

EXHIBIT AB

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In Re: Investigation of National Rifle

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Association

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VIDEOTAPED EXAMINATION OF CRAIG B. SPRAY

11

Washington, D.C.

12

June 12, 2020

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9:14 a.m. to 5:35 p.m.

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Reported by: Felicia A. Newland, CSR

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1 Videotaped Examination of Crag B. Spray held at:

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3 Office of the Attorney General

4 for the District of Columbia

5 441 4th Street, N.W.

6 Washington, D.C.

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20 Pursuant to Notice, when were present on behalf

21 of the respective parties:

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A P P E A R A N C E S

On behalf of the State of New York, Office of
the Attorney General:

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Also Present Via Zoom:

Emily Stern

Leo Miranda

Jennifer Jones

Alex Kavik

Also Present:

Dan Reidy, Videographer

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1 C O N T E N T S

2 EXAMINATION BY: PAGE

3 Counsel for The New York Office of 10
4 Attorney General

5 CRAIG B. SPRAY EXHIBITS

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11		B. Spray from NRA, dated March 6, 2018	
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6	Association Meeting Minutes (Excerpt)	
7	EX-14 Bates Nos. NRA-NYAG-00061321 through	449
8	61323	
9	*(Exhibits attached to transcript.)	

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1 W-2, but if it's a personal expense, it has to be
2 reimbursed back to the organization or if it's
3 agreed to pay out, it needs to be taxed
4 appropriately.

5 Q Are there situations in which you
6 allow employees to use their credit cards to spend
7 the NRA's money on personal expenses?

8 A There's nothing that I allow, but I'm
9 sure it happens on occasion, just like any other
10 organization.

11 Q How do you prevent it? What have you
12 done to prevent it?

13 A So we've done a couple of things.
14 Number one, well, I -- I think the most effective
15 thing was we removed an individual who clearly
16 struggled with that.

17 Q After three years.

18 A After -- after it was found out.
19 And -- but both of our expense -- we have two
20 different expense reporting systems and now both of
21 those have audits and reviews and process behind
22 them.

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1 Q Which they did not have when you
2 arrived?

3 A They have a more robust process
4 behind them.

5 Q So what was the process -- what was
6 the non-robust process when you arrived for the
7 Amex cards, for reviewing those expenses and making
8 sure they were valid expenses?

9 A So the Amex cards, it was
10 communicated to me that the reason that those
11 existed were there were certain areas of the
12 business where there were relatively large
13 expenditures and the individual couldn't carry them
14 on their own personal credit so they needed a
15 corporate-type card to -- to initiate that. That
16 was my understanding.

17 Where it happened was as individuals
18 had those cards and then moved to other positions,
19 those cards never -- didn't appear to be taken away
20 or shut off at that point. So what had started as
21 a -- I believe a fairly, well-run program kind of
22 expanded and grew over time, and so when I came in

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1 and I saw more corporate cards, or American Express
2 cards than when I felt we needed to have, the first
3 thing we did before we put a new process in was
4 just eliminate cards. And so we eliminated the
5 majority of the cards. We took those down to, I'm
6 going to say, eight to ten, six to eight, somewhere
7 in that range.

8 The next thing that I was concerned
9 about is some of those reported up through Woody
10 and some of those -- they didn't report up through,
11 some of those cards hung off of Woody's credit
12 report and some of those cards hung off of Rick
13 Tedrick's credit report. And it's literally the
14 individual's credit that determines whether or not
15 you can have a certain level of -- of -- of among
16 those cards. So that was the reason I was told
17 that things sat under Rick.

18 What I would consider a non-robust
19 process is there were people that I would
20 consider -- even though they were outside of Rick's
21 change of command to be senior to Rick in the
22 organization, I don't like having any junior person

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1 approving or reviewing expenditures of the senior
2 person. I don't think it's appropriate.

3 So in addition to taking and
4 eliminating Woody's review, I brought over anybody
5 that I thought could be perceived as being senior
6 to Rick and put them under me personally.

7 So we eliminated significant cards.
8 I segregated them how I felt was appropriate. And
9 then we added a statement such that every time the
10 card bill comes through, as opposed to us simply
11 paying that, we are required to print it out and we
12 have a certification stamp with each -- these are
13 only senior people that now have these cards, they
14 now certify that all these -- all of these
15 expenditures are for business purpose only under
16 threat in -- you know, under penalty up to
17 including dismissal, et cetera, et cetera. They
18 certify all those costs are true. And then I get
19 them, we get all the receipts behind them and then
20 those bills are paid. So that's a much more robust
21 process than what we had in the past.

22 Q And when did all this happen?

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1 A I started down the path of
2 eliminating the cards prior to -- probably about a
3 year ago. Maybe a little over a year ago.

4 MR. SHEEHAN: And the record should
5 reflect that today is June -- June 12th, 2020 --

6 THE WITNESS: Yeah, it would --

7 MR. SHEEHAN: -- so we're talking
8 about --

9 THE WITNESS: Actually now that you
10 say that, so I remember this being initiated
11 shortly after -- it was in January of '19. The
12 reason I remember that so well is I had no idea
13 there was an Amex process, I just all of a sudden
14 in January, February, I got a card on my desk and I
15 said, "Well, what is this for?"

16 And they said, "Oh, this -- you
17 know, this is the card for the executives."

18 And what happened was when Woody
19 had left, all of a sudden the card came to me and
20 that's the first time I realized that we had this
21 kind of alternative process. I thought everybody
22 ran it through the T&E process that we had down

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1 in AP at the time.

2 BY MR. SHEEHAN:

3 Q Uh-huh.

4 A So that's when I kicked off the
5 project to eliminate the cards and make those
6 improvements that we talked about. And that's when
7 I stumbled on the stuff from Mr. Powell.

8 Q Did you ever look at Woody Phillips'
9 credit cards bills?

10 A I don't have access to that. That's
11 a good question though.

12 Q Did Wayne have a card?

13 A No, Wayne does not have a card, an
14 Amex card.

15 Q So just to make it clear: You have
16 never look at Woody Phillips' credit card bills for
17 that Amex card?

18 A I have -- I have not.

19 Q Did you ever look at Tyler Schroop's
20 bills for the Amex card?

21 A Yes. Tyler's under me now.

22 Q Okay.

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CERTIFICATE OF NOTARY PUBLIC

I, FELICIA A. NEWLAND, CSR, the officer before whom the foregoing examination was taken, do hereby certify that the witness whose testimony appears in the foregoing examination was duly sworn by me; that the testimony of said witness was taken by me in stenotype and thereafter reduced to typewriting under my direction; that said examination is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this examination was taken; and, further, that I am not a relative or employee of any counsel or attorney employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.



FELICIA A. NEWLAND, CSR

Notary Public

My commission expires:

September 15, 2024

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1 In Re: Investigation Of National Rifle Association v.
2 Craig B Spray (#4136017)

3 E R R A T A S H E E T

4 PAGE _____ LINE _____ CHANGE _____

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18 REASON _____

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20 _____

21 Craig B Spray

Date

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1 In Re: Investigation Of National Rifle Association v.
2 Craig B Spray (#4136017)

3 ACKNOWLEDGEMENT OF DEPONENT

4 I, Craig B Spray, do hereby declare that I
5 have read the foregoing transcript, I have made any
6 corrections, additions, or changes I deemed necessary as
7 noted above to be appended hereto, and that the same is
8 a true, correct and complete transcript of the testimony
9 given by me.

10

11

12 _____
Craig B Spray

Date

13 *If notary is required

14 SUBSCRIBED AND SWORN TO BEFORE ME THIS

15 _____ DAY OF _____, 20____.

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19 _____
NOTARY PUBLIC

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