

# EXHIBIT “12”

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

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

Plaintiff,

v.

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

Defendants.  
-----X

Index No. 451625/2020

Hon. Joel M. Cohen  
IAS Part 3

DISCLOSURE PURSUANT  
TO CPLR 3101(d) AND  
COMMERCIAL DIVISION  
RULE 13

Pursuant to CPLR 3101(d) and Commercial Division Rule 13, Defendant Wayne LaPierre ("Mr. LaPierre"), by his attorney, makes the following disclosure:

**MICHAEL DENNIS GRAHAM**

1. Mr. LaPierre expects to call Michael Dennis Graham, M.B.A., a Consultant with Grahall, LLC, as an expert witness at trial. A copy of his expert report is attached hereto as Exhibit A.

**A. Subject Matter**

2. Mr. Graham is expected to testify regarding the compensation received by Mr. LaPierre in connection with services performed for the National Rifle Association of America (the "Association"), the process by which the compensation was determined and fixed, and whether the amount of the compensation was reasonable and commensurate with services performed. In addition, Mr. Graham is expected to testify regarding methodologies for determining the reasonableness of compensation and other benefits as well as custom and practice in the fields of corporate management and executive compensation and benefits that

inform his opinion about the amount of compensation Mr. LaPierre received and the reasonableness of the compensation, the reasonableness of the other benefits he received, and the process by which his compensation and benefits were determined.

**B. Substance of the Facts and Opinions**

3. The substance of Mr. Graham's testimony is that the compensation and benefits Mr. LaPierre received in connection with his work for the Association, as alleged in the Complaint, were reasonable and commensurate with services performed and were determined and fixed in accordance with, or, in substantial compliance with, custom and practice in the field of executive compensation and benefits, the Not-for-Profit Corporation Law and the Bylaws of the Association. The substance of Mr. Graham's opinion is detailed in his expert report at pages 5-9.

**C. Qualifications**

4. Mr. Graham holds a Master of Business Administration from Rensselaer Polytechnic Institute (RPI) and a Bachelor of Science degree in engineering from Worcester Polytechnic Institute (WPI) where he was selected to both the Student Court, the Honor Society and Who's Who in American Colleges and Universities. He has served on the editorial board of the Compensation and Benefits Review. He has over 45 years of experience in the human resources and executive compensation advisory services and leads his firm's Compensation Advisory services.

5. Mr. Graham regularly advises clients in the areas of executive compensation and benefits. He has advised on compensation and benefits in a range of industries for both public and private companies in many countries around the world, for-profit and not-for-profit corporations. He has also been retained by and supported the Internal Revenue Service's

determination of reasonable compensation in a variety of cases including two major cases where millions of dollars of compensation were deemed unreasonably paid to the CEO's of the organizations. Mr. Graham was the IRS's expert. In addition to issuing reasonableness opinions, Mr. Graham also provides executive compensation analysis and opinions to support determinations under corporate bylaws and certain regulatory statutes addressing executive and employee compensation.

6. In his career, Mr. Graham, in industry, was the Worldwide Director of Compensation and Benefits for both Bausch & Lomb and Albany International and in his 37 year consulting career has advised over 1,000 organizations on compensation and benefits programs and issues and has served as a Practice Director for five major consulting firms. In addition, he has served as a consulting expert in litigation matters involving compensation and benefits and has also served as a testifying expert in litigation matters involving compensation and benefits.

7. A copy of Mr. Graham's curriculum vitae is attached to his report as Exhibits D, E and F.

**D. Summary of the Grounds for Expert Opinion**

8. Mr. Graham's opinion, found on pages 5 and 6 of his expert report, is based on: (1) his experience and expertise in the areas of corporate and not-for-profit executive compensation and benefits; (2) the pleadings in this action; (3) the deposition transcripts and exhibits in this action; (4) documents produced in this action; and (5) applicable professional standards. The documents upon which Mr. Graham has specifically relied are listed in Exhibits G and H of his report.

**MARK RAMBIN**

9. Mr. LaPierre expects to call Mark Ramin, CPA, CFF, a Managing Director with Echelon Analytics (“Echelon”), as an expert witness at trial. A copy of Mr. Ramin’s expert report is attached hereto as Exhibit B.

**A. Subject Matter**

10. Mr. Ramin is expected to testify about the role of chief executive officers, chief financial officers, chief legal officers, accountants and outside independent auditors as officers and/or employees of corporations, and the customs and practices with respect to reliance by such chief executive officers on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by: (1) one or more officers or employees of the corporation, whom the director believes to be reliable and competent in the matters presented; (2) counsel, certified public accountants, outside independent auditors, or other persons as to matters which the directors, officers or key persons believe to be within such person’s professional or expert competence; or (3) a committee of the board upon which they do not serve, duly designated in accordance with a provision of the certificate of incorporation or the bylaws, as to matters within its designated authority, which committee the directors, officers or key persons believe to merit confidence. Additionally, he is expected to testify about any other accounting issues that may arise with respect to transactions of relevance to the action. Further, Mr. Ramin will provide an analysis of the accounting aspects and consequences of the acts or omissions alleged in the Complaint. Mr. Ramin is also expected to testify regarding accounting records, methods, customs, and practices in publicly and privately held companies and how such customs and practices were applied in this case.

Additionally, he is expected to testify concerning the claimed damages and disgorgement against Mr. LaPierre in the Complaint.

**B. Substance of the Facts and Opinions**

11. The substance of Mr. Rambin's anticipated testimony is that it was reasonable for Mr. LaPierre to rely on information and reports he received from other officers and employees, Committees of the Board of Directors, and independent outside auditors and that his reliance was reasonable and in accordance with custom and practice. Further, with respect to the damages claimed against Mr. LaPierre in the complaint, Mr. Rambin's anticipated testimony is that the allegations in the complaint are not sufficient to support the claimed damages and disgorgement and that the claimed damages and disgorgement are not supported by objective documents or other information sufficient to support or calculate such a claim. The substance of Mr. Rambin's opinion is detailed in his expert report at pages 4-10.

**C. Qualifications**

12. Mr. Rambin is a Managing Director with Echelon, a specialized consultancy that provides economic and financial analysis, forensic investigation, and expert testimony in commercial and other disputes and litigation. He has provided consulting services to clients involved in commercial disputes and other disputes in many industries. He has prepared expert reports and provided expert testimony on matters before state and federal courts and in arbitrations. Mr. Rambin has practiced in this field for over thirty-five years.

13. Mr. Rambin is a graduate of The University of Texas at Austin, receiving a Bachelor of Business Administration, with a Major in Accounting in 1980. He became licensed as a Certified Public Accountant in 1983.

14. Mr. Rambin's professional biography is attached to his report as Exhibit A and provides additional information regarding his education and experience, including expert testimony over the last four years.

**D. Summary of the Grounds for Expert Opinion**

15. Mr. Rambin's summary of his opinions, found at page three of his expert report, is based on: (1) his experience and expertise in the fields of business administration, accounting, auditing, forensic accounting, and the evaluation of claims for economic damages; (2) the pleadings in this action; (3) deposition transcripts and exhibits in this action and related matters; (4) documents produced in this action and related matters; and (5) applicable professional standards. The documents upon which Mr. Rambin has specifically relied are listed in Exhibit B of his report.

**REBUTTAL EXPERT WITNESSES**

Mr. LaPierre is without knowledge of any experts retained by the Attorney General or issues upon which the Attorney General will seek to admit expert testimony. Therefore, Mr. LaPierre reserves the right to offer Mr. Graham and Mr. Rambin as rebuttal witnesses and to retain additional experts to address claims or opinions put forth by the Attorney General or its experts as may be necessary or appropriate.

Mr. LaPierre also reserves the right to retain and offer additional expert witness(es) in the event of a dispute about recovery of attorney's fees. Mr. LaPierre intends to seek bifurcation of the trial so that any attorney's fee claim can be tried separately, after the underlying merits of the Attorney General's claims and Mr. LaPierre's defenses have been decided.

Dated: New York, New York  
September 16, 2022

Respectfully submitted,

/s/ P. Kent Correll

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Attachments (2)

To: All Counsel of Record (via E-Mail)