates have been issued as the general purpose financial statements of the reporting entity and should be read in conjunction with the parent-only statements. Our opinion is not modified with respect to this matter.

Prior Period Financial Statements

The financial statements of The National Rifle Association of America as of December 31, 2018, were audited by other auditors whose report dated March 13, 2019, expressed an unmodified opinion on those statements.

Rockville, Maryland
March 11, 2020

NATIONAL RIFLE ASSOCIATION OF AMERICA
STATEMENTS OF FINANCIAL POSITION
as of December 31, 2019 and 2018

ASSETS

	2019	2018
Cash and cash equivalents	\$ 11,616,941	\$ 13,109,600
Restricted cash	11,973,876	10,670,701
Investments	53,378,786	45,094,991
Pledges receivable, net	932,766	841,562
Members' dues receivable, net	25,408,701	35,837,410
Accounts receivable, net	5,729,584	5,620,631
Due from affiliates	32,595,638	28,696,533
Inventories and supplies, net	11,716,358	10,632,177
Prepaid expenses	2,887,414	3,179,694
Notes receivable, net	8,479,327	6,639,073
Property and equipment, net	30,057,118	32,709,031
Other assets	3,970,243	4,180,677
Total assets	\$ 198,746,752	\$ 197,212,080

LIABILITIES AND NET ASSETS

Accounts payable	\$ 28,328,165	\$ 31,190,974
Accrued liabilities	56,186,424	55,270,648
Note payable and lines of credit	57,320,718	48,138,412
Deferred revenue	47,257,288	46,580,520
Total liabilities	189,092,595	181,180,554
Net assets (deficit):		
Without donor restrictions		
Net assets without donor restrictions	(23,106,624)	(16,665,676)
Cumulative pension liability	(26,535,199)	(19,611,103)
Total net deficit without donor restrictions	(49,641,823)	(36,276,779)
With donor restrictions	59,295,980	52,308,305
Total net assets	9,654,157	16,031,526
Total liabilities and net assets	\$ 198,746,752	\$ 197,212,080

The accompanying notes are an integral
part of these financial statements.

NATIONAL RIFLE ASSOCIATION OF AMERICA
STATEMENTS OF ACTIVITIES
for the years ended December 31, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support:						
Members' dues	\$ 112,969,564	\$ -	\$ 112,969,564	\$ 170,391,374	\$ -	\$ 170,391,374
Program fees	6,320,949	-	6,320,949	8,119,717	-	8,119,717
Contributions	78,454,104	17,251,239	95,705,343	76,272,182	19,072,263	95,344,445
Contributions from interrelated entity	13,703,287	-	13,703,287	14,932,109	-	14,932,109
Advertising	23,574,064	-	23,574,064	25,023,714	-	25,023,714
Member and merchandise sales	8,961,536	-	8,961,536	11,046,698	-	11,046,698
Shows and exhibits	13,786,401	-	13,786,401	13,137,300	-	13,137,300
Investment income, net	4,379,798	564,471	4,944,269	1,694,315	435,393	2,129,708
Insurance administration fees	10,142,300	-	10,142,300	12,625,210	-	12,625,210
Other	6,138,987	-	6,138,987	7,484,283	(650,091)	6,834,192
Assets released from restrictions	15,762,440	(15,762,440)	-	18,481,638	(18,481,638)	-
Total revenue and other support	294,193,430	2,053,270	296,246,700	359,208,540	375,927	359,584,467
Expenses:						
Program services:						
Legislative programs	35,522,715	-	35,522,715	42,861,775	-	42,861,775
Publications	33,987,454	-	33,987,454	36,183,864	-	36,183,864
Public affairs	18,156,484	-	18,156,484	37,931,825	-	37,931,825
Shows and exhibits	15,147,490	-	15,147,490	17,702,426	-	17,702,426
Competitions	4,035,371	-	4,035,371	4,532,275	-	4,532,275
Education and training	5,179,187	-	5,179,187	6,408,239	-	6,408,239
Hunter services	572,664	-	572,664	1,542,093	-	1,542,093
Field services	5,366,227	-	5,366,227	5,815,987	-	5,815,987
Law enforcement	3,639,619	-	3,639,619	3,791,278	-	3,791,278
Recreational shooting	6,542,344	-	6,542,344	7,235,176	-	7,235,176
	128,149,555	-	128,149,555	164,004,938	-	164,004,938
Member services and acquisition	62,094,073	-	62,094,073	77,733,947	-	77,733,947
Administrative	37,733,143	-	37,733,143	27,303,678	-	27,303,678
Executive office	28,065,294	-	28,065,294	38,578,630	-	38,578,630
Fundraising	52,096,190	-	52,096,190	57,036,808	-	57,036,808
Total expenses	308,138,255	-	308,138,255	364,658,001	-	364,658,001
Change in net assets before other changes	(13,944,825)	2,053,270	(11,891,555)	(5,449,461)	375,927	(5,073,534)
Unrealized gain (loss) on investments, net	5,549,072	1,055,974	6,605,046	(4,066,534)	(962,733)	(5,029,267)
Unrealized gain on derivative instrument	122,132	-	122,132	745,782	-	745,782
Gain (loss) on interest in interrelated entity	-	3,878,431	3,878,431	-	(2,414,024)	(2,414,024)
Net periodic pension cost other than service costs	(684,565)	-	(684,565)	(2,074,739)	-	(2,074,739)
Pension plan curtailment loss	-	-	-	(8,718,656)	-	(8,718,656)
Other net pension plan (loss) gain	(6,446,928)	-	(6,446,928)	13,645,761	-	13,645,761
Change in net assets	(15,405,114)	6,987,675	(8,417,439)	(5,917,847)	(3,000,830)	(8,918,677)
Net assets (deficit), beginning of year as previously presented	(36,276,779)	52,308,305	16,031,526	(30,358,932)	55,309,135	24,950,203
Cumulative adjustments due to adoption of ASC 606 (Note 1)	2,040,070	-	2,040,070	-	-	-
Net assets (deficit), end of year as reclassified	\$ (49,641,823)	\$ 59,295,980	\$ 9,654,157	\$ (36,276,779)	\$ 52,308,305	\$ 16,031,526

The accompanying notes are an integral
part of these financial statements.

NATIONAL RIFLE ASSOCIATION OF AMERICA
STATEMENTS OF FUNCTIONAL EXPENSES
for the years ended December 31, 2019 and 2018

	2019															
	Legislative	Publications	Public Affairs	Shows & Exhibits	Competitions	Education & Training	Hunter Services	Field Services	Law Enforcement	Recreational Shooting	Total Program Expenses	Member Svc & Acq.	Administrative	Executive	Advancement/Fundraising	Total
Salaries, benefits and taxes	\$ 13,410,371	\$ 8,058,579	\$ -	\$ 1,987,651	\$ 1,529,383	\$ 1,807,622	\$ 350,483	\$ 1,578,293	\$ 1,799,103	\$ 2,458,928	\$ 32,980,410	\$ 4,084,706	\$ 2,803,336	\$ 11,249,217	\$ 4,057,696	\$ 55,175,365
Office supplies	1,089,351	143,876	-	1,625,092	342,335	109,375	17,193	528,496	131,068	170,761	4,157,577	153,469	45,196	224,898	472,844	5,054,084
Travel & entertainment	1,577,979	563,793	-	452,252	410,042	234,844	58,959	1,164,968	547,379	99,289	5,109,505	176,180	38,341	666,112	1,027,272	7,017,420
Fulfillment material	-	-	-	-	12,183	281,892	-	-	122,827	52,726	469,628	5,862,012	-	-	1,929,958	8,261,598
Occupancy	720,570	400,491	-	65,791	166,556	260,554	8,354	139,937	154,557	1,227,057	3,143,877	454,794	708,038	482,991	431,820	5,221,520
Data processing	725,663	421,055	-	332,300	616,316	450,166	-	636,907	362,831	306,738	3,851,976	566,613	194,551	1,978,887	508,390	7,100,417
Printing and publications	-	23,378,940	-	-	-	-	-	-	-	-	23,378,940	-	-	-	-	23,378,940
Member communications	-	-	-	-	-	-	-	-	-	-	-	46,499,612	-	-	31,425,680	77,925,292
Advertising	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,252,381	7,252,381
Committee & annual mtgs	-	-	-	-	-	-	-	-	-	-	-	-	-	2,572,283	-	2,572,283
Legal, audit and taxes	10,033,895	-	-	-	-	-	-	-	-	-	10,033,895	-	32,571,903	-	752,679	43,358,477
Professional services and other	7,401,033	652,021	17,923,594	7,999,891	808,015	1,292,329	128,011	775,892	333,887	865,852	38,180,128	3,522,833	163,432	10,390,945	3,821,994	56,078,333
Depreciation & amortization	337,397	242,836	232,890	61,104	81,849	95,224	6,169	497,756	84,472	631,089	2,270,786	630,914	635,501	348,069	279,767	4,165,037
Cost of merchandise sold	-	-	-	2,602,933	16,336	565,795	869	-	55,092	344,601	3,585,126	-	-	-	-	3,585,126
Interest expense	226,456	125,863	-	20,676	52,347	81,885	2,626	43,978	48,573	385,303	967,707	142,930	572,845	151,791	135,709	1,990,982
	<u>\$ 35,522,715</u>	<u>\$ 33,987,454</u>	<u>\$ 18,156,484</u>	<u>\$ 15,147,490</u>	<u>\$ 4,035,371</u>	<u>\$ 5,179,187</u>	<u>\$ 572,664</u>	<u>\$ 5,366,227</u>	<u>\$ 3,639,619</u>	<u>\$ 6,542,344</u>	<u>\$ 128,149,555</u>	<u>\$ 62,064,073</u>	<u>\$ 37,733,143</u>	<u>\$ 28,065,294</u>	<u>\$ 52,096,190</u>	<u>\$ 308,138,255</u>
Net periodic pension cost other than service costs	166,384	99,983	-	24,661	18,975	22,427	4,348	19,582	22,322	30,508	409,190	50,679	34,781	139,570	50,344	694,565
	<u>\$ 35,689,099</u>	<u>\$ 34,087,437</u>	<u>\$ 18,156,484</u>	<u>\$ 15,172,151</u>	<u>\$ 4,054,346</u>	<u>\$ 5,201,614</u>	<u>\$ 577,012</u>	<u>\$ 5,385,809</u>	<u>\$ 3,661,941</u>	<u>\$ 6,572,852</u>	<u>\$ 128,558,745</u>	<u>\$ 62,114,752</u>	<u>\$ 37,767,924</u>	<u>\$ 28,204,864</u>	<u>\$ 52,146,534</u>	<u>\$ 308,832,820</u>

	2018															
	Legislative	Publications	Public Affairs	Shows & Exhibits	Competitions	Education & Training	Hunter Services	Field Services	Law Enforcement	Recreational Shooting	Total Program Expenses	Member Svc & Acq.	Administrative	Executive	Advancement/Fundraising	Total
Salaries, benefits and taxes	\$15,004,230	\$ 8,060,310	\$ -	\$ 2,453,868	\$ 1,584,942	\$ 2,118,279	\$ 483,013	\$ 1,262,378	\$ 1,818,181	\$ 2,684,516	\$ 35,469,717	\$ 4,786,375	\$ 2,881,581	\$ 13,803,564	\$ 3,539,611	\$ 60,481,348
Office supplies	2,131,164	138,276	-	1,647,194	446,787	127,663	18,725	546,027	149,838	304,930	5,508,600	186,108	57,707	326,087	589,680	6,668,184
Travel & entertainment	2,401,866	597,119	-	488,465	364,330	308,444	37,881	986,604	601,658	207,311	5,989,778	217,469	44,060	1,280,842	929,957	8,472,206
Fulfillment material	-	-	-	-	68,985	322,367	-	-	113,293	67,701	572,346	7,838,028	-	-	2,072,449	10,480,823
Occupancy	662,745	346,741	-	60,512	153,200	260,776	7,684	128,707	142,154	1,128,587	2,891,106	418,298	651,700	444,231	397,167	4,802,502
Data processing	909,644	677,843	-	566,625	881,547	1,105,153	-	1,381,442	490,529	531,503	6,544,286	1,160,177	283,313	2,834,297	885,059	11,707,131
Printing and publications	-	25,296,139	-	-	-	-	-	-	-	-	25,296,139	-	-	-	-	25,296,139
Member communications	-	-	-	-	-	-	-	-	-	-	-	58,985,128	-	-	29,373,954	88,359,082
Advertising	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,381,850	11,381,850
Committee & annual mtgs	-	-	-	-	-	-	-	-	-	-	-	-	-	3,189,779	-	3,189,779
Legal, audit and taxes	8,633,178	-	-	-	-	-	-	-	-	-	8,633,178	-	21,558,748	-	1,170,467	31,362,393
Professional services and other	12,542,229	682,399	37,505,494	8,912,527	883,500	1,346,264	980,502	878,213	296,794	1,084,897	65,112,909	3,389,639	354,526	16,127,565	6,233,488	91,288,124
Depreciation & amortization	357,294	270,239	426,331	77,550	96,000	110,172	13,203	590,003	86,957	612,937	2,840,586	618,234	906,015	434,986	281,629	4,879,550
Cost of merchandise sold	-	-	-	3,477,651	2,262	624,782	441	0	44,811	238,203	4,389,150	-	-	-	-	4,389,150
Interest expense	219,425	114,801	-	20,034	50,722	86,339	2,544	42,613	47,065	373,501	957,044	138,492	565,629	147,079	131,496	1,939,740
	<u>\$ 42,861,775</u>	<u>\$ 36,183,864</u>	<u>\$ 37,831,825</u>	<u>\$ 17,702,426</u>	<u>\$ 4,532,275</u>	<u>\$ 6,408,239</u>	<u>\$ 1,542,093</u>	<u>\$ 5,815,987</u>	<u>\$ 3,791,278</u>	<u>\$ 7,235,176</u>	<u>\$ 164,004,938</u>	<u>\$ 77,733,947</u>	<u>\$ 27,303,678</u>	<u>\$ 38,578,630</u>	<u>\$ 57,036,808</u>	<u>\$ 364,658,001</u>
Net periodic pension cost other than service costs	514,702	276,499	-	84,177	54,369	72,656	16,569	43,304	62,371	92,089	1,216,745	164,191	98,863	473,518	121,422	2,074,739
	<u>\$ 43,376,477</u>	<u>\$ 36,460,363</u>	<u>\$ 37,831,825</u>	<u>\$ 17,786,603</u>	<u>\$ 4,586,644</u>	<u>\$ 6,480,904</u>	<u>\$ 1,558,662</u>	<u>\$ 5,859,291</u>	<u>\$ 3,853,649</u>	<u>\$ 7,327,265</u>	<u>\$ 165,221,683</u>	<u>\$ 77,898,138</u>	<u>\$ 27,402,541</u>	<u>\$ 39,052,148</u>	<u>\$ 57,158,230</u>	<u>\$ 366,732,740</u>

The accompanying notes are an integral
part of these financial statements.

NATIONAL RIFLE ASSOCIATION OF AMERICA
STATEMENTS OF CASH FLOWS
for the years ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ (8,417,439)	\$ (8,918,677)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	4,165,037	4,879,550
Provision for losses on pledges receivable	12,376	10,961
Provision for losses on members' dues receivable	1,800,000	1,800,000
Provision for losses on accounts receivable	66,712	2,871,652
Provision for losses on inventory	150,000	150,000
Contributions restricted for long-term investment	(807,908)	(1,781,726)
Net unrealized and realized (gain) loss on investments	(7,714,621)	4,030,931
Unrealized gain on derivative instrument	(122,132)	(745,782)
Net loss (gain) on pension obligation	6,446,928	(4,927,105)
Net loss on disposal of assets	16,575	249,751
Changes in assets and liabilities:		
(Increase) decrease in pledges receivable	(103,580)	332,070
Decrease (increase) in members' dues receivable, net	8,628,709	(3,372,201)
Decrease (increase) in accounts receivable, net	1,864,405	(6,628,317)
(Increase) decrease in due from affiliates	(3,899,105)	2,035,442
(Increase) decrease in inventories and supplies, net	(1,234,181)	2,856,877
Decrease in prepaid expenses	292,280	97,968
Increase in accrued interest receivable	(1,840,254)	-
Decrease in other assets	210,434	41,833
(Decrease) increase in accounts payable	(2,862,809)	1,353,528
Decrease in accrued liabilities	(5,409,020)	(1,870,631)
Increase in deferred revenue	676,768	15,177,754
Total adjustments	336,614	16,562,555
Net cash (used in) provided by operating activities	(8,080,825)	7,643,878
Cash flows from investing activities:		
Sales of investments	6,722,597	9,261,323
Purchases of investments	(7,679,017)	(9,684,509)
Purchases of property and equipment	(1,529,699)	(3,363,172)
Net cash used in investing activities	(2,486,119)	(3,786,358)
Cash flows from financing activities:		
Principal payments on note payable	(598,831)	(1,107,008)
Principal payments on lines of credit	(131,426,260)	(150,171,240)
Draw downs on lines of credit and proceeds on note payable	141,207,397	152,295,560
Proceeds from life insurance policy loans	5,139,246	3,500,000
Principal payments on life insurance policy loans	(4,752,000)	(3,500,000)
Contributions restricted for long-term investment	807,908	1,781,726
Net cash provided by financing activities	10,377,460	2,799,038
Net (decrease) increase in cash and cash equivalents and restricted cash	(189,484)	6,656,558
Cash and cash equivalents and restricted cash at beginning of year	23,780,301	17,123,743
Cash and cash equivalents and restricted cash at end of year	\$ 23,590,817	\$ 23,780,301
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 2,011,381	\$ 1,945,983
Vehicles obtained through capital leases	\$ 453,265	\$ 688,932

The accompanying notes are an integral
part of these financial statements.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

The National Rifle Association of America (NRA), founded in 1871, is a not-for-profit corporation supported by the membership fees of public-minded citizens and clubs. Its primary purpose is to protect and defend the Constitution of the United States of America, especially the political, civil and inalienable rights of the American people to keep and bear arms as a common law and Constitutional right of the individual citizen.

The NRA's Board of Directors formed the Institute for Legislative Action (ILA) in 1975 as an internal division of the NRA. The purpose of ILA is to prevent the passage of laws and regulations restricting firearms ownership, as well as pursuing changes to existing restrictions imposed by federal, state and local governments. ILA is supported principally by contributions from NRA members.

Basis of Presentation

The NRA publishes financial statements in the NRA's annual report that include the financial statements of certain affiliated entities, which are its primary financial statements for the years ended December 31, 2019 and 2018. These financial statements for the years ended December 31, 2019 and 2018 are not intended to be the general purpose financial statements of the NRA and have been prepared in conformity with accounting principles that would otherwise be considered a departure from accounting principles generally accepted in the United States of America because certain affiliated organizations are not consolidated.

Affiliates of the NRA whose financial activities are not included in these financial statements of the NRA include the following: the NRA Foundation, Inc. (Foundation), the NRA Civil Rights Defense Fund (CRDF), the NRA Political Victory Fund (PVF), the NRA Special Contribution Fund (SCF) and the NRA Freedom Action Foundation (FAF).

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and other support and expenses during the reporting period. Actual results could differ from those estimates.

Certain amounts from the prior year have been reclassified to conform with the current year presentation. These reclassifications had no effect on the previously reported net assets or change in net assets.

Classification of Net Assets

To identify the observance of limitations and restrictions placed on the use of the resources available to the NRA, the accounts of the NRA are maintained in two separate classes of net assets: without donor restrictions, and with donor restrictions, based on the existence or absence of donor-imposed restrictions.

Net assets without donor restrictions represent resources that are not restricted by donor-imposed stipulations. They are available for support of the NRA's general operations.

Net assets with donor restrictions represent contributions and other inflows of assets whose use by the NRA for its programs are limited by donor-imposed stipulations. Some donor-imposed restrictions are temporary in that they either expire by passage of time or can be fulfilled and removed by actions of the NRA pursuant to those stipulations. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

Cash and Cash Equivalents

Highly liquid investments, consisting principally of money market funds, under the control of the NRA's investment managers, are considered investments. However, the NRA considers any other investments with an original maturity of three months or less at the date of purchase to be cash equivalents. The NRA generally invests these excess funds in repurchase agreements for U.S. government securities. The maturity date of these repurchase agreements is the next day of business. Due to the short-term nature of these agreements, the NRA does not take possession of the securities, which are instead held by the NRA's principal bank from which it purchases the securities. The carrying value of the investments approximates fair value because of the short maturity of the agencies. The NRA believes that it is not exposed to any significant risk on its investments in repurchase agreements. Substantially all the cash and cash equivalents were held at two financial institutions in Virginia at December 31, 2019 and 2018.

Concentrations of Credit Risk

The NRA maintains a cash balance in excess of federally insured limits in an interest bearing account. The NRA's policy is to deposit funds only in financially sound institutions. Nevertheless, these deposits are subject to some degree of credit risk. Investments are maintained in financial institutions.

Concentrations of credit risk with respect to accounts receivable that are not collateralized are limited due to the large number of members comprising the NRA's membership base and their dispersion across many different geographies.

The NRA invests in a professionally managed portfolio that primarily contains money market funds, equity securities, fixed income securities, and alternative investments. Such investments are exposed to various risks, such as market and credit. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term would materially affect investment balances and the amounts reported in the financial statements.

Investments

Investments consist primarily of money market funds, equity securities, fixed income securities, and alternative investments. Investments in money market funds, equity securities and fixed income securities are carried at fair value as determined by an independent market valuation service using the closing prices at the end of the period. In calculating realized gains and losses, the cost of securities sold is determined by the specific-identification method. To adjust the carrying value of the investments, the change in fair value is included in other changes in the statements of activities. Interest income and dividends are recorded on the accrual basis.

Alternative investments are valued at fair value based on the applicable net asset value per share as of the measurement date, which is a practical expedient, as determined by the NRA. In determining fair value, the NRA utilizes valuations provided by the fund managers. The underlying investments value securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the underlying investments, which may include private placements and other securities for which prices are not readily available, are determined by the general partner of the investment and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The fair value of the NRA's alternative investments generally represents the amount the NRA would expect to receive if it were to liquidate its investment excluding any redemption charges that may apply.

Pledges Receivable

Pledges which are considered unconditional promises to give that are expected to be collected in the future are recorded at net realizable value which is the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met. In subsequent periods, the discount rate is unchanged and the valuation adjustment is reassessed and adjusted if necessary.

Members' Dues Receivable

Members' Dues receivable represent those members who elect billing plans upon joining the NRA. These dues receivable are recorded at the fair value of the total amount owed and discounted at current rates in order to determine the present value of the receivable.

Accounts Receivable

Advertising and other accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the NRA's best estimate of the amount of probable credit losses in existing accounts receivable. The NRA determines allowances based on historical write-off experience and specific identification. The allowances for doubtful accounts are reviewed monthly and accounts receivable balances are written off against the allowance when the NRA feels probable the receivable will not be recovered.

Inventories and Supplies

Inventories and supplies are stated at the lower of cost or net realizable value, with costs determined using the first-in, first-out method. Provisions are made to reduce the inventories to net realizable value in cases of obsolescence.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Donated assets are recorded at the appraised or estimated fair value at the time of donation. Expenditures for maintenance and repairs, which do not prolong the useful lives of the assets, are expensed. Depreciation is computed on the straight-line method over the assets' estimated useful lives. Buildings and improvements are depreciated over useful lives ranging from 20 to 45 years, other property and equipment is depreciated over two to ten years. The NRA capitalizes complete desktop and laptop computers greater than \$500 and all other fixed assets greater than \$1,500.

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

Revenue Recognition

Effective January 1, 2019 the NRA adopted the requirements of Accounting Standards Update (ASU) 2014-09 and the related amendments, *Revenue from Contracts with Customers* (ASC 606 or Topic 606), which superseded all prior revenue recognition methods and industry-specific guidance. The NRA adopted ASC 606 using the modified retrospective method. Results for reporting periods beginning after January 1, 2019 are presented under ASC 606, while prior period amounts are not adjusted and continue to be reported in accordance with the NRA's historic revenue recognition methodology under ASC 605, *Revenue Recognition*.

The NRA recorded an increase to net assets without donor restrictions of \$2.0M as of January 1, 2019 due to the cumulative impact of adopting ASC 606, primarily related to the effect on revenue associated with insurance administration fees.

The impact of adoption of ASC 606 on the NRA's statement of activities was as follows:

	Year Ended December 31, 2019		
	As reported	Balances without adoption of Topic 606	Effect of change
Impact on the Statement of Activities:			
Insurance administration fees	\$ 10,142,300	\$ 12,182,370	\$ 2,040,070

Members' Dues

The NRA members' dues have elements of both an exchange transaction and a contribution. The magazine subscription is deemed the portion of the transaction that is an exchange transaction. The defense of the Constitutional right to keep and bear arms for citizens whether members or not, which represents the remainder of the dues, is treated as the contribution portion of the transaction. Members' dues are non-refundable.

The NRA estimates the value of the magazine subscription and recognizes revenue over the term of the membership. The remaining portion of the dues is recognized as a contribution. Contributions that are collected at the time the member joins are recognized immediately. Contributions that are expected to be collected in the future are recorded at net realizable value which is the present value of their estimated future cash flows.

Member's Dues revenue for the year ended December 31, 2019 consisted of the following:

	2019
Recognized as a contribution	\$ 105,989,009
Exchange transaction recognized over time	6,980,555
Total Members' Dues	<u>\$ 112,969,564</u>

NATIONAL RIFLE ASSOCIATION OF AMERICA NOTES TO FINANCIAL STATEMENTS

Contributions

Unconditional contributions, whether without donor restrictions or with donor restrictions, are recognized as revenue when received and classified in the appropriate net asset category. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Program Fees

Program fees consist of revenues associated with competition entry fees, school, conference and workshop registration fees, training fees, association and alliance fees and sponsorships. The NRA hosts various competitions throughout the year which include event location, referees, and support staff which are considered one performance obligation. Entry fees are collected in advance of the event and recorded as deferred revenue on the statement of financial position. The NRA has the primary duty and responsibility to fulfill the obligation of the event and therefore considered principal to the transaction. Revenue is recognized at the point in time when the event takes place.

The NRA hosts various schools, conference and workshops throughout the year which include instructors and materials which are considered one performance obligation. Registration fees are collected in advance of the event and recorded as deferred revenue on the statement of financial position. The NRA has the primary duty and responsibility to fulfill the obligation of the event and therefore considered principal to the transaction. Revenue is recognized at the point in time when the event takes place.

The NRA offers clubs and ranges the opportunity to join an alliance of other clubs and ranges in order to gain access to recruiting, club awards, educational resources, range grants and discounts for various business expenses (such as credit card fees). The NRA sees this opportunity as one performance obligation. The fees collected are for multiple year affiliations and therefore recorded as deferred revenue on the statement of financial position. Revenue is recognized over the time period of the affiliation.

The NRA receives sponsorships for various events throughout the year which generally include various obligations of the NRA to include recognition of the sponsor at the event and on any fliers or event programs or banners and a table, if applicable. Sponsorships are collected in advance of the event and recorded deferred revenue on the statement of financial position. The NRA has the primary duty to hold the event to fulfill the obligation and therefore is considered a principal to the transaction. Revenue is recognized at the point in time when the event takes place.

Program fees revenue for the year ended December 31, 2019 consisted of the following:

	<u>2019</u>
Recognized at a point in time	\$ 3,912,522
Recognized over time	2,408,427
Total Program Fees	<u>\$ 6,320,949</u>

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

Advertising

The NRA sells advertising space in its magazines. The performance obligation of the NRA is to publish the magazine with the agreed upon ad in the proper space which is seen as one performance obligation. Advertising fees are billed at the time of the production of the publication and recorded as a receivable on the statement of financial position and recognized as revenue at the point in time when the receivable is created.

Member and Merchandise Sales

The NRA sells various merchandise at events and through on-line sales. Fees are collected at the time of purchase or at the point in time when an item is shipped. The NRA elects to exclude from the measurement of the transaction price all taxes assessed by a government authority. The NRA has the primary duty and responsibility to fulfill the obligation of providing the merchandise and therefore considered principal to the transaction. Revenue is recognized at the point in time for when the transaction takes place. NRA has elected to treat shipping as a fulfillment cost.

Shows and Exhibits

The NRA hosts various shows and exhibits for which fees are collected for exhibit booth rentals, banquets, and sponsorships related to each show. For exhibit booth space rental, the NRA is obligated to hold the event, provide the amount of space and location agreed upon which are considered one performance obligation. For banquet sales, the NRA generally provides a meal and/or entertainment which are considered one obligation. Sponsorships for these events generally recognition of the sponsor at the event and on any fliers or event programs or banners and a table, if applicable which are considered one performance obligation. The NRA has the primary duty and responsibility to fulfill the obligation of the event and therefore considered principal to the transaction. The fees are collected in advance of these events and recorded as deferred revenue on the statement of financial position. Revenue is recognized at the point in time when the events takes place.

Insurance administration fees

The NRA offers various life, accident and health insurance products through an affinity program with a licensed insurance broker to its members. The insurance broker creates, introduces, markets, offers, delivers manages, maintains and administers all aspects of the program. The NRA's responsibilities include granting limited license to use trademarks, provide mail lists and give authority to solicit members over the course of the agreement which is seen as one performance obligation. The NRA has the primary duty and responsibility to fulfill the obligation and therefore considered principal to the transaction. The NRA receives royalty payments as the performance takes place and recognizes revenue at a point in time.

Other

The NRA has various other income for which fees are collected and the NRA has an obligation for a specific activity. The NRA has the primary duty and responsibility to fulfill the obligation and therefore considered principal to the transaction. Revenue associated with these other payments is recognized at the point in time when the activity takes place.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

Derivative Financial Instruments

Interest rate swaps are entered into to manage interest rate risks associated with the NRA's borrowing. Interest rate swaps are accounted for in accordance with the Financial Accounting Standards Board Accounting Standard Codification (the Codification) topic, *Derivatives and Hedging*, under which the NRA is not allowed to use cash flow hedging. Therefore, the interest rate swap is recorded in the statements of financial position at fair value with fair value changes recorded as an unrealized gain on derivative instrument on the statements of activities and statements of cash flows (Note 10).

Valuation of Long-Lived Assets

Long-lived assets and certain identifiable intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less cost to sell. The NRA had no impairments of long-lived assets during 2019 or 2018.

Outstanding Legacies

The NRA is the beneficiary under various wills and other agreements, the total realizable amounts of which are not presently determinable. The NRA's share of such amounts is not recorded until the NRA has an irrevocable right to the bequest and the proceeds are measurable.

Functional Allocation of Expenses

The costs of providing program services and supporting activities have been accounted for on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities. Such allocations are determined by management on an equitable basis. Occupancy and interest expenses are allocated based on square footage. Certain depreciation is directly charged to applicable areas and certain depreciation is allocated based on square footage or number of employees. Data processing and certain executive salaries and benefits are allocated based on time and effort.

Advertising Expenses

The NRA uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed the first time the advertising takes place. During 2019 and 2018, advertising expense was \$7,252,381 and \$11,381,850, respectively.

Adopted accounting pronouncement

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in generally accepted accounting principles in the United States of America (U.S. GAAP) when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

In August 2015, the FASB issued ASU No. 2015-14, which defers the effective date of ASU No. 2014-09 one year, making it effective for annual reporting periods beginning after December 15, 2018. The ASU was adopted by the NRA in 2019 using the modified retrospective method of adoption.

In June 2018, the FASB issued ASU No. 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made, which provides additional guidance on characterizing grants and similar contracts with resource providers as either exchange transactions or contributions, as well as distinguishing between conditional contributions and unconditional contributions. The updated standard will be effective for resource recipients for annual reporting periods beginning after December 15, 2018 and resource providers one year later. The ASU was adopted by the NRA in 2019. Analysis of the various provisions of this standard resulted in no significant changes in the NRA's timing of recognition of contributions; however, the presentation and disclosures of revenue has been enhanced.

Pending accounting pronouncements

In February 2016, FASB issued Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2020.

Tax Status

The NRA is exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code and from state income taxes. The NRA activities that cause imposition of the unrelated business income tax provision of the Code result in no significant tax liability.

The NRA follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the NRA may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the NRA's tax positions and concluded that the NRA had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Tax years from 2016 through the current year remain open for examination by tax authorities.

Subsequent Events

The NRA evaluated subsequent events through March 11, 2020, which is the date the financial statements were available to be issued.

NATIONAL RIFLE ASSOCIATION OF AMERICA NOTES TO FINANCIAL STATEMENTS

2. AVAILABILITY AND LIQUIDITY

The following represents NRA's financial assets and liquidity resources at December 31, 2019 and 2018:

Financial assets at year-end:	2019	2018
Cash and cash equivalents	\$ 11,616,941	\$ 13,109,600
Pledges receivable, net	932,766	841,562
Members' dues receivable available within one year, net	8,856,671	14,310,969
Accounts receivable available within one year, net	5,729,584	5,620,631
Due from affiliates	9,558,939	5,315,563
Investments	53,378,786	45,094,991
Total financial assets	90,073,687	84,293,316
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(36,259,281)	(28,927,335)
Investments held as collateral (a)	(26,628,141)	(25,458,239)
	(62,887,422)	(54,385,574)
Financial assets available to meet general expenditures over the next twelve months	\$ 27,186,265	\$ 29,907,742

(a) While total investments pledged as collateral total \$41,714,582, the NRA considers investments above the outstanding line of credit balance as unencumbered for the purposes of liquidity.

The NRA maintains a policy of structuring its financial assets to be available as its general operating expenses come due. In addition, to manage liquidity the NRA maintains a line of credit with a bank that is drawn upon as needed during the year to manage cash flows (Note 10).

3. INVESTMENTS

Investments as of December 31, 2019 and 2018 consist of:

	2019	2018
Money market funds	\$ 344,335	\$ 157,520
Equity securities	37,287,560	32,640,202
Fixed income securities	11,419,389	8,021,148
Alternative investments	3,783,898	3,405,044
Other	543,604	871,077
	\$ 53,378,786	\$ 45,094,991

Investment income (loss) for the years ended December 31, 2019 and 2018 includes the following:

	2019	2018
Realized gains, net	\$ 1,109,575	\$ 998,336
Dividends and interest	3,834,694	1,131,372
	4,944,269	2,129,708
Unrealized gains (losses), net	6,605,046	(5,029,267)
	\$ 11,549,315	\$ (2,899,559)

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

Interest income of \$2,540,254 and \$120,000, earned from notes receivable for 2019 and 2018, respectively, is included in dividends and interest.

4. PLEDGES RECEIVABLE

At December 31, 2019 and 2018, donors to the NRA have unconditionally promised to give amounts as follows:

	2019	2018
Within one year	\$ 167,579	\$ 112,900
One to five years	283,450	116,537
More than five years	504,126	621,799
	<u>955,155</u>	<u>851,236</u>
Less: discount	(10,013)	(362)
	<u>945,142</u>	<u>850,874</u>
Less: allowance for uncollectible pledges	(12,376)	(9,312)
	<u>\$ 932,766</u>	<u>\$ 841,562</u>

Pledges due in more than one year have been recorded at the present value of estimated cash flows, discounted by rates ranging from 0.88% to 2.22%.

5. MEMBERS' DUES RECEIVABLE

Members' dues receivable as of December 31, 2019 and 2018 consist of:

	2019	2018
Members' dues	\$ 26,819,195	\$ 38,601,904
Less: discount	(1,410,494)	(2,764,494)
	<u>\$ 25,408,701</u>	<u>\$ 35,837,410</u>

Members' dues due in more than one year have been recorded at the present value of estimated cash flows, discounted by rates ranging from 1.58% to 2.51%.

6. ACCOUNTS RECEIVABLE

Accounts receivable as of December 31, 2019 and 2018 consist of:

	2019	2018
Contributions	\$ 3,920,299	\$ 3,603,517
Advertising	2,867,529	3,149,717
Other	1,454,431	1,274,665
	<u>8,242,259</u>	<u>8,027,899</u>
Less: allowance for doubtful accounts	(2,512,675)	(2,407,268)
	<u>\$ 5,729,584</u>	<u>\$ 5,620,631</u>

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

Following are the changes in the allowance for doubtful accounts during the years ended December 31, 2019 and 2018, respectively:

	2019	2018
Allowance at beginning of year	\$ 2,407,268	\$ 2,114,445
Provision for losses on accounts receivable	66,712	2,871,652
Write-offs, net of recoveries	38,695	(2,578,829)
Allowance at end of year	<u>\$ 2,512,675</u>	<u>\$ 2,407,268</u>

7. INVENTORIES AND SUPPLIES

Inventories and supplies as of December 31, 2019 and 2018 consist of:

	2019	2018
Sales inventories	\$ 2,953,021	\$ 2,549,261
Supplies:		
Magazine paper	1,609,664	1,997,175
Fulfillment and promotional materials	7,330,511	6,066,869
Other	973,416	967,588
	<u>12,866,612</u>	<u>11,580,893</u>
Less: obsolescence allowance	<u>(1,150,254)</u>	<u>(948,716)</u>
	<u>\$ 11,716,358</u>	<u>\$ 10,632,177</u>

8. NOTES RECEIVABLE

Notes receivable as of December 31, 2019 and 2018 consist of:

	Interest Rate	2019	2018
NRA Special Contribution Fund	4.0%	\$ 3,000,000	\$ 3,000,000
Interest receivable		5,479,327	3,639,073
		<u>\$ 8,479,327</u>	<u>\$ 6,639,073</u>

The note receivable from the SCF is a demand note, collateralized by a first deed of trust on approximately 33,300 acres of land south of Raton, New Mexico. During the years ended December 31, 2019 and 2018, interest revenue in the amount of \$2,540,254 and \$120,000 respectively, was recorded.

9. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2019 and 2018 consist of:

	2019	2018
Land	\$ 5,380,792	\$ 5,380,792
Buildings and improvements	55,907,362	55,410,753
Furniture, fixtures and equipment	18,716,748	18,634,456
	<u>80,004,902</u>	<u>79,426,001</u>
Less: accumulated depreciation	<u>(49,947,784)</u>	<u>(46,716,970)</u>
	<u>\$ 30,057,118</u>	<u>\$ 32,709,031</u>

Depreciation expense for the years ended December 31, 2019 and 2018 was \$4,165,037 and \$4,879,550, respectively.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

10. NOTES PAYABLE AND CREDIT AGREEMENTS

On March 13, 2019, the NRA entered into a credit agreement with a bank which expires on March 12, 2029. Under the terms of this agreement the NRA pays a fixed rate of 4.85%. Prior to this agreement, the NRA maintained a credit agreement with a different bank. Under the terms of this agreement, the NRA paid a fixed rate of 6.08%. At December 31, 2019 and 2018, \$17,692,578 and \$17,680,174, respectively, was payable under the different credit agreements.

The previous credit agreement incorporated an interest rate swap agreement. The SWAP agreement was terminated on March 13, 2019. This swap agreement was recognized on the statements of financial position in accrued liabilities at its fair value of \$429,922 as of December 31, 2018.

On March 13, 2019, the NRA entered into a \$10,000,000 building line of credit agreement which expires September 27, 2021. Under the terms of this agreement the NRA pays interest at a floating per annum rate equal to the LIBOR rate plus 2.00%. At December 31, 2019, \$8,000,000 was payable under the agreement at an interest rate of 4.86%.

The NRA maintains a \$28,000,000 line of credit agreement which expires September 27, 2021. Under the terms of this agreement, the NRA makes monthly interest payments on the daily outstanding principal at a variable rate based on the 30-day LIBOR rate, plus 0.70%. At December 31, 2019 and 2018, \$26,628,140 and \$25,458,238 was payable at interest rates of 2.39% and 3.10%, respectively.

During 2018, the NRA entered secured loan agreement with the Foundation where the NRA's accounts receivable serve as collateral, which expired October 3, 2019. This agreement was extended to October 3, 2020. Under the terms of this agreement, the NRA makes monthly interest payments of 7.00%. At December 31, 2019 and 2018, \$5,000,000 was payable under the agreement.

On the \$28,000,000 line of credit agreement, the NRA has pledged as collateral \$41,714,582 at December 31, 2019, in cash and investments held in certain custodial accounts by the bank. For the credit agreement and the building line of credit, the NRA has also pledged as collateral a Deed of Trust on the NRA Headquarters Building.

The NRA is subject to financial covenants associated with the credit agreement and lines of credit agreements. The NRA must maintain minimum cash and investment balances.

The annual principal payments related to these obligations at December 31, 2019 are as follows:

2020	\$ 5,389,290
2021	35,039,476
2022	432,024
2023	453,753
2024	474,349
2025 and thereafter	<u>15,531,826</u>
Total minimum future payments	<u>\$ 57,320,718</u>

Interest expense for the years ended December 31, 2019 and 2018, was \$1,990,983 and \$1,830,724, respectively.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

11. FAIR VALUE MEASUREMENTS

The NRA follows the Codification on *Fair Value Measurement*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; and fair value is determined through the use of models or other valuation methodologies.

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The NRA's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

In determining the appropriate levels, the NRA performs a detailed analysis of the assets and liabilities that are subject to fair value measurements. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

The estimated fair values of the NRA's short-term financial instruments, including receivables and payables arising in the ordinary course of operations, approximate their individual carrying amounts due to the relatively short period of time between their origination and expected realization.

The carrying value of the NRA's note payable and credit agreement approximates fair value as the interest rate on the credit agreement's underlying instruments fluctuate with market rates.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

The tables below present the balances of each class of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy.

As of December 31, 2019			
	Total	Level 1	Level 2
Available-for-sale equity securities:			
Consumer discretionary	\$ 891,076	\$ 891,076	\$ -
Consumer staples	487,448	487,448	-
Energy	97,142	97,142	-
Financial services	855,451	855,451	-
Healthcare	886,947	886,947	-
Industrials	633,178	633,178	-
Information technology	1,008,059	1,008,059	-
Materials	2,172,711	2,172,711	-
Multi-strategy mutual funds	29,864,438	29,864,438	-
Telecommunications	391,110	391,110	-
Total available-for-sale equity securities	37,287,560	37,287,560	-
Available-for-sale fixed income securities:			
Multi-strategy bond funds	11,419,389	11,419,389	-
Money market	344,335	344,335	-
Alternative investments:			
Multi-strategy fund-of-funds (measured using a net asset value per share (or its equivalent) practical expedient)	3,783,898	-	-
Investments at fair value	\$ 52,835,182	\$ 49,051,284	\$ -
Other investments	543,604		
Total investments	\$ 53,378,786		
Other assets – multi-strategy mutual funds:			
Deferred compensation plan	\$ 2,872,120	\$ 2,872,120	\$ -
Supplemental executive retirement plan	921,312	921,312	-
Total other assets	3,793,432	3,793,432	\$ -
Total assets	\$ 57,172,218	\$ 52,844,716	\$ -
Deferred compensation liability	\$ (2,872,120)	-	\$ (2,872,120)
Supplemental executive retirement liability	(921,312)	-	(921,312)
Total liabilities	\$ (3,793,432)	\$ -	\$ (3,793,432)

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

As of December 31, 2018			
	Total	Level 1	Level 2
Available-for-sale equity securities:			
Consumer discretionary	\$ 254,630	\$ 254,630	\$ -
Consumer staples	425,035	425,035	-
Energy	945,645	945,645	-
Financial services	97,545	97,545	-
Healthcare	382,118	382,118	-
Industrials	246,862	246,862	-
Information technology	815,491	815,491	-
Materials	1,594,010	1,594,010	-
Multi-strategy mutual funds	27,601,940	27,601,940	-
Telecommunications	276,926	276,926	-
Total available-for-sale equity securities	32,640,202	32,640,202	-
Available-for-sale fixed income securities:			
Multi-strategy bond funds	8,021,148	8,021,148	-
Money market	157,520	157,520	-
Alternative investments:			
Multi-strategy fund-of-funds (measured using a net asset value per share (or its equivalent) practical expedient)	3,405,044	-	-
Investments at fair value	\$ 44,223,914	\$ 40,818,870	\$ -
Other investments	871,077		
Total investments	\$ 45,094,991		
Other assets – multi-strategy mutual funds:			
Deferred compensation plan	\$ 2,949,908	\$ 2,949,908	\$ -
Supplemental executive retirement plan	1,055,242	1,055,242	-
Total other assets	\$ 4,005,150	\$ 4,005,150	\$ -
Total assets	\$ 49,100,141	\$ 44,824,020	\$ -
Interest rate swap	\$ (429,922)	\$ -	\$ (429,922)
Deferred compensation liability	(2,949,908)	-	(2,949,908)
Supplemental executive retirement liability	(1,055,242)	-	(1,055,242)
Total liabilities	\$ (4,435,072)	\$ -	\$ (4,435,072)

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

Money market funds, equity securities and fixed income securities are classified as Level 1 instruments as they are actively traded on public exchanges.

Deferred compensation plan and supplemental executive retirement plan assets are based upon the fair market value of those assets, which are observable inputs and classified as Level 1. The deferred compensation liability is not publically traded and is, therefore, considered Level 2.

The NRA's swap agreement was valued based on quoted values stated by the bank's mark-to-market estimate using stated fixed rate and LIBOR interest ratings. The interest rate was observable at commonly quoted indexes for the full term of the instrument and is, therefore, considered a Level 2 item.

The table below presents additional information regarding the alternative investments.

	2019 Fair Value	2018 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Multi-strategy fund-of-funds (a)	\$ 3,352,620	\$ 3,020,588	-	semi- annually	105 days
Multi-strategy fund (b)	431,278	384,456	-	daily	1 day
	<u>\$ 3,783,898</u>	<u>\$ 3,405,044</u>	<u>\$ -</u>		

- (a) This class invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge fund-of-funds' composite portfolio for this class includes investments in private investment companies (investment in global, distressed/credit, domestic healthcare and other) and securities (common stock). The fair value of the investments in this class have been estimated using the net asset value per share of the investments.
- (b) This class invests in a managed futures product that pursue multiple strategies to diversify risks and reduce volatility. The multi-strategy fund composite portfolio for this class includes investments in private investment companies (investment in currency, bonds, interest rates, commodities and other) and securities (common stock). The fair value of the investments in this class have been estimated using the net asset value per share of the investment.

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

12. NET ASSETS WITH DONOR RESTRICTIONS AND DONOR RESTRICTED ENDOWMENT

Net assets with donor restrictions are available for the following purposes:

	2019	2018
Legislative programs	\$ 23,731,848	\$ 21,246,525
National Firearms Museum	10,326,815	9,101,835
Education and training	7,264,898	6,298,991
Hunter services	5,769,430	5,546,494
Recreational Shooting	3,258,114	2,973,902
Competitions	1,585,598	1,492,184
Law enforcement	946,717	819,764
Field services	344,002	255,055
Community outreach	100,604	76,385
Other	4,977,042	4,424,698
Other, passage of time	990,912	72,472
Total	<u>\$ 59,295,980</u>	<u>\$ 52,308,305</u>

The NRA follows the Codification subtopic *Reporting endowment funds*. The Codification addresses accounting issues related to guidelines in the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), which was adopted by the National Conferences of Commissioners on Uniform State Laws in July 2006 and enacted in the Commonwealth of Virginia on July 1, 2008 and by the State of New York on September 17, 2010. The Management of the NRA has interpreted UPMIFA as requiring the preservation of the fair value of original donor-restricted endowment gifts as of the date of the gift absent explicit donor stipulations to the contrary. As a result of this interpretation, the NRA classifies as net assets with donor restrictions (a) the original value of cash gifts donated to permanent donor restricted endowment and (b) the discounted value of future gifts promised to permanent donor restricted endowment, net of allowance for uncollectible pledges. The remaining portion of donor restricted endowment funds not classified in net assets with donor restrictions is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the NRA in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the NRA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the NRA and donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the NRA
- The investment policies of the NRA

The NRA has adopted investment and spending policies for donor-restricted endowment assets that attempt to provide a predictable stream of funding to the programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. The investment policy of the NRA is to achieve, at a minimum, a real (inflation adjusted) total net return that exceeds spending policy requirements. Investments are diversified both by asset class and within asset classes. The purpose of diversification is to minimize unsystematic risk and to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the total portfolio. The amount appropriated for expenditure ranges from 1% to 5% of the endowment fund's fair value as of the end of the preceding year, as long as the value of the endowment does not drop below the original contribution(s). All earnings of the endowment are reflected as net assets with donor restrictions until appropriated for expenditure in the form of program spending.

NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS

The NRA's endowment is composed of donor restricted funds and board designated quasi endowed funds. The changes in endowment net assets for the years ended December 31, 2019 and 2018 are as follows:

	December 31, 2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 2,250,135	\$ 49,196,355	\$ 51,446,490
Interest and dividends, net	(159,984)	1,248,079	1,088,095
Net appreciation	-	5,659,529	5,659,529
Contributions	-	807,902	807,902
Amount appropriated for expenditure	-	(836,994)	(836,994)
Endowment net assets, end of year	<u>\$ 2,090,151</u>	<u>\$ 56,074,871</u>	<u>\$ 58,165,022</u>
Donor-restricted endowments	\$ -	\$ 56,074,871	\$ 56,074,871
Board designated endowment	2,090,151	-	2,090,151
Total endowments	<u>\$ 2,090,151</u>	<u>\$ 56,074,871</u>	<u>\$ 58,165,022</u>

	December 31, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,999,005	\$ 51,889,998	\$ 53,889,003
Interest and dividends, net	334,633	475,047	809,680
Net depreciation	-	(3,096,642)	(3,096,642)
Contributions	-	1,708,726	1,708,726
Amount appropriated for expenditure	(83,503)	(1,780,774)	(1,864,277)
Endowment net assets, end of year	<u>\$ 2,250,135</u>	<u>\$ 49,196,355</u>	<u>\$ 51,446,490</u>
Donor-restricted endowments	\$ -	\$ 49,196,355	\$ 49,196,355
Board designated endowment	2,250,135	-	2,250,135
Total endowments	<u>\$ 2,250,135</u>	<u>\$ 49,196,355</u>	<u>\$ 51,446,490</u>

The related assets are included in due from affiliates, investments and pledges receivable.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the NRA to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States, deficiencies of this nature that are reported in net assets with donor restrictions as of December 31, 2019 and 2018, were \$1,279,150 and \$2,855,143, respectively. The deficiencies in the donor-restricted endowment funds at December 31, 2019 and 2018, resulted from unfavorable market fluctuations and the continued appropriation of endowment assets, which was deemed prudent by the NRA. The total amount of the original gifts were \$20,579,894 and \$21,290,642 as of December 31, 2019 and 2018, respectively.

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

13. RETIREMENT PLANS

Certain NRA employees participate in a non-contributory, defined benefit retirement plan (the Plan). Benefits under the Plan are generally based on years of service and final average pay. The NRA's policy is to fund pension costs as accrued. Effective January 1, 2008, the NRA amended the Plan so that employees hired on or after January 1, 2008, will not be eligible to participate in the Plan. Effective December 31, 2018, the NRA froze the Plan and employees will no longer earn additional benefits under the Plan.

The primary investment objectives of the Plan are to provide a long-term, risk-controlled approach using diversified investment options. The NRA may consider all asset classes allowed by the Employee Retirement Income Security Act of 1974 and other applicable law as acceptable investment options.

The net periodic pension costs for the years ended December 31, 2019 and 2018 consist of the following:

	2019	2018
Service cost - benefits earned during the year	\$ -	\$ 3,344,289
Interest cost on projected benefit obligation	5,994,964	6,011,108
Return on plan assets	(6,642,488)	(7,552,421)
Recognized net actuarial loss	1,332,089	2,253,340
Net amortization and deferral	-	1,362,712
Net periodic benefit cost	684,565	5,419,028
Recognized curtailment loss	-	8,718,656
Other changes	6,924,096	(13,645,761)
Net recognized curtailment loss and other changes	6,924,096	(4,927,105)
Total recognized in statements of activities	\$ 7,608,661	\$ 491,923

The following table sets forth the changes in the defined benefit pension plan's funded status and the amount of accrued pension costs for the plan years ended December 31, 2019 and 2018 (utilizing a measurement date of December 31):

	2019	2018
Change in benefit obligation:		
Projected benefit obligation at beginning of year	\$ 134,118,464	\$ 147,957,262
Service cost	-	3,344,289
Interest cost	5,994,964	6,011,108
Actuarial loss (gain)	22,043,094	(13,322,876)
Benefits paid	(4,979,846)	(6,452,460)
Plan amendments	-	9,309,837
Plan curtailments	-	(12,728,696)
Projected benefit obligation at end of year	\$ 157,176,676	\$ 134,118,464

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

	2019	2018
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 91,529,371	\$ 98,260,092
Actual return on plan assets	20,429,397	(7,878,261)
Employer contributions	5,527,904	7,600,000
Benefits paid	(4,979,846)	(6,452,460)
Fair value of plan assets at end of year	<u>\$ 112,506,826</u>	<u>\$ 91,529,371</u>
Accrued pension costs reflected in the statements of financial position in accrued liabilities	<u>\$ (44,669,850)</u>	<u>\$ (42,589,093)</u>
Accumulated benefit obligation	<u>\$ (157,176,676)</u>	<u>\$ (134,118,464)</u>
Amounts recognized in net assets without donor restrictions:		
Total net loss	\$ 26,535,199	\$ 19,611,103
Prior service cost	-	-
Total	<u>\$ 26,535,199</u>	<u>\$ 19,611,103</u>

The total net loss and prior service cost for the defined pension plan that will be amortized from net assets into the net periodic benefit cost over the next year are \$1,616,970 and \$880,576, respectively.

In 2019 the NRA implemented the provisions of FASB ASU 2017-07 that require that an employer report the service cost component separately from the other components of net benefit cost. The service cost component is reported in the same line of the statement of activities as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net benefit cost are reported as non-operating activities. In prior years benefit cost was reported in salaries and benefits. Statement of activities amounts for 2018 have been reclassified to give retroactive effect to the adoption of ASU 2017-07 (with no effect on previously-reported change in net assets).

Service costs are included in the statement of functional expenses as follows:

	2019	2018
Salaries, benefits and taxes	\$ -	\$ 3,344,289

The NRA has used the practical expedient provided by ASU 2017-07 of using amounts disclosed in the retirement plan note in the 2019 financial statements as the estimation basis for applying the retrospective requirements of the ASU.

The following weighted-average assumptions were used in calculating the above benefit obligations, net periodic benefit cost and fair value of plan assets at December 31, 2019 and 2018:

	2019	2018
Discount rate used to determine benefit obligation	3.45%	4.45%
Discount rate used to determine net periodic benefit cost	4.45%	3.90%
Rate of compensation increase	N/A	4.00%
Expected return on plan assets	8.00%	8.00%

The basis used to determine the overall expected long-term rate of return on assets utilizing the target asset allocations established within the plan is based on historical return

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

The asset allocation strategy is based on several factors including:

- The relationship between the current and projected assets of the Plan and the projected actuarial liability stream;
- The historical performance of capital markets adjusted for the perception of future short- and long-term capital market performance;
- The perception of future economic conditions, including inflation and interest rate assumptions.

The asset allocation strategy shall identify target allocations to eligible asset classes and, where appropriate, suitable ranges within which each asset class can fluctuate as a percent of the total fund. Each asset class is to remain suitably invested at all times in either cash (or cash equivalents) or permitted securities within each asset class. The asset classes may be rebalanced from time to time to take advantage of tactical misvaluations across major asset classes or investment styles, or to align the current asset mix with strategic targets.

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2019 and 2018.

Multi-strategy equity and fixed income mutual funds and Pooled separate accounts: Primarily valued at the net asset value (NAV) per share based on quoted market prices of the underlying investments as reported by the investment advisor using the audited financial statements of the underlying investments. The individual annuities invest in separate accounts, which track the performance of the specific underlying mutual funds. A valuation agent is selected for each mutual fund and PSA. The valuation of the net assets is calculated on each open market day.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain results in a different fair value measurement at the reporting date.

Investments measured at net asset value (or equivalent) as a practical expedient have not been classified in the fair value hierarchy. The amounts of investments are included below.

At December 31, 2019 and 2018, the fair value and the asset allocation of the NRA's pension plan assets was as follows:

	2019		2018	
Asset category:				
Multi-strategy equity Mutual funds/PSAs	\$ 70,580,029	62.7%	\$ 55,411,934	60.5%
Multi-strategy fixed income Mutual funds/ PSAs	41,284,908	36.7	35,569,933	38.9
Cash	641,889	0.6	547,504	0.6
	<u>\$112,506,826</u>	<u>100.0%</u>	<u>\$ 91,529,371</u>	<u>100.0%</u>

The NRA contributes to the plan based on actuarially determined amounts necessary to provide assets sufficient to meet benefits to be paid to plan members. NRA annually funds the minimum required contribution. Expected contributions for the plan year ending December 31, 2020 are \$4,668,160.

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

The following plan year benefit payments, which reflect expected future service, as appropriate, are expected to be paid over the next 10 fiscal years:

2020	\$ 6,316,583
2021	\$ 6,572,714
2022	\$ 6,998,128
2023	\$ 7,152,091
2024	\$ 7,463,294
2025 – 2029 (total)	\$ 40,115,216

In addition, in 1997, the NRA established a 401(k) plan for employees. The plan, available to all employees after 90 days of service, permits participants to contribute a portion of their salary on a pre-tax basis. The NRA matches participant contributions based on plan provisions. Participants are 100% vested in employer contributions after three years of service. The vested balance is available to participants at termination, retirement, death, disability, hardships or through eligible loans. Employer contributions to the 401(k) plan totaled \$2,465,492 and \$2,569,393 for the years ended December 31, 2019 and 2018, respectively.

The NRA also maintains a deferred compensation agreement (the Agreement) for certain officers and employees. The Agreement is offered at the sole discretion of its Board of Directors, which may amend or terminate the Agreement at any time. The Agreement is funded through whole life insurance policies on the plan beneficiaries. The NRA is the policy owner and beneficiary.

Currently, several key employees are enrolled in the Agreement. Management believes that no unfunded liability exists under the Agreement. At December 31, 2019 and 2018, the NRA had assets relating to the cash surrender values of the whole life insurance policies of \$2,834,441 and \$4,406,082, respectively. At December 31, 2019 and 2018, the NRA had loans against the whole life insurance policies of \$2,290,837 and \$3,535,004, respectively, with the net included in investments on the statement of financial position. The policies serve as the underlying collateral for the loans and interest on the loans is accrued at rates between 3.9% and 4.4%. The NRA had an accrued postretirement liability of \$0 and \$278,958 at December 31, 2019 and 2018, respectively. Deferred compensation expense for the years ended December 31, 2019 and 2018 was \$(262,558) and \$(30,955) respectively.

The NRA has established a 457(b) deferred compensation plan for the benefit of certain employees. This plan is employee funded, and therefore, the NRA did not contribute to this plan during the years ended December 31, 2019 and 2018. At December 31, 2019 and 2018, the NRA held assets, and had related obligations, relating to this plan of \$2,872,120 and \$2,949,908, respectively.

The NRA has also established a 457(f) supplemental executive retirement plan for the benefit of certain executives. At December 31, 2019 and 2018, the NRA held assets, and had related obligations, relating to the plan of \$921,312 and \$1,055,242, respectively. The NRA incurred deferred compensation expense of \$56,700 and \$206,700 for the years ended December 31, 2019 and 2018.

For both plans, the assets are included in other assets and the liabilities are included in accrued liabilities on the statements of financial position.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

14. RENTAL OPERATIONS AS LESSOR

The NRA leases a portion of its headquarters building and adjacent property to tenants under various operating leases. These leases include renewal options and escalation clauses and require that the tenants pay for their prorated share of the building operating expenses. Rental income is recognized on a straight-line basis over the term of the lease.

The following is a schedule of minimum future rentals on non-cancellable operating leases as of December 31, 2019:

2020	\$ 1,312,224
2021	908,893
2022	771,743
2023	697,090
2024	361,349
2025 & Thereafter	<u>1,739,932</u>
Total minimum future rentals	<u>\$ 5,791,231</u>

Total rental income for the years ended December 31, 2019 and 2018 was \$1,317,211 and \$1,357,108, respectively.

15. COMMITMENTS AND CONTINGENCIES

Operating Leases

The NRA leases warehouse, office space and equipment under non-cancellable operating leases with terms expiring through 2022. The lease agreements for various office space include renewal options and escalation clauses and require that the NRA pay for shared operating expenses.

The annual minimum payments related to these obligations as of December 31, 2019 are as follows:

2020	\$ 829,125
2021	458,502
2022	<u>194,912</u>
Total minimum payments required	<u>\$ 1,482,539</u>

Total lease expense for the years ended December 31, 2019 and 2018 was \$1,425,402 and \$1,410,079, respectively.

NATIONAL RIFLE ASSOCIATION OF AMERICA **NOTES TO FINANCIAL STATEMENTS**

Capital Leases

The NRA leases vehicles under leases classified as capital leases. The leased vehicle is depreciated on a straight line basis over 3 years. Capital lease assets and accumulated amortization are included in property and equipment, net on the Statement of Financial Position.

	2019	2018
Capital Lease assets	\$ 1,957,917	\$ 2,016,096
Accumulated amortization	(1,148,748)	(1,076,310)
Net book value	<u>\$ 809,169</u>	<u>\$ 939,786</u>

The future minimum payments related to these capital leases as of December 31, 2019 are as follows:

	2019
2020	\$ 578,494
2021	312,976
2022	100,561
2023	4,296
Total minimum lease payments	\$ 996,327
Less amount representing interest	(161,175)
Present value of minimum lease payments	<u>\$ 835,152</u>

The present value of the minimum lease payments have been discounted using rates ranging from 4.50% to 6.75%.

Total accumulated depreciation related to the leased equipment for years ended December 31, 2019 and 2018 was \$1,148,748 and \$1,076,310.

Litigation and claims

NRA is subject to various legal proceedings as well as federal and state government agency inquiries. In the opinion of the management of the NRA, there are no material pending legal proceedings to which the NRA will be found liable. Management also believes the federal and state inquiries have no merit and will be resolved to the benefit of the NRA.

16. RELATED PARTIES

The NRA and the NRA Foundation are financially interrelated entities as the NRA is able to influence the Foundation's operating and financial decisions as well as the NRA having ongoing economic interest in the net assets of the Foundation. The NRA is affiliated with CRDF, SCF and the FAF by virtue of the control vested with the NRA's Board of Directors to appoint the Board of Trustees of each affiliate. The PVF is a separately unincorporated political action committee of the NRA whose five officers are NRA employees. The NRA provides certain benefits to the affiliates at no cost, among which are the use of office space and other administrative and support services. Management has determined that the fair value of these benefits is minimal, and accordingly, no amounts are reflected in these financial statements.

**NATIONAL RIFLE ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS**

The Foundation reimburses the NRA for certain expenses, such as salaries, benefits, and general operating expenses, paid by the NRA on the Foundation's behalf. These expenses totaled \$15,377,886 and \$17,482,315 for the years ended December 31, 2019 and 2018, respectively. As of December 31, 2019 and 2018, \$32,252,080 and \$28,501,182 respectively, was owed to the NRA and included in due from affiliates for reimbursements and pass through funds still held by the Foundation. In addition, certain qualified NRA programs were funded by Foundation grants totaling \$12,073,526 and \$13,498,464 for the years ended December 31, 2019 and 2018, respectively.

The CRDF reimburses the NRA for general operating expenses paid by the NRA on the CRDF's behalf. As of December 31, 2019 and 2018, \$1,374 and \$3,161, respectively, was owed to the NRA for general operating expenses and included in due from affiliates. The CRDF reimburses the NRA for qualified legal costs totaling \$652,384 and \$433,872 for the years ended December 31, 2019 and 2018, respectively.

All permanent employees of the SCF are maintained as employees of the NRA and the SCF reimburses the NRA for the total employee costs including benefits. The SCF reimburses the NRA for certain other expenses paid by the NRA on the SCF's behalf. As of December 31, 2019 and 2018, \$342,184 and \$192,190, respectively, was owed to the NRA for salaries, insurance and benefits net of certain other expenses owed by the NRA to the SCF and included in due from affiliates. See also Note 6.

The FAF reimburses the NRA for qualified legal costs totaling \$977,377 and \$999,774 for the years ended December 31, 2019 and 2018, respectively.

The NRA paid administrative and fundraising expenses of \$2,908,114 and \$5,105,006 for the years ended December 31, 2019 and 2018, respectively, on behalf of the PVF.

Form 8453-EO Department of the Treasury Internal Revenue Service	Exempt Organization Declaration and Signature for Electronic Filing For calendar year 2019, or tax year beginning _____, 2019, and ending _____, 20_____ For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868	OMB No. 1545-0047 <div style="font-size: 2em; font-weight: bold;">2019</div>
Name of exempt organization NATIONAL RIFLE ASSOCIATION OF AMERICA		Employer identification number 53-0116130

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line of the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a Form 990 check here <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b 291,155,464
2a Form 990-EZ check here <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b
3a Form 1120-POL check here <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b
4a Form 990-PF check here <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b
5a Form 8868 check here <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b

Part II Declaration of Officer

- 6 ☒ I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.
- ☒ If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2019 electronic return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund.

Sign Here Signature of officer	 Date 11/17/21	EXECUTIVE VICE PRESIDENT Title
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Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only ERO's signature Firm's name (or yours if self-employed), address, and ZIP code	Date _____	Check if also paid preparer <input type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN EIN Phone no.
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Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer Use Only	Print/Type preparer's name _____	Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/>	PTIN _____
	Firm's name _____	Firm's EIN _____			
	Firm's address _____	Phone no. _____			