

EXHIBIT I

NATIONAL RIFLE ASSOCIATION OF AMERICA
11250 WAPLES MILL ROAD
FAIRFAX, VIRGINIA 22030

JOHN C. FRAZER
Secretary



November 13, 2019

Mark J. MacDougall
Akin Gump Strauss Hauer & Feld, LLP
2001 K Street, N.W.
Washington, D.C. 20006

BY ELECTRONIC MAIL

CONFIDENTIAL AND PRIVILEGED – FOR SETTLEMENT PURPOSES ONLY

Dear Mr. MacDougall:

The National Rifle Association has completed its initial review of Joshua Powell's expense reimbursements from June 2016 to present. The review raises questions about several categories of expenses, which are summarized below.¹ We write in the hope that Mr. Powell can identify business purposes for these expenses. To the extent that any of the expenses below were incurred or submitted inadvertently, the NRA seeks immediate reimbursement at 2% interest.

I. Personal Expenses Lacking Any Apparent Business Purpose

The NRA Employee Handbook states:

To qualify for reimbursement, an expense item must be incurred for NRA-related business. NRA related business is defined as those activities, which are necessary to meet organizational objectives.

The handbook also states, "Expenses of a personal nature are not considered reimbursable." As an employee, Mr. Powell acknowledged receipt and understanding of these policies, and was bound to comply with them.

Despite these obligations, Mr. Powell charged many travel-related expenses to the NRA without a documented clear business purpose. Several instances that appear especially inappropriate are listed below. (The records also include hundreds of other charges for which the documentation does not allow us to draw an immediate conclusion as to the appropriateness of the expenses; the NRA reserves all rights with respect to those items.)

¹ Exhibits documenting the specific expenditures, and numbered to match these categories, are being transmitted via an FTP link accompanying this letter.
(703) 267-1062
(703) 267-3909 fax

For each expenditure identified below, we ask that Mr. Powell describe an appropriate business purpose. If no such purpose can be provided, the NRA requires reimbursement of the expenses as set forth above.

	Description	Amount
1	Airfare for Colleen Gallagher for travel between Washington, DC and the family home in Michigan incurred from 2016 to 2018.	\$6,689.60
2	Private Cars / Limo for Colleen Gallagher incurred in connection with travel to the family home in Michigan in 2019.	\$801.09
3	Airfare for Joshua Powell and Colleen Gallagher for travel to Palm Beach, Florida between 2016 and 2018.	\$4,142.65
4	Airfare for Joshua Powell and Colleen Gallagher for travel to Denver, Colorado in March 2017.	\$1,470.40
5	Travel expenses for Joshua Powell for travel to Hartford, Connecticut, including 13 flights, six car rentals and one hotel stay between 2017 and 2019.	\$6,348.35
6	Airfare for Colleen Gallagher for 18 flights to multiple destinations, including: Hartford, Connecticut, San Antonio, Texas, Oklahoma City, Oklahoma, Savannah, Georgia, Las Vegas, Nevada, Phoenix, Arizona and Dallas, Texas.	\$8,010.56
7	Airfare for Miriam Powell for travel between Jacksonville, FL and Chicago, Illinois on March 6, 2017 and airfare for Eva Powell for travel from 1) Michigan to Washington DC on August 28, 2017; 2) Hartford, Connecticut to Michigan on January 16, 2018 and 3) Dallas, Texas to Washington, DC on May 7, 2018.	\$2,234.93
8	Airfare expense Joshua Powell described as "Airfare - ORD to DCA - Relocation Expense." The July 2019 Amex statement indicates that this charge was for airfare from DCA to LGA on June 27, 2019.	\$522.30
9	Airfare upgrade expenses for Joshua Powell incurred between 2016 and 2019	\$1,719.32
10	Airfare upgrade expenses for Colleen Gallagher incurred between 2016 and 2018.	\$797.45
11	Uber Black transportation between Joshua Powell's apartment at 105 N. Union St, Alexandria VA and McKenna and Associates' office at 1220 N. Fillmore St., Arlington, VA between June 6, 2018 and September 25, 2019.	\$548.75
12	Purchase of personal miles for Joshua Powell from United Airlines on August 27, 2016.	\$162.00
	TOTAL	\$33,447.40

II. Questionable Cellular Charges

Mr. Powell submitted reimbursement requests for monthly charges for cellular phone bills at a time when he had been issued a phone fully paid by the NRA. Please provide a copy of the relevant cellular contract, along with monthly statements or invoices.

1	AT&T charges expensed by Joshua Powell from October 16, 2016 to October 29, 2018.	\$13,924.25
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III. Questionable Parking and Limousine Charges

On at least two occasions, Mr. Powell incurred airport parking expenses in Chicago concurrently with the use of limousine service between Chicago and his home in Michigan. We ask that Mr. Powell explain these expenses or reimburse, at 2% interest, the greater of (i) the airport parking charge or (ii) the limo charge for each trip.

1	Private limo transportation for Joshua Powell from ORD to his Michigan home on April 4, 2019 (\$267.03), with a parking expense at ORD that ended on the same day (\$131).	\$267.03
2	Private limo transportation for Joshua Powell from Michigan home to ORD airport on April 8, 2019 (\$267.03), and from ORD to Michigan home on April 19, 2019 (\$267.03) (both trips totaling \$534.06), with simultaneous parking expense at ORD from April 9, 2019 to April 18, 2019 (\$360)	\$ 534.06

IV. Duplicate Reimbursements and Late Fees

On several occasions, Mr. Powell submitted duplicate reimbursement requests, or cash reimbursement requests for expenses that had been paid on a corporate credit card. He also submitted receipts that aggregated, along with Mr. Powell's monthly rent, late fees incurred for late payment of rent. included late fees for rent—timely payment of which was his responsibility, even if the rent itself was appropriately paid by the NRA. The NRA believes that all of these charges are unjustifiable and cannot properly be paid by the NRA, and therefore must be reimbursed in full at 2% interest.

1	Duplicate reimbursements for apartment rental (\$4,195.81) and renter's insurance (\$193) paid on September 19, 2017; parking at Gerald R. Ford International Airport (\$54) in October 2016.	\$4,442.81
2	Late fees paid for rent at The Kingsley incurred in September 2016 and January 2017.	\$908.90
	TOTAL	\$5,351.71

V. Technology Purchases

In addition, Mr. Powell purchased various computer and phone-related hardware and software directly from retailers, rather than through NRA Information Services as required by NRA policy. The transactions are detailed in the exhibits, and total \$4,188.15 for charges between August 2016 and June 2019.

According to NRA personnel, the hardware and software purchased is not in the possession of the NRA. As Mr. Powell is aware, the NRA has data-preservation and document-collection obligations in connection with multiple subpoenas, which encompass devices purchased by Mr. Powell with NRA funds. We ask that Mr. Powell provide a detailed accounting of the items purchased, their business use (if any), and their current whereabouts. We also ask that all NRA-purchased electronics be delivered to NRA headquarters for inventory and imaging no later than November 22, 2019.

VI. Other Issues

Finally, the NRA reserves the right to further address other issues identified in the review, including:

- Airfare, parking, limousine and Uber charges, and tolls for travel to and from Mr. Powell's home in Michigan;
- Housing, parking, and utility expenses in Alexandria, Virginia, especially after Mr. Powell's salary increase to \$800,000 per year as of January 1, 2018;
- Moving expenses between addresses in Alexandria and not related to relocation from Michigan;
- Private jet travel from Washington, D.C. to Pittsburgh, Pa. on May 17, 2017, at a cost of \$7,884.63;^{*}
- Frequent flyer program and airline club access fees;
- Passport renewal services in October and November 2016 for a total of \$220.00, with no apparent connection to foreign travel on behalf of the NRA;
- Rental car insurance charges, which are expressly disallowed under the NRA travel expense policy; and
- Parking tickets, which are disallowed under NRA policy.

As you and I discussed by phone, the NRA would like to resolve these issues quickly, in the best interest of all parties. Therefore, we ask that Mr. Powell respond to these questions no later than **Friday, November 22**.

^{*} The NRA travel policy states that "Travelers are expected to use the same care in incurring expenses that a prudent person would use while traveling for personal reasons, considering the purpose and amount of the expenditure."

Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "John C. Frazer", with a stylized flourish extending to the right.

John C. Frazer
Secretary and General Counsel