

VIRGINIA:

IN THE CIRCUIT COURT FOR THE CITY OF ALEXANDRIA

NATIONAL RIFLE ASSOCIATION OF AMERICA,)

Plaintiff,)

v.)

ACKERMAN MCQUEEN, INC.,)

and)

MERCURY GROUP, INC.)

Defendants.)

Case No. CL19001757
CL19002067

MEMORANDUM OF LAW IN SUPPORT OF DEFENDANTS'
MOTION TO COMPEL PLAINTIFF TO PROVIDE MEANINGFUL AND
SUPPLEMENTAL ANSWERS TO INTERROGATORIES

Pursuant to Virginia Supreme Court Rule 4:12(e), Defendants Ackerman McQueen and Mercury Group (hereafter "AMc") have moved to compel the National Rifle Association of America (hereafter "NRA") to provide meaningful and supplemental responses to AMc's interrogatories issued in the above-captioned cases. This Memorandum will outline the NRA's deficient, evasive and incomplete responses to interrogatories and will explain why the answers are incomplete and why they require supplementation.

Relevant Background

On July 11, 2019, Josh Powell, the Chief of Staff & Senior Strategist of the NRA signed off on the NRA's interrogatory responses in Case No. CL19001757. See **Exhibit A**, Interrogatories in CL19001757, Declaration of Josh Powell. He affirmed under penalty of perjury that the NRA's responses were true and correct. Mr. Powell has now been placed "on leave" by the NRA pending an investigation by NRA counsel. Thus, there is no NRA official in good

standing who has affirmed the NRA responses under oath. In the time period since Mr. Powell first affirmed the NRA's evasive and incomplete answers, the parties have disputed the asserted facts, additional facts have been elicited in depositions, and yet the NRA has taken no steps to correct the deficiencies that were apparent upon the first reading of the interrogatory responses and which have been shown to demonstrably false by subsequent events. The NRA has an obligation to seasonably amend its interrogatory responses, yet it has failed to do so. Va. Sup. Ct. R. 4:1(e). Now is the time for the NRA to provide meaningful, supplemental and fulsome responses to interrogatories.

On August 23, 2019, AMc's counsel sent to NRA's counsel the "Deficiency Letter" outlining the gross deficiencies in the NRA's responses to Interrogatories. See **Exhibit B**, August 23 Deficiency Letter. The NRA has failed to provide a written response to the Deficiency Letter. The NRA failed to supplement any of its responses. In the intervening months, the issues were discussed in various meet and confer sessions and in on-the-record discussions during depositions.

I. Primary Example of the NRA's Stonewalling – The Leak Allegation

The NRA alleges that AMc persons "leaked" confidential information to the press and that such leaks resulted in \$40 million of damages. AMc made the simple and logical request that the NRA provide a sworn answer to an interrogatory to support its allegation about AMc's leaks. Specifically, AMc requested that the NRA "Identify each employee or agent of the Defendants that the NRA believes has 'leaked' information about the NRA, and specifically what information was leaked, who that information was leaked to, and when the leak occurred." **Exhibit C**, Interrogatories in CL19002067, Interrogatory No. 7 at 18. The NRA failed to provide a full and complete response to that interrogatory. Instead of identifying *any AMc employee or agent*, the NRA completely skipped that portion of the interrogatory and instead pointed to seven news

articles that “are believe to reflect information leaked by, or with the knowledge and consent of, AMc.” *Id.* at 19. It is time for the NRA to move beyond what it believes and to present what evidence it has. The NRA has engaged in extensive depositions concerning the leaks – with all of such inquiries directed at its own members and board directors. None of the NRA’s witnesses pointed to AMc as the source of any leak to the press. On the other hand, AMc has taken depositions to elicit any evidence that the NRA has about leaks. NRA EVP Wayne LaPierre testified that he and the NRA Treasurer were more concerned about leaks coming from his Treasurer’s Office than he was about any leaks from AMc. (LaPierre Dep. 322:3-5). When Mr. LaPierre was asked to identify any leak he knew emanated from AMc, he provided the following testimony:

[Mr. Schertler]: The NRA has alleged in a second lawsuit that Ackerman McQueen was leaking information to media sources that was confidential and violated -- in doing so, violated the services agreement.

[Mr. LaPierre]: We actually know that for a fact.

[Mr. Schertler]: Okay. So tell me -- tell me the fact that you know to support that allegation.

[Attorney colloquy omitted.]

[Mr. LaPierre]: A reporter told the law firm.

[Mr. Collins]: Okay. So you found out from the law firm.

[Attorney colloquy omitted.]

[Mr. Schertler]: What fact did you learn?

[Attorney colloquy omitted.]

[Mr. LaPierre]: I learned that Lacey Duffy was on the phone with The Wall Street Journal.

[Mr. Schertler]: Do you know what -- according to the fact, what did Lacey Duffy convey to The Wall Street Journal?

[Mr. LaPierre]: She was alleging that our niece’s child put crayons all over the wall of a hotel, which was completely not true.

[Mr. Schertler]: Hotel in a particular location?

[Mr. LaPierre]: Yes.

[Mr. Schertler]: Where?

[Mr. LaPierre]: In Los Angeles.

[Mr. Schertler]: So the fact you know is that Lacey Duffy told a Wall Street Journal reporter --

[Mr. LaPierre]: Right.

[Mr. Schertler]: -- and this -- do you know the name of the reporter?

[Mr. LaPierre]: Yes, Mark Maremont.

[Mr. Schertler]: And she told that reporter that your niece's daughter had crayoned a wall at a Los Angeles hotel?

[Mr. LaPierre]: Correct.

[Mr. Schertler]: Which? The Beverly Hills Hotel?

[Mr. LaPierre]: The Four Seasons.

[Mr. Schertler]: The Four Seasons. And -- and without telling us your conversation with the lawyer, what's your understanding of the source of that information about what Lacey told the reporter?

[Mr. LaPierre]: What do you mean?

[Mr. Schertler]: How did you all learn about the --

[Mr. LaPierre]: The reporter called us.

[Mr. Schertler]: And told you that Lacey told the reporter that?

[Mr. LaPierre]: He told -- he told -- he told our media spokesperson that.

[Mr. Schertler]: Okay. So that's -- I understand and appreciate that. What other facts do you have about any information that might have been leaked by Ackerman McQueen or Mercury employees to media? Do you have any other facts?

[Mr. Collins]: Not getting into --

[Mr. Schertler]: Not getting into the source of them, but just what facts do you have that support that allegation?

[Mr. LaPierre]: I think --

[Mr. Collins]: Don't speculate. What you know.

[Mr. LaPierre]: It's all -- everything I have is secondhand so I -- I probably --

[Mr. Schertler]: So other than the Lacey incident, everything else is what we call hearsay or secondhand information.

[Mr. LaPierre]: Well, there are -- there are other people that know more, but it's -

[Mr. Schertler]: Who are the other people that know more? Could you tell me?

[Mr. LaPierre]: I think that it's --

[Mr. Collins]: Attorneys?

[Mr. LaPierre]: It's attorney privilege.

[Mr. Collins]: Right, okay.

[Mr. Schertler]: Well, are there other witnesses that you know of that have firsthand information about Ackerman McQueen leaking information?

[Mr. Collins]: You can answer that yes or no.

[Mr. LaPierre]: No.

[Mr. Schertler]: So you don't know of other witnesses.

[Mr. LaPierre]: No.

(LaPierre Dep. 235:14-239:22)

In short, Mr. LaPierre asserts that he authorized the filing of the second lawsuit when the only knowledge that he had about any purported leaks by AMc was a second hand claim that an AMc employee told a reporter that his niece had put crayon marks on the wall of the Four Seasons Hotel in Beverly Hills. This information relating to a non-NRA person was not covered by any confidentiality clause in the Services Agreement and was never published by any news organization. The NRA suffered no damages from this alleged leak (which, by the way, is denied by AMc). Moreover, when pressed for more specifics about the leaks that allegedly harmed the NRA, Mr. LaPierre hid behind some sort of made-up "attorney privilege."

Most recently, the issue of whether the NRA had any evidence of "leaks" by AMc personnel was addressed during the deposition of John Frazer, AMc's General Counsel and Secretary. Mr. Frazer refused to provide information that he said was known to him because he learned the information from counsel for the NRA. If the NRA has evidence of any leaks by AMc, it must provide that information. It cannot stonewall the request for information about leaks behind a bogus claim of attorney-work product privilege. The NRA has claimed \$40 million of damages that flowed from AMc leaks. *See the ad damnum clause in Case No. 19002067.* Yet, the NRA has failed and refused to disclose the details of any such leak in response to a discovery request directly seeking such information. Who is the leaker? What was leaked? What damages were suffered? The NRA has stonewalled AMc on these crucial issues.

If a party is going to sue another party for \$40 million for a leak to the press, the suing party has an obligation to do enough of a pre-filing investigation to assert the nature and existence of such a “leak.” The interrogatory response from the NRA demonstrates that the NRA did no such pre-filing investigation and had no evidence of a leak – even months after filing the second law suit. Moreover, when asked to provide information about any person with knowledge about the allegations in the Complaint, the NRA failed to list any reporters. *See* Interrogatories in CL19002067, Response to Interrogatory No. 1 at 8-9. The NRA must provide this information or have its leak claims dismissed. The NRA response to the critical interrogatory in the second case is grossly deficient and a more fulsome answer must be compelled.

Similarly, the NRA refused to provide meaningful answers to critical interrogatories about the damages it has suffered or the breaches of contract that it claims AMc caused. AMc should not be forced to go to trial without sworn statements about such critical issues.

II. Specific Interrogatories and Deficient Responses

A. AMc Interrogatories in the First Case – No. CL19001767

The following interrogatories were addressed in AMc’s deficiency letter and the NRA has taken no steps to cure the deficiency that was identified. In the absence of any written supplementation, the Court should grant AMc’s motion to compel supplemental answers to the interrogatories identified below. The deficiencies stated in the August 23, 2019 letter stand un rebutted by any action or response by the NRA. Where further information is necessary to add to the deficiency letter, such additional information is footnoted below:

Interrogatory No. 5

Identify and describe in detail any communications referring to or relating to concerns by any NRA employee, director or agent regarding expenditures made by the NRA to Brewer Attorneys and Counselors or any other entity related to, or affiliated with William Brewer.

NRA Response to Request No. 5: “Subject to the foregoing objections and the General Objections, the NRA intends to respond to this Interrogatory by identifying non-objectionable responsive documents produced pursuant to Rule 4:9, which refer or relate to Col. North’s purported concerns ‘regarding expenditures made by the NRA to Brewer Attorneys and Counselors or any other entity related to, or affiliated with William Brewer.’”

Deficiency: The NRA’s agreement to provide responsive documents narrows the scope of the response to “documents which refer or relate to Col. North’s purported concerns[.]” However, the available evidence indicates that others within the NRA, independent of Col. North, also expressed concerns about “expenditures made by the NRA to Brewer Attorneys and Counselors[.]” For example, we note press reports relating to concerns raised by NRA employee Emily Cummins. Thus, to the extent that NRA is attempting to limit the response to documents which only directly relate to Col. North’s communications, the limitation is improper. The NRA needs to produce all documents that relate to concerns about “expenditures made by the NRA to Brewer Attorneys and Counselors[.]” Separate and apart from this deficiency, while the NRA is entitled to produce documents in response to an interrogatory, it is incumbent upon counsel to ensure that the documents provide a complete response. Common sense indicates that there may be key conversations regarding Brewer billing that may not have been reduced to writing. For example, Wayne LaPierre and other senior executives, may have orally discussed the Brewer billing issue with others, but not committed the conversation to writing. The NRA, through counsel, should either to include a summary of these conversations in a response or explicitly confirm that no such oral conversations occurred. We note that despite the passage of time of over one month, no such business records relating to this Interrogatory has been produced.

Interrogatory No. 6

Itemize and describe in detail all payments and expenditures made by the NRA to Brewer Attorneys and Counselors since 2016.

NRA Response to Request No. 6: The NRA objects to this request on the grounds the information requested is privileged and not relevant.

Deficiency: The objection is without merit. Evidence of payments to a law firm is not privileged. Relevance is not a valid objection to a discovery request. Moreover, AMc has explained both in its counterclaim and in discovery conferences that it asserts, among other things, that the Brewer firm manufactured the NRA’s claims as part of an effort to seize the business previously handled by AMc and to redirect it to the Brewer firm. The itemization requested will provide evidence directly relevant to that point. Additionally, the itemization is directly relevant to the allegations involving Col. North. and the alleged “conspiracy” with AMc. The parties dispute whether excessive billings by the Brewer firm were a central cause in the schism between Col. North and LaPierre. Finally, to the extent,

that some of the information requested is privileged, the NRA should redact the information or otherwise identify and separate it.

Interrogatory No. 7

Identify and describe in detail the factual and legal bases for your contention that AMc breached the Services Agreement, and please identify every term of the Services Agreement that you contend AMc has breached and the manner in which you contend AMc has breached that term(s).

NRA Response to Request No. 7: The NRA objects on the grounds that this is a contention interrogatory that is premature under Rule 4:8(e).

Deficiency: Rule 4:8(e) only provides an excuse for not responding if the court issues an order that it need not be answered. Here, the NRA was obligated to undertake a pre-filing investigation to determine if it has sufficient grounds for alleging a breach of contract. The NRA must provide a detailed factual and legal basis for bringing the law suit. It is not enough to assert e.g., that AMc has leaked to various media outlets without providing any factual support for how the NRA knows that it was AMc that is the source of the leak. This “factual basis” is wholly absent in the NRA’s interrogatory response. This fact question has become all the more critical in light of the NRA’s multiple depositions into the source of the leak and no evidence that AMc leaked, coupled with current reports in the New York Times on August 22, 2019 that the NRA’s attorney Cooper sent an email saying of Mr. Brewer: “He is kicking our side’s ass because no one on our side will leak AckMc’s info.” It is time that the NRA produce evidence that Ackerman McQueen was the leaker or it should withdraw its claims on that point. Similarly, the NRA must provide a full factual and legal basis for all claims of breach.^[1]

Interrogatory No. 10

Identify and describe in detail any and all damages the NRA claims it has sustained as a result of the alleged breach of contract by AMc as described in the Amended Complaint, including the estimated monetary value of the alleged damages.

NRA Response to Request No. 10: “Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by referring

¹ Since the NRA asserted that contention interrogatories are “premature,” five months have passed and yet the NRA has not supplemented its response, nor has it moved pursuant to Va. Rule 48(e) for leave to delay its response. The notion that a contention interrogatory automatically does not need to be addressed until discovery closes is patently incorrect and turns Rule 4:8(e) on its head. The Rule mandates that contention interrogatories must be answered unless the court may order otherwise. The critical contention going to the heart of the NRA’s claims against AMc should be fully supported with enough time for AMc to engage in discovery to rebut the facts that allegedly support the contention.

Defendant AMc to the NRA's allegations as set forth in its Amended Complaint, on pages 14 through 17 (starting at Paragraph 35). The NRA will supplement its response to this Request at the appropriate time."^{2]}

Deficiency: This response is insufficient. At a minimum, when the NRA alleged that AMc had caused it damages, it should have had some understanding of those damages and the factual basis for the damages claimed. The mere reference to allegations in the Complaint does not satisfy the Plaintiff's obligation to provide sworn responses to interrogatories. This is a baseline ethical responsibility for all plaintiffs. However, rather than provide any clarity on its assertions, the NRA seeks to kick the can down the road. This severely prejudices AMc's ability to defend itself. But more to the point, it is unreasonable. Now, four months after the Complaint was filed, the NRA should be able to articulate specifically how it was damaged and its estimate of those damages. The NRA's assertion that it can delay providing this information has no basis in the law. Without immediate supplementation of this interrogatory, NRA will be admitting that it has no proof of damages.

Interrogatory No. 11

Identify each employee, director, or agent of the NRA who has made a request to review or examine AMc records since January 1, 2018, including within your response the circumstances and content of each request.

NRA Response to Request No. 11: The NRA responds to this request by providing a "non-exhaustive" list of individuals that made a request to view AMc records.

Deficiency: The allegation that the NRA made repeated requests to review AMc records is central to its claims. Thus, AMc is entitled to know all of the NRA

² The Amended Complaint describes the damages suffered by the NRA in vague terms, as follows:

37. Defendants' breaches of the Services Agreement have damaged—and threaten to imminently, irreparably harm—the NRA's legitimate operational interests as a not-for-profit organization. By denying the NRA access to basic information regarding the nature of the services being performed, the putative budgets for these services, and the material terms of third-party contracts for which the NRA is purportedly liable, Defendants have jeopardized the NRA's ability to steward its funds in pursuit of its public mission. Moreover, AMc's continued and baseless refusal to disclose material information relating to the North Contract threatens to impede the NRA's corporate governance.

AMc is rightfully entitled to take discovery and receive a fulsome response concerning the "legitimate operational interests" that have been harmed and the extent of that harm. Likewise, the vague statement that "Defendants have jeopardized the NRA's ability to steward its funds" is a nonsense term that does not articulate any actual harm to or damage suffered by the NRA.

employees and executives who made the request. Accordingly, the NRA needs to list every such individual. Without any immediate supplementation to the list, AMc will be entitled to use the list presented by the NRA in its response as an admission that there was no request by any authorized designee at the NRA for any request to view AMc records.

Interrogatory No. 13

Describe all communications between any employee, representative, agent, or director of the NRA and representatives of any press and/or media organizations with respect to the events alleged in the Amended Complaint. Your response should include the date of the communication, to whom it was made, how it was made, and what was the content of the communication(s).

NRA Response to Request No. 13: The NRA further objects to this Interrogatory as overbroad and unduly burdensome due to its unrestricted scope, because it requests the NRA to “[d]escribe” “all communications” between any of Plaintiffs representatives, employees, agents or directors and members of the press, “with respect to the events alleged in the Amended Complaint,” absent any limitation calculated to yield evidence probative of any subject of the claims or counterclaims. For example, one event alleged in the Amended Complaint is the NRA’s 2019 Annual Meeting, which itself is the subject of thousands of individual communications between the NRA’s professional public relations staff and members of the news media, the description of which would require great time and expense not proportional to the probative value thereof.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that it will produce communications issued after the filing of the Initial Complaint on April 12, 2019, about the subject matter of the Initial or Amended Complaint.

Deficiency: The NRA has taken an intentionally myopic view of this interrogatory. The NRA’s 2019 Annual Meeting is not an event alleged in the Amended Complaint. Rather, the Amended Complaint primarily concerns specific interactions with AMc or about AMc, interactions with or about Oliver North, and the Services Agreement. Thus, AMc seeks all communications between the press and the NRA’s agents related to these topics. Given that some of these events predate April 12, 2019, there is no reason to limit the response to communications after April 12, 2019. Finally, the NRA’s agreement to “produce communications” is confusing. The request seeks *all* communications. Thus, if an NRA employee or agent has orally communicated with a member of the press regarding the events alleged, then the NRA has a responsibility to provide the requested summary. Please supplement your response accordingly.^[3]

³ Discovery to date in the case indicates that the NRA and its agents were the source of innumerable leaks to the press. A fulsome response to this interrogatory request is necessary to allow the decision-maker to determine whether any particular leak is coming from AMc or the

Interrogatory No. 14

Identify and describe all communications and documents relating to how the NRA reviewed, accounted for, or paid the expenses that are identified in the five letters from AMc to the NRA dated April 22 or 24, 2019. Your response should include whether the NRA instructed AMc to pay for these expenses and the details of any such instruction. These five letters are attached hereto as Exhibit A.

NRA Response to Request No. 14:

[A] The NRA further objects to this Interrogatory on the grounds that it is overbroad and unduly burdensome to the extent it seeks information about "all communications and documents" relating to incomplete information about alleged expenses identified in five documents which AMc attaches as an exhibit to this Interrogatory, and which purport to describe expenses spanning more than fifteen (15) years.

[B] This Interrogatory is objectionable because it seeks information equally - or more - available to AMc and its counsel, as it is to the NRA. Moreover, the NRA objects to this Interrogatory on the grounds that it is vague and ambiguous to the extent that it lists expenses incurred by AMc and presumably paid by AMc; no invoices to the NRA for any such "expenses" are appended. Likewise, the Interrogatory is vague and ambiguous because it purports to seek the identity of communications and documents "relating to how" the NRA "reviewed" certain expenses; the NRA is not able to determine the category or type of information which might satisfy AMc's request for records of "how" expenses are reviewed.

[C] Additionally, the NRA objects to this Interrogatory on the basis that the information purportedly sought is not relevant to the subject matter of this litigation nor likely to lead to the discovery of admissible evidence. ... This Interrogatory is not probative of any claim or defense that is the subject of this Lawsuit, and instead appears to be presented for the purpose of harassing and embarrassing the NRA.

Deficiency:

A. The NRA's characterization of this request as overly broad is disingenuous. The interrogatory seeks descriptions of communications and documents related to specific classes of expenses which are both described in letters and for which supporting documentation is referenced. These classes are (1) travel for the LaPierres arranged by II & IS, (2) clothing purchased at Zenga, (3) specific charges incurred by Tony Makris, and (4) travel expenses incurred on behalf of Wayne LaPierre. Moreover, to the extent you are concerned that the expenses cover

NRA. The NRA must answer this interrogatory or forfeit its claim that AMc is responsible for the leaks.

a range of “15 years,” we agree to limit the request for information to expenditures incurred after January 1, 2015.^[4]

B. The NRA’s objection that the information sought is “equally - or more - available to AMc” is inaccurate. The request focuses on how certain expenses were accounted for by the NRA. Thus, while AMc may have some knowledge about some of the expenses, it does not have information specifically about how the NRA accounted for these expenses, let alone knowledge of NRA communications directly related to these expenses. The NRA’s related assertion of vagueness lacks merit for the same reason. AMc seeks to understand how the expenses at issue were accounted for by the NRA and what discussions have occurred with respect to the accounting of those expenses.

C. The NRA’s assertion that the request seeks information “not relevant to the subject matter of this litigation nor likely to lead to the discovery of admissible evidence” disregards that this case concerns an allegation that AMc has failed to provide sufficient transparency with respect to its billing. These expenses at issue, among other things, bear upon how expenses were processed by AMc at the request of the NRA and the lack of documentation sometimes provided by the NRA. The expenses also bear upon the NRA’s internal financial mismanagement, which it has improperly attempted to lay at the feet of AMc through filing this lawsuit. Thus, the information requested is both relevant and will lead to the discovery of other relevant information.

Interrogatory No. 15

Identify and describe all communications and documents relating to Wayne LaPierre’s prospective purchase of a house in Dallas in 2018. Your response should include a detailed description of how any proposed transaction was structured.

NRA Response to Request No. 15: Subject to the foregoing objections and its General Objections, the NRA responds to Interrogatory No. 1[5] by stating that in or around May of 2018, AMc founder Angus McQueen proposed that the NRA acquire property in Dallas to serve the NRA’s security needs. Ultimately, the proposal was rejected by Wayne LaPierre. Pursuant to Rule 4:8(f), the NRA will produce and specify business records that refer or relate to the alleged prospective purchase by Mr. LaPierre of a house in Dallas in 2018.

Deficiency: While AMc acknowledges that the NRA can produce documents to respond to an interrogatory, such a response does not absolve the NRA from providing information requested that is not contained within documents. We note that the NRA has not produced such business records. Thus, the NRA has a responsibility to “[i]dentify and describe all communications” regarding the prospective purchase that are not contained in emails. The only conversation that the

⁴ Despite AMc’s effort to narrow the scope of this interrogatory, the NRA failed to provide the requested information.

NRA mentions is that in May 2018 Angus McQueen proposed the acquisition of a property. Please supplement with all other conversations that are not memorialized in documents.

Interrogatory No. 16

Identify and describe in detail any communications concerning the NRA's compliance with the State of New York's Not-for-Profit Corporation Law, including but not limited to all communications relating to all meetings, discussions, and investigations.

NRA Response to Request No. 16: The NRA incorporates its General Objections. In addition, the NRA objects to Interrogatory No. 16 to the extent that AMc seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved. Any such communications, including those that relate to "meetings, discussions, and investigations" concerning the NRA's compliance with the law are privileged or otherwise protected from disclosure.

The NRA also objects to this Interrogatory as overbroad, unduly burdensome and vague because it fails to specify which of the more-than 250 sections of the New York State Not-for-Profit Corporation Law AMc purports to seek communications about. The time and expense of responding "in detail" to this Interrogatory is disproportionate to the relatively minute probative value that such a response could provide. The NRA also objects to this Interrogatory on the basis that it is overbroad and unduly burdensome because it seeks "detail" about all such "communications concerning the NRA's compliance" with the law.

Additionally, the NRA objects to this Interrogatory as not relevant to the pending matter nor reasonably calculated to lead to the discovery of admissible evidence.

Deficiency: AMc acknowledges that some communications and documents associated with the NRA's compliance with the State of New York's Not-for-Profit Corporation Law are likely privileged. The mere fact that the communication may be privileged does not obviate the need for the NRA to disclose the existence of the communication, the date, time and people present and, if the communication is in writing, the document should be listed in a privilege log. The privilege only applies to the substance of the communication. Moreover, according to the Complaint, the NRA's requests for additional documentation from AMc, which allegedly spurred this lawsuit, were made pursuant to an NRA overhaul of vendor monitoring practices. AMc finds it highly unlikely that all of the documents, discussions, and policies that resulted are all subject to privilege. For example, both accountants and board members appear to have discussed these issues in non-privileged arenas. These same reasons make the request for information highly relevant, as AMc is entitled to test the

NRA's assertion that these laws were the sole cause of the requests for additional information.

B. AMc Interrogatories in the Second Case – No. CL 19002067

The NRA's evasiveness continued with the responses it provided with respect to the interrogatories issued by AMc in the second law suit filed by the NRA. See **Exhibit C**, Interrogatories in CL19002067. Those deficiencies can be summarized as follows:

(i) Interrogatory No. 2

With respect to each person identified in response to Interrogatory No. 1, that is an NRA employee or agent, describe specifically that person's knowledge of the facts and circumstances of the subject matter of the Complaint and that person's basis for that knowledge.

The NRA failed to name any person with knowledge about any AMc leak. The NRA also stated that it was continuing to investigate this matter, but it has failed to supplement its response that was issued on August 20, 2019.

(ii) Interrogatory No. 3

With respect to each person identified in response to Interrogatory No. 1, that is not an NRA employee or agent, describe specifically that person's knowledge of the facts and circumstances of the subject matter of the Complaint and that person's basis for that knowledge.

Again, the NRA failed to name any person outside of the NRA with any knowledge of any AMc leak. Without such information, the NRA's allegation of any AMc leak should be dismissed.

(iii) Interrogatory No. 5

Identify the specific employees of Defendants that the NRA believes were "allocating substantial time to non-NRA clients" even though these employees were "NRA-Dedicated Personnel," and include in your response all facts relating to or supporting that contention.

The NRA asserted that this interrogatory was premature, but has failed to supplement its response in the months since the interrogatory was issued. Moreover, the NRA speculates that NRA-dedicated AMc employees "may have been deployed" to perform services on the Chickasaw

Nation account. Such speculation should be supported by evidence by this time or it should be eliminated as non-evidentiary speculation.

(iv) Interrogatory No. 7

Identify each employee or agent of the Defendants that the NRA believes has “leaked” information about the NRA, and specifically what information was leaked, who that information was leaked to, and when the leak occurred.

This critical interrogatory seeking information about the leaks alleged by the NRA has been addressed supra.

(v) Interrogatory No. 8

Identify the specific “sources” that “advised” the NRA “that leaks were emanating from AMc” and describe in detail the content and circumstances of every communication in which “sources” advised the NRA “that leaks were emanating from AMc.”

This additional interrogatory seeking additional information about the alleged AMc leaks was evaded in the NRA’s original response with the statement that the NRA “continues to investigate the subject matter of the litigation...” It also refers to allegations in the complaint that are mere allegations and not sworn statements.

(vi) Interrogatory No. 11

Identify and describe in detail the entire factual bases for your contention that “AMc directly or indirectly disclosed the NRA’s confidential information [to the] The New York Times, The Wall Street Journal, The Daily Beast, [and/or] Rolling Stone.”

Again, the NRA refuses to provide any details about AMc leaks by claiming that the investigation into specific articles in specific publication is ongoing and that the NRA will supplement its responses. However, we are nearing the end of discovery and the NRA has failed to supplement its responses.

(vii) Interrogatory No. 12

Describe all communications between any employee, representative, agent, or director of the NRA and representatives of any press and/or media organizations with respect to any

of the events alleged in the Complaint. Your response should include the date of the communication, the parties to the communication, how it was made, and the content of the communication(s).

Here the NRA refuses to provide information about its own employee contacts with media representatives claiming that “the expense and effort of reviewing the communications of each of hundreds of employees, representatives, agents or directors of the NRA for communications with any news or media outlet or the representative of such outlet , is not reasonably proportional to the needs of the case.” Yet, this task is precisely the task that the NRA seeks to impose on AMc in its discovery requests. If the trial is to determine whether it is AMc or the NRA that is leaking to the press, there must be full disclosure by the NRA about its media contacts.

(viii) Interrogatory No. 13

Identify and describe in detail the factual bases for your contention that AMc caused North to “relay an extortion threat to the NRA on April 24, 2019.”

The NRA asserts that this interrogatory is premature because it seeks information about one of the NRA’s contentions that North conspired with AMc to relay the extortion request to Millie Hallow. Discovery has now conclusively demonstrated that Oliver North did not consult with or act in concert with AMc about his phone call. Millie Hallow has testified that Oliver North did not speak for AMc during the call, but that she was asked to manufacture evidence by the discredited Josh Powell to sign a document that falsely stated that North was speaking on behalf of AMc. The NRA must supplement its interrogatory response to address these facts and to correct its false allegations in the Complaint.

(ix) Interrogatory No. 14

Identify and describe in detail any and all damages the NRA claims it has sustained as a result of AMc’s alleged conduct as described in the Complaint, including the estimated monetary value of the alleged damages.

The NRA claimed that the request for details of its damages is premature. Now, after six months of discovery, the NRA should be compelled to provide such damages information under oath to allow AMc to conduct discovery into such damage assertions before discovery closes.

(x) Interrogatory No. 15

Describe in detail the findings and conclusions of each examination of AMc's records pursuant to Section VIII since 2014, and specify whether any negative findings and conclusions of such examinations were communicated to AMc.

The NRA misconstrues this interrogatory as a contention interrogatory and is therefore premature. It is not a contention interrogatory and it is not premature. It seeks the findings and conclusions relating to each examination that was complete since 2014. Those findings and conclusions are fixed when the examination was completed and require no further discovery or analysis before being turned over to AMc. Because the NRA has mischaracterized AMc response to requests for examinations, this interrogatory is vital to the Defendant's preparation for trial.

(xi) Interrogatory No. 20

Identify any expert that the NRA expects to testify at trial, the qualifications of the expert, the sum and substance of each opinion that the expert is expected to provide, and the basis for each such opinion.

Defendants have received a supplemental interrogatory response relating to the designation of expert witnesses. The inadequacies of this supplemental response and the expert disclosures are addressed in a separate motion to compel.

CONCLUSION

Based on the foregoing analysis, Defendants respectfully request that that the motion to compel be granted and that the NRA be compelled to provide full and complete responses to discovery requests and that the fees and costs incurred by the Defendants to bring this motion should be awarded.

Respectfully submitted,

ACKERMAN MCQUEEN, INC. and
MERCURY GROUP, INC.

By Counsel

Dated: January 23, 2020

Respectfully submitted,

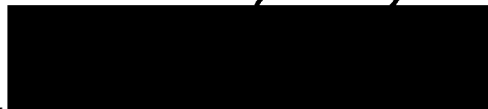


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CERTIFICATE OF SERVICE

I hereby certify that the foregoing document was served on July January 23, 2020, on the following counsel for Plaintiff by agreement via email addressed to:

James W. Hundley
Robert H. Cox
BRIGLIA HUNDLEY, PC
1921 Gallows Road, Suite 750
Tysons Corner, VA 22182
jhundley@brigliahundley.com
rcox@brigliahundley.com

A black rectangular box redacting the signature of David H. Dickieson.

David H. Dickieson

Exhibit A

VIRGINIA:

IN THE CIRCUIT COURT OF THE CITY OF ALEXANDRIA

**NATIONAL RIFLE ASSOCIATION
OF AMERICA,**

Plaintiff,

v.

ACKERMAN MCQUEEN, INC.

And

MERCURY GROUP, INC.

Defendants.

**Case No. CL19001757,
CL19002067**

**PLAINTIFF'S RESPONSES AND OBJECTIONS TO DEFENDANT
ACKERMAN MCQUEEN, INC.'S FIRST SET OF INTERROGATORIES**

Pursuant to Virginia Supreme Court Rules 4:1 and 4:8, Plaintiff/Counterclaim Defendant the National Rifle Association of America (the "NRA") submits the following Responses and Objections to Defendant Ackerman McQueen, Inc.'s First Set of Interrogatories (the "Interrogatories" or "Requests"). These responses are based on information currently available to the NRA. The NRA reserves the right to amend, supplement or correct its responses in accordance with the Virginia Rules of the Supreme Court.

The information supplied in these answers is not based solely on the knowledge of the executing party, but may include knowledge of the party, the party's agents, representatives, and/or attorneys, unless privileged. The word usage and sentence structure may be that of the attorney assisting in the preparation of these answers and thus does not necessarily purport to be the precise language of the executing party.

**CONFIDENTIAL
PURSUANT TO SERVICES AGREEMENT**

I. GENERAL OBJECTIONS

The General Objections set forth below apply to each of the numbered Interrogatories contained herein where applicable, whether or not specifically stated in response to each Interrogatory.

1. The NRA objects to the Definitions and Instructions, and to the Requests, to the extent that they seek to impose obligations greater than those imposed or authorized by the Code of Virginia, the Rules of the Virginia Supreme Court (the “Rules”), and any other applicable laws, regulations, rules, rulings, or pronouncements of this Court.

2. The NRA objects to the Requests to the extent that they seek information or documents which are privileged, exempt, or protected from disclosure by the attorney-client privilege, the attorney work product doctrine, or any other applicable statutory or common law privilege, prohibition, limitation, immunity, or exemption from discovery. Nothing contained in these responses is intended to be, or should in any way be deemed as, a waiver of the attorney-client privilege, attorney work product doctrine, or any other applicable privilege, immunity, prohibition, limitation, or exemption. The NRA’s response to any Request, or the production of any document in response to any Request – as contemplated by Defendant Ackerman McQueen, Inc. (“AMC” or “Defendant”) in its Instructions at Paragraph Four, and Rule 4:8(f) – is not, and shall not be deemed or construed as, a waiver of any privilege, right, or objection on the part of the NRA with respect to any such document or information.

3. The NRA objects to the Requests to the extent that they call for the production or disclosure of “Confidential Information” as that term is defined in Section IV.A. of the Services

Agreement, dated April 30, 2017 (as modified by Amendment No. 1, dated May 6, 2018).¹ Nothing contained in these responses is intended to be, or should in any way be deemed as, a waiver of the protections afforded to Confidential Information pursuant to the Services Agreement. The NRA submits its responses with the understanding that AMc will honor its confidentiality obligations.

4. The NRA objects to the Requests to the extent that they are overly broad and unduly burdensome. In particular, the NRA objects to the Definitions and Instructions as overbroad and unduly burdensome to the extent they purport to define the terms “NRA,” “You,” and “Your,” because the inclusion of agents and “others acting on [the NRA’s] behalf” in the definition of such terms would require the NRA to seek documents from persons outside of its control, including Defendant AMc who itself has long-served the NRA as an “agent.” Accordingly, the NRA’s responses to the Interrogatories will define the terms “NRA,” “Plaintiff,” “you” or “your” to mean the National Rifle Association of America and any of its officers, directors or employees, unless otherwise stated in a specific response.

5. The NRA objects to the Requests to the extent they subject the NRA to unreasonable burden and expense, including, but not limited to, the burden and expense of collecting or distilling information which is equally available – or more available – to AMc as it is to the NRA.

6. The NRA objects to the Requests to the extent they seek information not in its possession, custody, or control, or require the NRA to make unreasonable inquiries of persons or other entities.

¹ Confidential Information is defined in the Services Agreement to include “any NRA membership data or mailing lists, any materials or information relating thereto, or any other data, materials or information coming to the knowledge of AMc, supplied to AMc by NRA, or otherwise made known to AMc as a result of AMc’s providing Services” to the NRA.

7. The NRA objects to the Requests to the extent that AMc has the requested information within AMc's possession, custody, or control.
8. The NRA objects to the Interrogatories to the extent they are vague, ambiguous and/or unintelligible.
9. The NRA objects to the Requests to the extent they seek information that is neither relevant to the subject matter of the litigation nor reasonably calculated to lead to the discovery of admissible evidence.
10. The NRA objects to the Requests to the extent they seek information that violates the right of privacy guaranteed by law to the NRA and/or third parties.
11. All objections previously noted or filed separately are incorporated herein in their entirety by reference as if set forth verbatim, none are waived.
12. The information provided in these responses reflects the NRA's current knowledge, information and belief. The NRA reserves the right to change, modify, amend or supplement these responses as warranted based upon, among other things, discovery of additional facts and materials and other developments or proceedings in this action.
13. The NRA's failure to make a specific objection to a particular individual Request is not, and shall not be construed as, an admission that responsive information exists. Likewise, any statement or other indication herein that the NRA will produce any information or documents or make any documents available for inspection and copying in response to an individual Request does not mean that the NRA, in fact, has any such information or documents or that any such information or document exists, but instead reflects an intention, subject to and without waiving any objections, to conduct a reasonably diligent search for responsive information in the NRA's possession, custody, or control.

14. Objections to these Requests are made without waiver, and with preservation, of all objections as to competency, relevancy, materiality, privilege and admissibility of the responses and the subject matter of such responses as evidence for any purpose in any proceeding, including trial, and in any other action.

15. Objections to these Requests are made without waiver, and with preservation, of the right to object to the use of these Interrogatories and the subject matter of these responses on any ground in any proceeding in this action, including trial, and in any other action.

16. Objections to these Requests are made without waiver, and with preservation, of the right to object on any grounds at any time to a demand or request for further responses to these and other responses relating to the subject matter of the responses to which response is made.

17. Objections to these Requests are made without waiver, and with preservation, of the right to revise, correct, add to, supplement, or clarify these responses.

18. In providing these responses to the Requests, the NRA reserves and does not waive: (a) all objections as to the vagueness, ambiguity, or other infirmity in the form of the Requests and any objections based on the undue burden imposed by the Requests; (b) all rights to object on any grounds to the use of any of the responses, documents, or their subject matter, in any subsequent proceedings; and (c) all rights to object on any ground to any further discovery requests involving or relating to the subject matter of the Requests.

19. All of the NRA's objections to the Requests shall be deemed to be continuing and are hereby incorporated into each of the Responses to the specific Requests set forth below.

II. SPECIFIC OBJECTIONS AND RESPONSES

INTERROGATORY 1

Identify each person whom you believe has or may have knowledge of the facts and circumstances that are the subject matter of the Amended Complaint.

RESPONSE TO INTERROGATORY 1

The NRA incorporates its General Objections. In addition, the NRA specifically objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory to the extent it calls for improper speculation. Additionally, the NRA objects to this Interrogatory as overbroad and unduly burdensome to the extent that it purports to require the NRA to provide an exhaustive list of individuals with knowledge of allegations in the Complaint, including individuals whose knowledge is *de minimis* or incidental, or was acquired under circumstances that make such individuals difficult to identify (e.g., knowledge relayed indirectly, as part of a communication to which the NRA was not a party). The NRA will not purport to identify such individuals. Likewise, based on overbreadth and undue

burden, the NRA will not purport to identify individuals whose knowledge solely concerns allegations which are not material to the parties' claims or defenses.

Furthermore, the NRA objects to this Interrogatory to the extent that it calls for names of litigation counsel or their agents, consultants, or experts; the burden of identifying these individuals, and the risk that doing so would expose counsel's thought processes or litigation strategies, exceeds the potential relevance of such information. Accordingly, the NRA will exclude names of litigation counsel and their agents, consultants, or experts from its response.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by stating that it continues to investigate the subject matter of the Lawsuit, and by identifying individuals whom it has determined, based on a reasonably diligent inquiry, are likely to possess substantive knowledge of the claims and defenses of this Lawsuit:

LAST	FIRST	Relationship
Arulanandam	Andrew	NRA employee
Cummins	Emily	Former Risk Manager, NRA
Erstling	Michael	NRA employee
Frazer	John	NRA General Counsel
Hallow	Millie	NRA employee
Hart	Steve	Former Counsel to NRA
LaPierre	Wayne	NRA Executive Vice President
Padilla	Portia	NRA employee
Phillips	Wilson	Former CFO & Treasurer, NRA
Powell	Joshua	NRA employee
Rowling	Sonya	NRA employee
Spray	Craig	NRA employee
Tedrick	Rick	NRA CFO
Boren	Dan	NRA Director
North	Oliver	NRA Director; Former Pres. NRA
Winkler	Bill	AMc CFO
McQueen	Angus	AMc Founder
McQueen	Revan	AMc CEO
Montgomery	Melanie	AMc EVP, Management Supervisor

INTERROGATORY 2

With respect to each person identified in response to Interrogatory No. 1, that is an NRA employee or agent, describe specifically that person's knowledge of the facts and circumstances of the subject matter of the Amended Complaint and that person's basis for that knowledge.

RESPONSE TO INTERROGATORY 2

The NRA incorporates its General Objections. In addition, the NRA specifically objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Additionally, the NRA objects to this Interrogatory to the extent that AMc has previously acted as an agent of the NRA, and the Interrogatory purports to seek the NRA's disclosure of the knowledge held by AMc in that capacity. In addition, the Interrogatory is objectionable to the extent that the information sought is already known to or in the possession of Defendant AMc, and is readily accessible to Defendant AMc. Accordingly, the NRA will not purport to set forth the knowledge held by Defendant nor the "basis for" Defendant's knowledge.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the Lawsuit, and by identifying the following employees or agents of the NRA:

LAST	FIRST	KNOWLEDGE	BASIS
Arulanandam	Andrew	NRA's requests for AMc books and records	NRA job responsibilities.
Erstling	Michael	NRA's concerns re AMc spending of NRA funds	NRA job responsibilities.
Frazer	John	NRA's requests for AMc books and records; NRA's knowledge of terms of North contract prior to obtaining copy of contract.	Facilitated attempts to examine AMc records; conducted circumscribed review of North contract after months of requests; corresponded with AMc re AMc's obligations re the NRA's Confidential Information
Hallow	Millie	NRA's requests for AMc books and records; NRA's knowledge of terms of North contract prior to obtaining copy.	Communications with AMC, North, prior to entry of North contract.
LaPierre	Wayne	NRA's requests for AMc books and records; NRA's knowledge of terms of North contract prior to obtaining copy.	Communications with AMC, North, prior to entry of North contract.
Padilla	Portia	NRA's concerns re AMc spending of NRA funds	NRA job responsibilities.
Phillips	Wilson	Involved in payment of AMc invoices	Role in NRA Finance Dept.
Powell	Joshua	NRA requests for AMc books and records	Requested books and records from AMc on behalf of NRA
Rowling	Sonya	NRA's concerns re AMc spending of NRA funds	NRA job responsibilities.
Spray	Craig	NRA's requests for AMc books and records; involved in payment of invoices	NRA job responsibilities.
Tedrick	Rick	NRA's concerns re AMc spending of NRA funds	NRA job responsibilities.

INTERROGATORY 3

With respect to each person identified in response to Interrogatory No. 1, that is not an NRA employee or agent, describe specifically that person's knowledge of the facts and circumstances of the subject matter of the Amended Complaint and that person's basis for that knowledge.

RESPONSE TO INTERROGATORY 3

The NRA incorporates its General Objections. In addition, the NRA specifically objects to this Interrogatory to the extent it seeks descriptions of information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of "facts and circumstances of the subject matter of the Amended Complaint" comprising Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA objects to this Interrogatory as oppressive and unduly burdensome to the extent it seeks the "basis" for knowledge alleged to be held by persons other than NRA employees or officers, and outside of the NRA's control. The NRA likewise objects to this Interrogatory to the extent that the information sought is equally – or in some cases, more readily – available to

Defendant AMc. To the extent that the NRA does not know, and cannot reasonably determine, the basis for a person's knowledge, the NRA declines to speculate.

Moreover, the NRA objects to this Interrogatory to the extent that the information sought is already known to, or is in the possession of, Defendant AMc, and is readily accessible to Defendant AMc to the extent that the persons identified are employees or agents of Defendant AMc. The NRA will not purport to set forth the knowledge held by employees or agents of the Defendant nor the "basis for" their purported knowledge.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the Lawsuit, and by identifying the following persons who *may* possess the knowledge indicated:

LAST	FIRST	KNOWLEDGE	BASIS
Boren	Dan	AMc's accounting for time/services of personnel.	Boren stated in an email that AMc may have been billing the NRA for work that AMc performed for another client.
North	Oliver	Scope of disclosure to NRA of his contract with AMc	North possessed knowledge and copy of contract withheld from NRA

INTERROGATORY 4

Identify and describe in detail any communications between Wayne LaPierre and any person which refers or relates to the employment of Oliver North as President of the NRA.

RESPONSE TO INTERROGATORY 4

The NRA incorporates its General Objections. The NRA also objects to this Interrogatory to the extent it seeks Mr. LaPierre's communications which are protected from disclosure by the

attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

In addition, the NRA objects to Interrogatory No. 4 because it purports to seek "any communications" including those protected from disclosure, and because the request for "all communications" is overly broad and remote, and not calculated to lead to the discovery of information relevant to the subject matter of this action, nor to the discovery of admissible evidence. As an initial matter, the scope of responsive communications is so vast as to include (i) each of the communications which issued from Mr. LaPierre to more than *five million* members of the NRA about the leadership of their organization; and (ii) statements made by Mr. LaPierre for publication by numerous media outlets on manifold platforms, and to which Defendant AMc has ready access in public records searches.

The absence of reasonable limitations on the scope of the information sought, coupled with the request for "detailed" information about each such communication, renders the Interrogatory overly broad, unduly burdensome, oppressive and harassing, and the burden of responding to the purported request for such detailed information about all such communications far outweighs the probative value of doing so.

Subject to the foregoing objections and the General Objections, the NRA intends to respond to this Interrogatory by identifying nonobjectionable responsive documents produced pursuant to Rule 4:9, which are issued or received by Mr. LaPierre, to or from AMc, an NRA Board member, an NRA officer or an agent of the NRA in the agent's capacity as such, between January 1, 2018 and January 1, 2019, and which concern the terms or circumstances of, and expectations associated with, Col. North's appointment to President of the NRA.

INTERROGATORY 5

Identify and describe in detail any communications referring to or relating to concerns by any NRA employee, director or agent regarding expenditures made by the NRA to Brewer Attorneys and Counselors or any other entity related to, or affiliated with William Brewer.

RESPONSE TO INTERROGATORY 5

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to Interrogatory No. 5 to the extent that it is ambiguous in purporting to seek information about “any communications referring to or relating to concerns by any NRA employee, director or agent . . .” because the Request does not identify whether it seeks “communications” issued “by any NRA employee, director or agent” or if instead it seeks communications by any person, regarding purported “concerns by any NRA employee, director or agent.”

The NRA objects to this Interrogatory as unduly burdensome, ambiguous, unintelligible and requires the NRA to speculate as to its meaning in order to respond. Moreover, whether interpreting the Interrogatory to require communications by or between any persons on the one hand, or to require communications about “concerns” expressed or held by any person, on the other hand, the Interrogatory is overly broad and seeks “detail” as to information that is too vast in scope to be reasonable.

The NRA also objects to Interrogatory No. 5 because it calls for improper speculation. The NRA further objects to Interrogatory No. 5 as irrelevant, harassing, potentially propounded in bad-faith, and not calculated to lead to the discovery of information relevant to any subject of this Lawsuit. AMc has filed a counterclaim which alleges, among other things, that Plaintiff has abused the “process” of the Courts by filing an amendment to its lawsuit which disclosed non-confidential and truthful information at the heart of the parties’ dispute. Defendants allege that the NRA amended its complaint for the supposed purpose of “forc[ing]” the NRA’s president from office after he “questioned, *inter alia*, [counsel’s] multi-million-dollar legal fees” The NRA will file a motion to dismiss Defendants’ unfounded claim for “abuse of process.” Notwithstanding that the “abuse of process” claim is meritless, the only communications that could potentially be probative of that claim are those regarding the purported “concerns” of the NRA President as to

legal fees. Communications “by any NRA employee, director or agent” regarding any alleged “concerns” held or expressed by *any person* as to legal fees is well outside the scope of reasonable inquiry.

Subject to the foregoing objections and the General Objections, the NRA intends to respond to this Interrogatory by identifying nonobjectionable responsive documents produced pursuant to Rule 4:9, which refer or relate to Col. North’s purported concerns “regarding expenditures made by the NRA to Brewer Attorneys and Counselors or any other entity related to, or affiliated with William Brewer.”

INTERROGATORY 6

Itemize and describe in detail all payments and expenditures made by the NRA to Brewer Attorneys and Counselors since 2016.

RESPONSE TO INTERROGATORY 6

The NRA incorporates its General Objections. The NRA also objects to this Interrogatory to the extent it seeks “detail” as to “all payments and expenditures” made by the NRA to Brewer Attorneys & Counselors in the preceding two-and-a-half years including payments for legal services provided to Plaintiff in this Lawsuit. The NRA objects to this Interrogatory to the extent that the requested “detail” of payments and expenditures issued to counsel is protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable

exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.²

The NRA also objects to this Interrogatory to the extent that it seeks information regarding “all payments and expenditures” to Plaintiff’s legal counsel, because Plaintiff’s legal fees are not probative of any claim or defense asserted in this litigation and is not calculated to lead to the discovery of information relevant to any claim or defense at issue in this Lawsuit. “Detail” about Plaintiff’s legal fees are not relevant to the subjects of this action and not probative of any claim or defense.

Additionally, the NRA objects to this Interrogatory to the extent that it seeks information about Plaintiff’s financial condition, which is not a subject of this litigation and cannot lead to the discovery of admissible evidence.

Based on the foregoing objections and General Objections, the NRA will not provide a substantive response to this Interrogatory.

INTERROGATORY 7

Identify and describe in detail the factual and legal bases for your contention that AMc breached the Services Agreement, and please identify every term of the Services Agreement that you contend AMc has breached and the manner in which you contend AMc has breached that term(s).

RESPONSE TO INTERROGATORY 7

² The “active” status of this litigation renders this Interrogatory particularly objectionable. *See e.g., Los Angeles Cty. Bd. of Supervisors v. Superior Court*, 2 Cal. 5th 282, 297, 386 P.3d 773, 781 (2016) (information in attorney invoices to client is privileged if part of an active and ongoing litigation).

The NRA incorporates its General Objections. In addition, the NRA also objects to this Interrogatory to the extent that it purports to seek “detail[ed]” information about the “legal bases” for Plaintiff’s contentions which include attorney work-product or attorney-client communications, which are protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA’s Confidential Information pursuant to AMc’s obligations under the Services Agreement.

Moreover, the Interrogatory is premature because the NRA continues to investigate AMc’s conduct under the Services Agreement and may yet conclude that there exist additional bases, beyond those already alleged, to support the NRA’s claim of breach of contract.

The NRA further objects to this Interrogatory on the grounds that it is a contention interrogatory which is premature because it seeks the “detail” of the “factual and legal bases” for the NRA’s contention of breaches of contract. *See* Rule 4:8(e).

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory (and will supplement its response to this Interrogatory, as needed, in the course of its continuing investigation) by re-alleging that AMc breached VIII of the Services Agreement, as set forth in detail in the NRA’s Amended Complaint at, *inter alia*, Paragraphs 2-21 and 27. For

factual support of its allegations of breach, the NRA directs AMc to the Amended Complaint which describes that AMc: refused to respond to information requests from NRA executives (§ 21); refused to disclose to the NRA copies of annual budgets that the NRA had allegedly approved (§ 21); ignored correspondence from the NRA's General Counsel seeking information (§ 21); failed to timely permit a requested review of ordinary-course business records including (i) the North Contract, (ii) AMc-Third Party NRA Contracts (as defined in the Services Agreement and Amended Complaint), (iii) annual budget documents, and (iv) information about the identity of AMc personnel sufficient to determine whether salaries and severance obligations allegedly owed by AMc to such persons are in fact reimbursable by the NRA pursuant to the Service Agreement (§ 27); and, refused to provide records sufficient to shed light on what it is that the NRA "is paying for -- and what it is getting" in connection with the documentary series "American Heroes" (§ 34). Subject to the foregoing objections and the General Objections, the NRA further responds to this Interrogatory by stating that AMc's numerous breaches of the Service Agreement also include: breach of Section IV of the Services Agreement by, among other things, leaking "Confidential Information," as that term is defined in the Services Agreement, to the New York Times, the Wall Street Journal, the Daily Beast, and Rolling Stone; breach of Section XI.E. of the Services Agreement by failing to return the NRA's property, materials, documents and Confidential Information which AMc had in its possession at the time the Services Agreement terminated; and, breach of the implied covenant of good faith and fair dealing by, among other things, conspiring with and causing Col. North to issue an extortion threat to the NRA.

INTERROGATORY 8

Identify all documents that the NRA contends support its contention that AMc breached the Services Agreement as alleged in the Amended Complaint and as described in response to Interrogatory No. 7, above.

RESPONSE TO INTERROGATORY 8

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory as overbroad and unduly burdensome to the extent it seeks "all documents" which support the NRA's contention regarding AMc's breaches of the Services Agreement. The NRA objects to this Interrogatory as overbroad and unduly burdensome to the extent that the NRA is not in possession of "all documents" which support the NRA's contentions regarding AMc's breaches of the Services Agreement because, as alleged in the Amended Complaint, certain such documents have been withheld from the NRA by AMc, necessitating this Lawsuit.

Additionally, the NRA objects to this Interrogatory as overbroad and unduly burdensome because it purports to require the NRA to marshal all of its available proof, or the proof it may offer at trial. For the same reason, the NRA objects to this Interrogatory on the grounds that it is premature.

Finally, the NRA objects to this interrogatory to the extent it calls for legal conclusions. *See* Rule 4:8(e).

Subject to the foregoing objections and the General Objections, the NRA will respond to this Interrogatory (and will supplement its answers as needed) by specifying nonobjectionable documents produced to AMc pursuant to Rule 4:8(f).

INTERROGATORY 9

Describe in detail each and every review or examination of AMc documents and financial records performed or conducted by the NRA or its agents since January 1, 2018.

RESPONSE TO INTERROGATORY 9

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will

maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory because it is substantively overbroad, vague and ambiguous to the extent that the request for "each and every review or examination" of AMc's "documents and financial records" lacks adequate parameters. Specifically, the NRA cannot determine, and would be required to speculate, whether the Request extends to the review of any AMc invoice reviewed by an NRA employee in the normal course of the NRA's business. Accordingly, the NRA will limit its response to examinations or reviews of AMc documents and financial records at AMc's offices or the offices of an AMc agent.

Additionally, the NRA objects to this interrogatory to the extent it seeks information which is equally available to AMc and its counsel.

Subject to the foregoing objections and the General Objections, the NRA respond to this Interrogatory by identifying the following nonobjectionable information about the NRA's review and/or examination of documents and financial records conducted since January 1, 2018:

- A. On September 18 and 19, 2018, professionals affiliated with Brewer Attorneys & Counselors visited the offices of HBC CPAs & Advisors at 9904 N. May Avenue in Oklahoma City, OK 73120 to conduct a review of select documents made available by AMc. Among the documents requested, but not made available, were records tying out-of-pocket expenses to any particular project or business purpose, employee time listings for certain NRA project codes, and "Carry Guard" budgets and approvals.

- B. On or about November 14, 2018, Cooper & Kirk conducted a limited special-purpose review of AMc documents relating to the Carry Guard membership program.
- C. On February 5, 2019, Forensic Risk Alliance, a firm specializing in forensic investigations, embarked on a review of AMc records. Between three and six Forensic Risk Alliance professionals examined records at the offices of AMc's accountant in Oklahoma City for nine days in February, 2019.

INTERROGATORY 10

Identify and describe in detail any and all damages the NRA claims it has sustained as a result of the alleged breach of contract by AMc as described in the Amended Complaint, including the estimated monetary value of the alleged damages.

RESPONSE TO INTERROGATORY 10

The NRA incorporates its General Objections. In addition, the NRA also objects to this Interrogatory purporting to seek "detail" regarding "any and all damages the NRA claims it has sustained," to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will

maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory as premature because (a) the NRA needs to conduct certain discovery in connection with its damages analysis and (b) issues concerning the NRA's alleged damages will be the subject of expert analysis and testimony, the disclosure of which is not required at this preliminary stage of discovery.

Additionally, the NRA objects to this Interrogatory because it involves a contention that relates to fact or the application of law to fact. *See* Rule 4:8(e).

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by referring Defendant AMc to the NRA's allegations as set forth in its Amended Complaint, on pages 14 through 17 (starting at Paragraph 35). The NRA will supplement its response to this Request at the appropriate time.

INTERROGATORY 11

Identify each employee, director, or agent of the NRA who has made a request to review or examine AMc records since January 1, 2018, including within your response the circumstances and content of each request.

RESPONSE TO INTERROGATORY 11

The NRA incorporates its General Objections. In addition the NRA objects to this Interrogatory seeking information about the circumstances and content of requests for the review of records to the extent that the circumstances of such requests are protected from disclosure by

the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory to the extent it seeks information which is equally available to AMc and its counsel.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by providing the following non-exclusive list of individuals who made requests for information from AMc since January 1, 2018:

NRA Person	Date	Circumstances
Wilson H. Phillips Jr.	Aug. 8, 2018	By letter to W. Winkler, in connection with informing the NRA's legal strategy in multiple lawsuits that may implicate work performed by AMc, Phillips notifies AMc that NRA will conduct an examination of AMc's files, books and records.
Wilson H. Phillips Jr.	Aug. 14, 2018	By letter to W. Winkler, in response to the latter's letter seeking specificity as to the records which NRA desires to review, Phillips identifies records for NRA's review: documents relating to Carry Guard, "additional or special assignments," and "out-of-pocket expenses."
William Brewer	Aug. 27, 2018	By letter to S. Ryan (McDermott Will & Emery), reiterates requests for attachments to previously produced emails, and for "back-up and support for the Ackerman invoices to the NRA in connection with the Carry Guard program."
Josh Powell	Sep. 25, 2018	By letter to W. Winkler, J. Powell of the NRA requests a copy "of the specific budget document which Ackerman contends was approved for fiscal year 2018" and related information.

Sarah Rogers	Dec. 21, 2018	By letter to AMc counsel J. Madrid (Dorsey & Whitney LLP), S. Rogers requests business records in the following categories: backup for out-of-pocket expenses AMc billed to NRA; list of "talent and employees who work through [Ackerman] for NRA and its affiliates" pursuant to the Services Agreement; fair market value analyses conducted pursuant to Services Agreement provisions; and third-party media buys.
John Frazer	Jan. 30, 2019	By email to AMc counsel S. Ryan (McDermott, Will & Emery), J. Frazer of the NRA requests records in the following categories for review by forensic team: support for out-of-pocket expenses for select invoices; media buys; AMc employees working on NRA matters/projects; and budgets for AMc's NRA related work for 2016, 2017 and 2018.
John Frazer	Mar. 25, 2019	By letter to S. Ryan, J. Frazer of the NRA requests review of Col. North's contract; additional "AMc-Third Party NRA Contracts," information concerning personnel dedicated to providing services for the NRA account; and the previously requested budgets.
John Frazer	Mar. 26, 2019	By letter to S. Ryan, J. Frazer of the NRA requests information regarding production costs for "American Heroes"; costs for personnel relating to Col. North or "American Heroes" passed through to NRA, if any; non-cash compensation or other costs passed through to NRA for Col. North or his staff; and information about sponsorship support for "American Heroes."

INTERROGATORY 12

Identify each person who Wayne LaPierre has designated as required by the Services Agreement with the authority to review AMc's records pursuant to the Records Examination Clause of the Services Agreement.

RESPONSE TO INTERROGATORY 12

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory because it mischaracterizes the Services Agreement. Specifically, the Records Examination Clause of the Services Agreement does not require that a person reviewing AMc's records be "designated" with any "authority" by Mr. LaPierre. Nor does the Services Agreement

require Mr. LaPierre to designate any person in order for that person to be authorized to conduct such a review.

The NRA also objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA further objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Additionally, the NRA objects to this Interrogatory to the extent it seeks information which is equally available to AMc and its counsel.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that (a) no such "authority" is "required" nor is any such designation "required" by the Services Agreement, or any clause thereof; and (b) the persons "within [the] NRA" who have been designated by the NRA Executive Vice President to issue "written communications" upon which "AMc is authorized to act," pursuant to Section IX of the Services Agreement, include Joshua Powell, Craig Spray and Andrew Arulanandam.³ The NRA also designated persons *external* to the organization – specifically members of the NRA's outside

³ See Services Agreement, Section IX. "[LaPierre] or his designee are the only persons within NRA who have the actual authority to issue such [written] communications."

counsel – to issue written communications upon which AMc is authorized to act, including William Brewer and Sarah Rogers of Brewer, Associates & Counselors.

INTERROGATORY 13

Describe all communications between any employee, representative, agent, or director of the NRA and representatives of any press and/or media organizations with respect to the events alleged in the Amended Complaint. Your response should include the date of the communication, to whom it was made, how it was made, and what was the content of the communication(s).

RESPONSE TO INTERROGATORY 13

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement, including, in particular, information which AMc - as a representative of the NRA - may have learned from the NRA and communicated with any press and/or media organization. The disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory as overbroad and unduly burdensome due to its unrestricted scope, because it requests the NRA to "[d]escribe" "all communications" between

any of Plaintiff's representatives, employees, agents or directors and members of the press, "with respect to the events alleged in the Amended Complaint," absent any limitation calculated to yield evidence probative of any subject of the claims or counterclaims. For example, one event alleged in the Amended Complaint is the NRA's 2019 Annual Meeting, which itself is the subject of thousands of individual communications between the NRA's professional public relations staff and members of the news media, the description of which would require great time and expense not proportional to the probative value thereof.

The Interrogatory is also overbroad and unduly burdensome on the basis that it seeks description of communications with any "representatives of any press and/or media organizations," of which there are thousands, on the one hand, and "any employee, representative, agent, or director of the NRA," of which there are hundreds, on the other. The expense and effort of reviewing the communications of each of the hundreds of employees, representatives, agents or directors of the NRA for communications with any news or media outlet or the representative of such an outlet, is not reasonably proportional to the needs of the case.

Moreover, the Interrogatory is objectionable to the extent it seeks information already in the possession of Defendant AMc, or more readily available to AMc than to the NRA, because AMc was one of the NRA's agents and its primary public relations advisor and representative during the occurrence of nearly every event detailed in the Amended Complaint.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that it will produce communications issued after the filing of the Initial Complaint on April 12, 2019, about the subject matter of the Initial or Amended Complaint.

INTERROGATORY 14

Identify and describe all communications and documents relating to how the NRA reviewed, accounted for, or paid the expenses that are identified in the five letters from AMc to the NRA dated April 22 or 24, 2019. Your response should include whether the NRA instructed AMc to pay for these expenses and the details of any such instruction. These five letters are attached hereto as Exhibit A.

RESPONSE TO INTERROGATORY 14

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory on the grounds that it is overbroad and unduly burdensome to the extent it seeks information about "all communications and documents" relating to incomplete information about alleged expenses identified in five documents which AMc attaches as an exhibit to this Interrogatory, and which purport to describe expenses spanning more than fifteen (15) years.

This Interrogatory is objectionable because it seeks information equally – or more – available to AMc and its counsel, as it is to the NRA. Moreover, the NRA objects to this Interrogatory on the grounds that it is vague and ambiguous to the extent that it lists expenses incurred by AMc and presumably paid by AMc; no invoices to the NRA for any such “expenses” are appended. Likewise, the Interrogatory is vague and ambiguous because it purports to seek the identity of communications and documents “relating to how” the NRA “reviewed” certain expenses; the NRA is not able to determine the category or type of information which might satisfy AMc’s request for records of “how” expenses are reviewed.

Additionally, the NRA objects to this Interrogatory on the basis that the information purportedly sought is not relevant to the subject matter of this litigation nor likely to lead to the discovery of admissible evidence. The NRA brought suit against AMc to require AMc to meet its contractual obligations to permit the NRA to examine its books and records; AMc counter-claimed against the NRA alleging that the NRA made late payments in 2018, violated a covenant of good faith and fair dealing by disclosing allegedly proprietary information, and “abused” the process of the Court. This Interrogatory is not probative of any claim or defense that is the subject of this Lawsuit, and instead appears to be presented for the purpose of harassing and embarrassing the NRA.

Based on the foregoing objections and General Objections, the NRA will not provide a substantive response.

INTERROGATORY 15

Identify and describe all communications and documents relating to Wayne LaPierre 's prospective purchase of a house in Dallas in 2018. Your response should include a detailed description of how any proposed transaction was structured.

RESPONSE TO INTERROGATORY 15

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent that it seeks "all communications and documents," regarding an alleged proposed transaction, including communications and documents protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved. Specifically, the Request is objectionable to the extent it seeks "detail" about "communications" which are protected from disclosure by such privilege, doctrine or other protection.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement. The disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Moreover, the NRA objects to this Interrogatory as unduly burdensome, because AMc is already in possession of the information sought. The NRA further objects to this interrogatory to the extent it is substantively overbroad, and vague, because it requests description of "all communications and documents" relating to an alleged proposal to purchase a house by an individual executive.

Additionally, the NRA objects to this Interrogatory on the basis that the information purportedly sought is not relevant to the subject matter of this litigation nor likely to lead to the discovery of admissible evidence. The NRA brought suit against AMc to require AMc to meet its contractual obligations to permit the NRA to examine its books and records; AMc counter-claimed against the NRA alleging that the NRA made late payments in 2018, violated a covenant of good faith and fair dealing by disclosing allegedly proprietary information, and “abused” the process of the Court. This Interrogatory purports to seek information that is not probative of any claim or defense in this litigation, and instead appears to be presented for the purpose of harassing and/or embarrassing the NRA or its executives.

Subject to the foregoing objections and its General Objections, the NRA responds to Interrogatory No. 18 by stating that in or around May of 2018, AMc founder Angus McQueen proposed that the NRA acquire property in Dallas to serve the NRA’s security needs. Ultimately, the proposal was rejected by Wayne LaPierre. Pursuant to Rule 4:8(f), the NRA will produce and specify business records that refer or relate to the alleged prospective purchase by Mr. LaPierre of a house in Dallas in 2018.

INTERROGATORY 16

Identify and describe in detail any communications concerning the NRA's compliance with the State of New York's Not-for-Profit Corporation Law, including but not limited to all communications relating to all meetings, discussions, and investigations.

RESPONSE TO INTERROGATORY 16

The NRA incorporates its General Objections. In addition, the NRA objects to Interrogatory No. 16 to the extent that AMc seeks information protected from disclosure by the

attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved. Any such communications, including those that relate to "meetings, discussions, and investigations" concerning the NRA's compliance with the law are privileged or otherwise protected from disclosure.

The NRA also objects to this Interrogatory as overbroad, unduly burdensome and vague because it fails to specify which of the more-than 250 sections of the New York State Not-for-Profit Corporation Law AMc purports to seek communications about. The time and expense of responding "in detail" to this Interrogatory is disproportionate to the relatively minute probative value that such a response could provide. The NRA also objects to this Interrogatory on the basis that it is overbroad and unduly burdensome because it seeks "detail" about all such "communications concerning the NRA's compliance" with the law.

Additionally, the NRA objects to this Interrogatory as not relevant to the pending matter nor reasonably calculated to lead to the discovery of admissible evidence.

Based on these objections, the NRA will not provide a substantive response.

INTERROGATORY 17

Describe the circumstances and substance of the audit committee's review of Oliver North's contract, as referenced in the Amended Complaint, including the identification of every person and document involved with the process of approving and/or evaluating Oliver North's contract with AMc, and any subsequent actions of the audit committee following its approval that relate to the North contract.

RESPONSE TO INTERROGATORY 17

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory on the grounds that it seeks the “circumstances and substance of the audit committee’s review” of a legal instrument and “identification of every person and document” associated with that review, to the extent that such information is protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement. The disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA’s Confidential Information pursuant to AMc’s obligations under the Services Agreement.

Additionally, the NRA objects to this Interrogatory as not relevant to the pending matter nor reasonably calculated to lead to the discovery of admissible evidence.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that the Audit Committee of the NRA Board of Directors considered the matter of Col. North’s relationship with AMc in executive session. On July 30, 2018, the Committee was not presented with the contract between Col. North and AMc, but with a two-paragraph purported summary of that contract. The Audit Committee emerged from executive session having resolved to approve and ratify Col. North’s continued participation in the AMc contract during his services on the NRA Board and as an NRA officer, subject to two provisos,

including that Col. North shall abstain from participating in deliberations or votes regarding AMc, and any material change in the terms of the AMc contract, or duties under the contract, must be disclosed to the Committee and approved prior to execution. On April 11, 2019, the NRA obtained a copy of the contract between Col. North and Ackerman McQueen. On May 30, 2019, the NRA Audit Committee rescinded its approval of the contract.

INTERROGATORY 18

Identify and describe in detail any communications referring or relating to Oliver North and the NRA's consideration of the "North Contract, " as set forth in the NRA's Amended Complaint, including a description the circumstances and participants of any discussion.

RESPONSE TO INTERROGATORY 18

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved. Specifically, the Request is objectionable to the extent it seeks "detail" about "communications" protected from disclosure.

The NRA further objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement. The disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Subject to the foregoing objections and the NRA's General Objections, the NRA intends to respond to Interrogatory No. 18 – and will supplement its response to Interrogatory No. 18 in the course of discovery, as appropriate – by producing business records that refer or relate to the NRA's consideration of Col. North's contract with AMc, and identifying those records, pursuant to Rule 4:8(f).

INTERROGATORY 19

If you contend that the summary of the North Contract, referenced in Paragraph 24 of the Amended Complaint, was inconsistent, misleading, or otherwise misrepresented the North Contract, identify specifically the basis for this contention.

RESPONSE TO INTERROGATORY 19

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement. The disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that the summary of the North Contract was inconsistent with, misleading as to, or otherwise not representative of, the North Contract because it:

- Failed to disclose that the contractual agreement between AMc and Col. North is not an "AMc-Third Party NRA Contract" as that term is defined in the Services Agreement;
- Failed to disclose that pursuant to the contract, Col. North is a full-time employee of Ackerman McQueen, with loyalties that purportedly run solely to Ackerman, with no allowance for loyalties to the NRA;
- Failed to disclose that Col. North agreed to refrain from divulge[ing], furnish[ing] or mak[ing] accessible to anyone or us[ing] in any way (other than in the ordinary course of the business of [AMc]), "a broad range of information, potentially including information that the NRA had no reason to expect its President to withhold, such as costs associated with AMc services to the NRA;
- Failed to disclose that AMc promised to furnish Col. North with an executive assistant and "administrative support," and promised to pay for Col. North to fly first class or business class;
- Failed to disclose that Col. North contracted to "devote substantially full time, attention and efforts to the business and affairs of the Company [AMc]"; and
- Failed to disclose that AMc represented to Col. North that his commitments to the Freedom Alliance may take precedence over NRA affairs.

INTERROGATORY 20

Identify and describe all audits of AMc performed by the NRA or its representatives since January 1, 2018, including a description of the circumstances, location, and participants of any audits.

RESPONSE TO INTERROGATORY 20

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client

privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Additionally, the NRA objects to this interrogatory to the extent it seeks information which equally available to AMc and its counsel.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that on February 5, 2019, Forensic Risk Alliance ("FRA") embarked on an examination of AMc's records. FRA is a firm specializing in forensic investigation. Between three and six FRA professionals examined records at AMc offices in Oklahoma City for nine days in February of 2019.

INTERROGATORY 21

Identify and describe with specificity the documents you contend that the Defendants have wrongly prevented the NRA from reviewing or examining as under Section VIII. of the Services Agreement.

RESPONSE TO INTERROGATORY 21

The NRA incorporates its General Objections. The NRA specifically objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

In addition, the NRA objects to this interrogatory to the extent it involves a contention that relates to fact or the application of law to fact, because it is premature; the parties have only just embarked on discovery. *See* Rule 4:8(e). Indeed, many of the documents may still be in AMc's possession and not disclosed to the NRA; further discovery is required in order for the NRA to ascertain the full scope of materials to which AMc has obstructed the NRA's access.

Subject to the foregoing objections and the General Objections, the NRA respond to this Interrogatory by stating that the NRA has been prevented from reviewing or examining the following non-exclusive list of documents. The NRA will supplement its response in the course of discovery, if necessary.

Specific budget documents which AMc contends were approved for FY 2016 or detail (date and time of transmission) which the NRA could use to retrieve the budget document from its own files.
--

Specific budget documents which AMc contends were approved for FY 2017 or detail (date and time of transmission) which the NRA could use to retrieve the budget document from its own files.
--

Specific budget documents which AMc contends were approved for FY 2018 or detail (date and time of transmission) which the NRA could use to retrieve the budget document from its own files.
AMc's fair market value analyses conducted pursuant to the Services Agreement (described in Dec. 21, 2018 letter from Sarah Rogers to Jay Madrid, regarding "Request for Additional Materials")
Invoices, executed contracts or analogous records of prices paid for third-party media buys, any records sufficient to show any mark-up applied to the costs when passed along to the NRA (described in Dec. 21, 2018 letter from Sarah Rogers to Jay Madrid, regarding "Request for Additional Materials")
For NRA-Dedicated Personnel, "copies of timesheets or other documents sufficient to show the amount or percentage of each employee's time or effort which was actually allocated to NRA projects,"
Information regarding the total amount invoiced to the NRA in connection with American Heroes episodes to date; additional amounts expected to be invoiced for episodes to date; and for upcoming episodes. Also, costs associated with Col. North's staff being passed through to the NRA, and other costs for Col. North being passed through to NRA.

INTERROGATORY 22

Identify any vendor providing services or products to the NRA about which the NRA has developed concerns regarding "verification of compliance," "documentation," and/or related auditing issues, as referenced in Paragraph 17 of the NRA's Amended Complaint. This interrogatory is limited to concerns that arose after July 1, 2018.

RESPONSE TO INTERROGATORY 22

The NRA incorporates its General Objections. In addition, the NRA objects to this request on the basis that the NRA's "concerns" regarding compliance with the NRA's contractual agreements and expectations, including its concerns for substantiation of expenses it is billed and related matters, are protected from disclosure by the attorney-client privilege, the work product doctrine or any other applicable exemption, immunity or privilege from discovery, none of which are waived, and all of which are reserved.

Based on these objections, the NRA will not provide a substantive response.

INTERROGATORY 23

Identify any expert witness that you intend to have testify at trial in this case or in any related case, specifying the background and experience of the witness, the sum and substance of his/her testimony, the grounds for any opinion to be presented, and any scholarly publications or prior expert testimony previously provided by the witness.

RESPONSE TO INTERROGATORY 23

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine or any other applicable exemption, immunity or privilege from discovery, none of which are waived, and all of which are reserved.


Moreover, the Interrogatory is premature and the NRA will amend and supplement its response at the appropriate time.

Dated: July 12, 2019

Respectfully submitted,

NATIONAL RIFLE ASSOCIATION
OF AMERICA

By counsel


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CERTIFICATE OF SERVICE

I hereby certify that on July 12, 2019, I caused the foregoing Plaintiff's Responses and Objections to Defendant Ackerman McQueen, Inc.'s First Set of Interrogatories to be served via electronic mail and first-class mail upon:

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VIRGINIA :

IN THE CIRCUIT COURT OF THE CITY OF ALEXANDRIA

**NATIONAL RIFLE ASSOCIATION
OF AMERICA,**

Plaintiff,

v.

ACKERMAN MCQUEEN, INC.

And

MERCURY GROUP, INC.

Defendants.

Case No. CL19001757

DECLARATION OF JOSH POWELL

I declare under penalty of perjury that the foregoing Responses to Interrogatories are true and correct to the best of my knowledge and belief.

Date:

7/11/2019

Signed:


Josh Powell
Chief of Staff & Senior Strategist
National Rifle Association of America

Exhibit B



SCHERTLER & ONORATO, L.L.P.

August 23, 2019

VIA ELECTRONIC and FIRST-CLASS MAIL

James W. Hundley, Esq.
Robert Cox, Esq.
BRIGLIA HUNDLEY, P.C.
1921 Gallows Road
Suite 750
Tysons Corner, Virginia 22182

RE: NRA's deficient Responses to AMc's First Set of Interrogatories
Case No. CL19001757

Dear Mr. Hundley and Mr. Cox,

We are in receipt of the NRA's Responses and Objections to Defendant Ackerman McQueen, Inc.'s First Set of Interrogatories dated July 12, 2019. As set forth in more detail below, we have identified the following deficiencies in your responses and demand that you supplement your responses. As an initial matter, we note that the NRA's list of General Objections are not linked with any particular Interrogatory, thereby making it difficult, if not impossible to determine if the NRA is asserting one of its General Objections to the specific Interrogatory as a reason for non-compliance. Thus, we are unable to evaluate the merits of such General Objections in the context of this deficiency letter. We are available to meet and confer regarding these deficiencies and request that upon receipt of this letter you provide us a date next week that you are able to discuss these deficiencies in detail.

Interrogatory No. 5

Identify and describe in detail any communications referring to or relating to concerns by any NRA employee, director or agent regarding expenditures made by the NRA to Brewer Attorneys and Counselors or any other entity related to, or affiliated with William Brewer.

NRA Response to Request No. 5: "Subject to the foregoing objections and the General Objections, the NRA intends to respond to this Interrogatory by identifying non-objectionable responsive documents produced pursuant to Rule 4:9, which refer or relate to Col. North's purported concerns 'regarding expenditures made by the NRA to Brewer Attorneys and Counselors or any other entity related to, or affiliated with William Brewer.'"

Deficiency: The NRA's agreement to provide responsive documents narrows the scope of the response to "documents which refer or relate to Col. North's purported concerns[.]" However, the available evidence indicates that others within the NRA, independent of Col. North, also expressed concerns about "expenditures made by the NRA to Brewer Attorneys and Counselors[.]" For example, we note press reports relating to concerns raised by NRA employee

Emily Cummins. Thus, to the extent that NRA is attempting to limit the response to documents which only directly relate to Col. North's communications, the limitation is improper. The NRA needs to produce all documents that relate to concerns about "expenditures made by the NRA to Brewer Attorneys and Counselors[.]" Separate and apart from this deficiency, while the NRA is entitled to produce documents in response to an interrogatory, it is incumbent upon counsel to ensure that the documents provide a complete response. Common sense indicates that there may be key conversations regarding Brewer billing that may not have been reduced to writing. For example, Wayne LaPierre and other senior executives, may have orally discussed the Brewer billing issue with others, but not committed the conversation to writing. The NRA, through counsel, should either to include a summary of these conversations in a response or explicitly confirm that no such oral conversations occurred. We note that despite the passage of time of over one month, no such business records relating to this Interrogatory has been produced.

Interrogatory No. 6

Itemize and describe in detail all payments and expenditures made by the NRA to Brewer Attorneys and Counselors since 2016.

NRA Response to Request No. 6: The NRA objects to this request on the grounds the information requested is privileged and not relevant.

Deficiency: The objection is without merit. Evidence of payments to a law firm is not privileged. Relevance is not a valid objection to a discovery request. Moreover, AMc has explained both in its counterclaim and in discovery conferences that it asserts, among other things, that the Brewer firm manufactured the NRA's claims as part of an effort to seize the business previously handled by AMc and to redirect it to the Brewer firm. The itemization requested will provide evidence directly relevant to that point. Additionally, the itemization is directly relevant to the allegations involving Col. North. and the alleged "conspiracy" with AMc. The parties dispute whether excessive billings by the Brewer firm were a central cause in the schism between Col. North and LaPierre. Finally, to the extent, that some of the information requested is privileged, the NRA should redact the information or otherwise identify and separate it.

Interrogatory No. 7

Identify and describe in detail the factual and legal bases for your contention that AMc breached the Services Agreement, and please identify every term of the Services Agreement that you contend AMc has breached and the manner in which you contend AMc has breached that term(s).

NRA Response to Request No. 7: The NRA objects on the grounds that this is a contention interrogatory that is premature under Rule 4:8(e).

Deficiency: Rule 4:8(e) only provides an excuse for not responding if the court issues an order that it need not be answered. Here, the NRA was obligated to undertake a prefiling investigation to determine if it has sufficient grounds for alleging a breach of contract. The NRA must provide a detailed factual and legal basis for bringing the law suit. It is not enough to assert e.g., that AMc has leaked to various media outlets without providing any factual support for how

the NRA knows that it was AMc that is the source of the leak. This “factual basis” is wholly absent in the NRA’s interrogatory response. This fact question has become all the more critical in light of the NRA’s multiple depositions into the source of the leak and no evidence that AMc leaked, coupled with current reports in the New York Times on August 22, 2019 that the NRA’s attorney Cooper sent an email saying of Mr. Brewer: “He is kicking our side’s ass because no one on our side will leak AckMc’s info.” It is time that the NRA produce evidence that Ackerman McQueen was the leaker or it should withdraw its claims on that point. Similarly, the NRA must provide a full factual and legal basis for all claims of breach.

Interrogatory No. 10

Identify and describe in detail any and all damages the NRA claims it has sustained as a result of the alleged breach of contract by AMc as described in the Amended Complaint, including the estimated monetary value of the alleged damages.

NRA Response to Request No. 10: “Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by referring Defendant AMc to the NRA’s allegations as set forth in its Amended Complaint, on pages 14 through 17 (starting at Paragraph 35). The NRA will supplement its response to this Request at the appropriate time.”

Deficiency: This response is insufficient. At a minimum, when the NRA alleged that AMc had caused it damages, it should have had some understanding of those damages and the factual basis for the damages claimed. The mere reference to allegations in the Complaint does not satisfy the Plaintiff’s obligation to provide sworn responses to interrogatories. This is a baseline ethical responsibility for all plaintiffs. However, rather than provide any clarity on its assertions, the NRA seeks to kick the can down the road. This severely prejudices AMc’s ability to defend itself. But more to the point, it is unreasonable. Now, four months after the Complaint was filed, the NRA should be able to articulate specifically how it was damaged and its estimate of those damages. The NRA’s assertion that it can delay providing this information has no basis in the law. Without immediate supplementation of this interrogatory, NRA will be admitting that it has no proof of damages.

Interrogatory No. 11

Identify each employee, director, or agent of the NRA who has made a request to review or examine AMc records since January 1, 2018, including within your response the circumstances and content of each request.

NRA Response to Request No. 11: The NRA responds to this request by providing a “non-exhaustive” list of individuals that made a request to view AMc records.

Deficiency: The allegation that the NRA made repeated requests to review AMc records is central to its claims. Thus, AMc is entitled to know all of the NRA employees and executives who made the request. Accordingly, the NRA needs to list every such individual. Without any immediate supplementation to the list, AMc will be entitled to use the list presented by the NRA in its response as an admission that there was no request by any authorized designee at the NRA for any request to view AMc records.

Interrogatory No. 13

Describe all communications between any employee, representative, agent, or director of the NRA and representatives of any press and/or media organizations with respect to the events alleged in the Amended Complaint. Your response should include the date of the communication, to whom it was made, how it was made, and what was the content of the communication(s).

NRA Response to Request No. 13: The NRA further objects to this Interrogatory as overbroad and unduly burdensome due to its unrestricted scope, because it requests the NRA to “[d]escribe” “all communications” between any of Plaintiffs representatives, employees, agents or directors and members of the press, “with respect to the events alleged in the Amended Complaint,” absent any limitation calculated to yield evidence probative of any subject of the claims or counterclaims. For example, one event alleged in the Amended Complaint is the NRA’s 2019 Annual Meeting, which itself is the subject of thousands of individual communications between the NRA’s professional public relations staff and members of the news media, the description of which would require great time and expense not proportional to the probative value thereof.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that it will produce communications issued after the filing of the Initial Complaint on April 12, 2019, about the subject matter of the Initial or Amended Complaint.

Deficiency: The NRA has taken an intentionally myopic view of this interrogatory. The NRA’s 2019 Annual Meeting is not an event alleged in the Amended Complaint. Rather, the Amended Complaint primarily concerns specific interactions with AMc or about AMc, interactions with or about Oliver North, and the Services Agreement. Thus, AMc seeks all communications between the press and the NRA’s agents related to these topics. Given that some of these events predate April 12, 2019, there is no reason to limit the response to communications after April 12, 2019. Finally, the NRA’s agreement to “produce communications” is confusing. The request seeks *all* communications. Thus, if an NRA employee or agent has orally communicated with a member of the press regarding the events alleged, then the NRA has a responsibility to provide the requested summary. Please supplement your response accordingly.

Interrogatory No. 14

Identify and describe all communications and documents relating to how the NRA reviewed, accounted for, or paid the expenses that are identified in the five letters from AMc to the NRA dated April 22 or 24, 2019. Your response should include whether the NRA instructed AMc to pay for these expenses and the details of any such instruction. These five letters are attached hereto as Exhibit A.

NRA Response to Request No. 14:

[A] The NRA further objects to this Interrogatory on the grounds that it is overbroad and unduly burdensome to the extent it seeks information about “all communications and documents” relating to incomplete information about alleged expenses identified in five

documents which AMc attaches as an exhibit to this Interrogatory, and which purport to describe expenses spanning more than fifteen (15) years.

[B] This Interrogatory is objectionable because it seeks information equally - or more - available to AMc and its counsel, as it is to the NRA. Moreover, the NRA objects to this Interrogatory on the grounds that it is vague and ambiguous to the extent that it lists expenses incurred by AMc and presumably paid by AMc; no invoices to the NRA for any such "expenses" are appended. Likewise, the Interrogatory is vague and ambiguous because it purports to seek the identity of communications and documents "relating to how" the NRA "reviewed" certain expenses; the NRA is not able to determine the category or type of information which might satisfy AMc's request for records of "how" expenses are reviewed.

[C] Additionally, the NRA objects to this Interrogatory on the basis that the information purportedly sought is not relevant to the subject matter of this litigation nor likely to lead to the discovery of admissible evidence. ... This Interrogatory is not probative of any claim or defense that is the subject of this Lawsuit, and instead appears to be presented for the purpose of harassing and embarrassing the NRA.

Deficiency:

A. The NRA's characterization of this request as overly broad is disingenuous. The interrogatory seeks descriptions of communications and documents related to specific classes of expenses which are both described in letters and for which supporting documentation is referenced. These classes are (1) travel for the LaPierres arranged by II & IS, (2) clothing purchased at Zenga, (3) specific charges incurred by Tony Makris, and (4) travel expenses incurred on behalf of Wayne LaPierre. Moreover, to the extent you are concerned that the expenses cover a range of "15 years," we agree to limit the request for information to expenditures incurred after January 1, 2015.

B. The NRA's objection that the information sought is "equally - or more - available to AMc" is inaccurate. The request focuses on how certain expenses were accounted for by the NRA. Thus, while AMc may have some knowledge about some of the expenses, it does not have information specifically about how the NRA accounted for these expenses, let alone knowledge of NRA communications directly related to these expenses. The NRA's related assertion of vagueness lacks merit for the same reason. AMc seeks to understand how the expenses at issue were accounted for by the NRA and what discussions have occurred with respect to the accounting of those expenses.

C. The NRA's assertion that the request seeks information "not relevant to the subject matter of this litigation nor likely to lead to the discovery of admissible evidence" disregards that this case concerns an allegation that AMc has failed to provide sufficient transparency with respect to its billing. These expenses at issue, among other things, bear upon how expenses were processed by AMc at the request of the NRA and the lack of documentation sometimes provided by the NRA. The expenses also bear upon the NRA's internal financial mismanagement, which it has improperly attempted to lay at the feet of AMc through filing this lawsuit. Thus, the information requested is both relevant and will lead to the discovery of other relevant information.

Interrogatory No. 15

Identify and describe all communications and documents relating to Wayne LaPierre's prospective purchase of a house in Dallas in 2018. Your response should include a detailed description of how any proposed transaction was structured.

NRA Response to Request No. 15: Subject to the foregoing objections and its General Objections, the NRA responds to Interrogatory No. 1[5] by stating that in or around May of 2018, AMc founder Angus McQueen proposed that the NRA acquire property in Dallas to serve the NRA's security needs. Ultimately, the proposal was rejected by Wayne LaPierre. Pursuant to Rule 4:8(f), the NRA will produce and specify business records that refer or relate to the alleged prospective purchase by Mr. LaPierre of a house in Dallas in 2018.

Deficiency: While AMc acknowledges that the NRA can produce documents to respond to an interrogatory, such a response does not absolve the NRA from providing information requested that is not contained within documents. We note that the NRA has not produced such business records. Thus, the NRA has a responsibility to "[i]dentify and describe all communications" regarding the prospective purchase that are not contained in emails. The only conversation that the NRA mentions is that in May 2018 Angus McQueen proposed the acquisition of a property. Please supplement with all other conversations that are not memorialized in documents.

Interrogatory No. 16

Identify and describe in detail any communications concerning the NRA's compliance with the State of New York's Not-for-Profit Corporation Law, including but not limited to all communications relating to all meetings, discussions, and investigations.

NRA Response to Request No. 16: The NRA incorporates its General Objections. In addition, the NRA objects to Interrogatory No. 16 to the extent that AMc seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved. Any such communications, including those that relate to "meetings, discussions, and investigations" concerning the NRA's compliance with the law are privileged or otherwise protected from disclosure.

The NRA also objects to this Interrogatory as overbroad, unduly burdensome and vague because it fails to specify which of the more-than 250 sections of the New York State Not-for-Profit Corporation Law AMc purports to seek communications about. The time and expense of responding "in detail" to this Interrogatory is disproportionate to the relatively minute probative value that such a response could provide. The NRA also objects to this Interrogatory on the basis that it is overbroad and unduly burdensome because it seeks "detail" about all such "communications concerning the NRA's compliance" with the law.

Additionally, the NRA objects to this Interrogatory as not relevant to the pending matter nor reasonably calculated to lead to the discovery of admissible evidence.

Deficiency: AMc acknowledges that some communications and documents associated with the NRA's compliance with the State of New York's Not-for-Profit Corporation Law are likely privileged. The mere fact that the communication may be privileged does not obviate the need for the NRA to disclose the existence of the communication, the date, time and people present and, if the communication is in writing, the document should be listed in a privilege log. The privilege only applies to the substance of the communication. Moreover, according to the Complaint, the NRA's requests for additional documentation from AMc, which allegedly spurred this lawsuit, were made pursuant to an NRA overhaul of vendor monitoring practices. AMc finds it highly unlikely that all of the documents, discussions, and policies that resulted are all subject to privilege. For example, both accountants and board members appear to have discussed these issues in non-privileged arenas. These same reasons make the request for information highly relevant, as AMc is entitled to test the NRA's assertion that these laws were the sole cause of the requests for additional information.

Sincerely,

A black rectangular redaction box covering the signature of David H. Dickieson.

David H. Dickieson

cc: Robert Cox
Michael Collins
David Schertler
Joseph Gonzalez

Exhibit C

VIRGINIA:

IN THE CIRCUIT COURT OF THE CITY OF ALEXANDRIA

**NATIONAL RIFLE ASSOCIATION
OF AMERICA,**

Plaintiff,

v.

**Case Nos. CL19001757
CL19002067**

ACKERMAN MCQUEEN, INC.

and

MERCURY GROUP, INC.,

Defendants.

**PLAINTIFF'S RESPONSES AND OBJECTIONS TO DEFENDANT ACKERMAN
MCQUEEN, INC.'S FIRST SET OF INTERROGATORIES**

Pursuant to the Rules of the Supreme Court of Virginia ("Rules") 4:1 and 4:8, Plaintiff/Counterclaim Defendant the National Rifle Association of America (the "NRA") submits the following Responses and Objections to Defendant Ackerman McQueen, Inc.'s ("Ackerman's") First Set of Interrogatories (the "Interrogatories"), which Ackerman served in the case styled: *Nat'l Rifle Ass'n v. Ackerman McQueen, et al.*, No. CL19002067. These Responses and Objections are based on information currently available to the NRA. The NRA reserves the right to amend and supplement its Responses and Objections in accordance with the applicable rules. The NRA notes that while Ackerman has titled these as their "First Set of Interrogatories to Plaintiff National Rifle Association of America," Ackerman previously served a set of 23 interrogatories on June 14, 2019.

The information supplied in these Responses and Objections is not based solely on the knowledge of the executing party, but may include knowledge of the Plaintiff's other agents and

representatives. The word usage and sentence structure may be that of the attorney assisting in the preparation of these answers and thus does not necessarily purport to be the precise language of the executing party.

I. GENERAL OBJECTIONS

The General Objections set forth below apply to each of the numbered Interrogatories, whether or not specifically stated in Plaintiff's response or objections to each Interrogatory.

1. The NRA objects to the Interrogatories to the extent that the total number of interrogatories served exceeds the number of interrogatories permitted under the applicable rules. Ackerman served 23 interrogatories on June 14, 2019, and 20 interrogatories on July 17, 2019.¹ Pursuant to Rule 4:8(g), Ackerman may serve no more than 30 interrogatories on the NRA. Accordingly, and because the NRA already has responded to Ackerman's first set of interrogatories – which were propounded in the now-consolidated matter: *Nat'l Rifle Ass'n v. Ackerman McQueen, et al.*, No. CL19001757 (filed April 11, 2019) – Ackerman is only entitled to a response from the NRA to seven of its Interrogatories. By responding to all 20 interrogatories, the NRA is not waiving its objections. The NRA reserves the right to challenge the additional interrogatories, and to contend that Ackerman has served more interrogatories than the Rules permit.

2. The NRA objects to the Definitions and Instructions, and to the Interrogatories, to the extent that they seek to impose obligations on the NRA greater than those imposed or authorized by the Code of Virginia or the Rules.

¹ Ackerman served 23 interrogatories on the NRA on June 14, 2019, in the matter styled: *Nat'l Rifle Ass'n v. Ackerman McQueen, et al.*, No. CL19001757 (filed April 11, 2019). The NRA responded to all 23 interrogatories on July 27, 2019. Now, Ackerman serves 20 more interrogatories in the matter styled *Nat'l Rifle Ass'n v. Ackerman McQueen, et al.*, No. CL19002067 (filed May 22, 2019), though the matter has already been consolidated with the earlier-filed action on July 10, 2019, by Order of the Circuit Court of the City of Alexandria.

3. The NRA objects to the Interrogatories to the extent they seek information or documents which are privileged, exempt, or protected from disclosure by the attorney-client privilege, the attorney work product doctrine, or any other applicable statutory or common law privilege, prohibition, limitation, immunity, or exemption from discovery. Nothing contained in these Responses and Objections is intended to be, or should in any way be deemed as, a waiver of the attorney- client privilege, attorney work product doctrine, or any other applicable privilege, immunity, prohibition, limitation, or exemption. The NRA's response to any Interrogatory, or the production of any document in response to any Request – as contemplated by Ackerman in its Instructions at Paragraph Four, and Rule 4:8(f) – is not, and shall not be deemed or construed as, a waiver of any privilege, right, or objection on the part of the NRA with respect to any such document or information.

4. The NRA objects to the Interrogatories to the extent that they call for the production or disclosure of "Confidential Information" as that term is defined in Section IV.A. of the Services Agreement, dated April 30, 2017 (as modified by Amendment No.1, dated May 6, 2018).² Nothing contained in these Responses and Objections is intended to be, or should in any way be deemed as, a waiver of the protections afforded to Confidential Information pursuant to the Services Agreement. The NRA submits its Responses and Objections with the understanding that AMc will honor its confidentiality obligations.

5. The NRA objects to the Interrogatories to the extent that they are overly broad and unduly burdensome. In particular, the NRA objects to the Definitions and Instructions as overbroad and unduly burdensome to the extent they purport to define the terms "NRA," "You,"

² Confidential Information is defined in the Services Agreement to include "any NRA membership data or mailing lists, any materials or information relating thereto, or any other data, materials or information coming to the knowledge of AMc, supplied to AMc by NRA, or otherwise made known to AMc as a result of AMc's providing Services" to the NRA.

and "Your," because the inclusion of agents and "others acting on [the NRA's] behalf," in the definition of such terms would require the NRA to seek documents from persons outside of its control, including Defendants Ackerman and Mercury Group, Inc. (together, "AMc") who have served as agents to the NRA. Accordingly, the NRA's Responses and Objections to the Interrogatories will define the terms "NRA," "Plaintiff," "you" or "your" to mean the National Rifle Association of America and any of its officers, directors or employees, unless otherwise stated in a specific response.

6. The NRA objects to the Interrogatories to the extent they subject the NRA to unreasonable burden and expense, including, but not limited to, the burden and expense of collecting or distilling information which is equally – or more readily – available to AMc.

7. The NRA objects to the Interrogatories to the extent they seek information not in its possession, custody, or control, or require the NRA to make unreasonable inquiries of persons or other entities. The NRA further objects to the Interrogatories to the extent that AMc already has the requested information within AMc's possession, custody, or control.

8. The NRA objects to the Interrogatories to the extent they are vague, ambiguous and/or unintelligible.

9. The NRA objects to the Interrogatories to the extent they seek information that is neither relevant to the subject matter of the litigation nor reasonably calculated to lead to the discovery of admissible evidence.

10. The NRA objects to the Interrogatories to the extent they seek information that violates the right of privacy guaranteed by law to the NRA and/or third parties.

11. All objections previously noted or filed separately are incorporated herein in their entirety by reference as if set forth verbatim; none are waived.

12. The information provided in these Responses and Objections reflects the NRA's current knowledge, information and belief. The NRA reserves the right to change, modify, amend or supplement these Responses and Objections as warranted based upon, among other things, discovery of additional facts and materials and other developments or proceedings in this action.

13. The NRA's failure to make a specific objection to a particular individual Interrogatory is not, and shall not be construed as, an admission that responsive information exists. Likewise, any statement or other indication herein that the NRA will produce any information or documentation or will make any documents available for inspection and copying in response to an individual Interrogatory does not mean that the NRA, in fact, has any such information or documents, or that any such information or documents exist, but instead reflects an intention, subject to and without waiving any objections, to conduct a reasonably diligent search for responsive information in the NRA's possession, custody, or control.

14. Objections to these Interrogatories are made without waiver, and with preservation, of all objections as to competency, relevance, materiality, privilege and admissibility of the responses and the subject matter of such responses as evidence for any purpose in any proceeding, including trial, and in any other action.

15. Objections to these Requests are made without waiver, and with preservation, of the right to object to the use of these Interrogatories and the subject matter of these Interrogatories on any ground in any proceeding in this action, including trial, and in any other action.

16. Objections to these Interrogatories are made without waiver, and with preservation, of the right to object on any grounds at any time to a demand or request for further or other responses (a) to these Interrogatories or (b) relating to the subject matter of these

Interrogatories.

17. Objections to these Interrogatories are made without waiver, and with preservation, of the right to revise, correct, add to, supplement, or clarify these Responses and Objections.

18. In providing these responses to the Interrogatories, the NRA reserves and does not waive: (a) any objection as to the vagueness, ambiguity, or other infirmity in the form of an Interrogatory and any objection based on the undue burden imposed by an Interrogatory; (b) any rights to object on any grounds to the use of any of the responses, objections, documents, or their subject matter, in any subsequent proceeding; and (c) any rights to object on any ground to any further discovery requests involving or relating to the subject matter of the Requests.

19. All of the NRA's objections to the Requests shall be deemed to be continuing and are hereby incorporated into each of the responses and objections to the specific Requests set forth below.

II. SPECIFIC OBJECTIONS AND RESPONSES

INTERROGATORY NO. 1

Identify each person whom you believe has or may have knowledge of the facts and circumstances that are the subject matter of the Complaint and the Counterclaim in this case.

RESPONSE TO INTERROGATORY NO. 1

The NRA incorporates its General Objections. The NRA also objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

In addition, the NRA objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Furthermore, the NRA objects to this Interrogatory as overbroad and unduly burdensome to the extent that it purports to require the NRA to provide an exhaustive list of individuals with knowledge of any of the facts recounted in the Complaint and alleged in the Counterclaim, including individuals whose knowledge is *de minimis* or incidental, or was acquired under circumstances that make such individuals difficult to identify (*e.g.*, knowledge relayed indirectly, as part of a communication to which the NRA was not a party). The NRA will not purport to identify such individuals. Likewise, based on overbreadth and undue burden, the NRA will not purport to identify individuals whose knowledge concerns facts that are not material to the parties' claims or defenses.

This Interrogatory is overbroad and unduly burdensome on the additional basis that it calls for names of litigation counsel or their agents, consultants, or experts; the burden of identifying these individuals, and the risk that doing so would expose counsel's thought processes or litigation strategies, exceeds the potential relevance of such information. Accordingly, the NRA will exclude the names of litigation counsel and their agents, consultants, and experts from its response.

Moreover, the NRA objects to this Interrogatory to the extent that the term "agent" is vague and ambiguous.

Finally, the NRA objects to this Interrogatory as premature because it seeks the NRA's ultimate position on its contentions, even though discovery is in the earliest stages: AMc has yet to produce a single document to the NRA. The NRA should not be required to answer this Interrogatory until after designated discovery is completed, or a pre-trial conference is held. *See* Rule 4:8(e).

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by stating that it continues to investigate the subject matter of the Complaint and counterclaims filed under docket number CL19002067, and by identifying individuals whom it has determined, based on a reasonably diligent inquiry, are likely to possess substantive knowledge of the Complaint and counterclaims:

LAST	FIRST	Relationship
Arulanandam	Andrew	NRA employee
Boren	Dan	NRA Director
Cummins	Emily	Former NRA employee
Erstling	Michael	NRA employee
Frazer	John	NRA Secretary and General Counsel
Hallow	Millie	NRA employee
Hart	Steve	Former outside counsel to NRA
LaPierre	Wayne	NRA CEO and Executive Vice President
McQueen	Angus	AMc Founder
McQueen	Revan	AMc CEO
Montgomery	Melanie	AMc EVP, Management Supervisor
North	Oliver	NRA Director; Former Pres. NRA; employee of AMc
Padilla	Portia	NRA employee

Phillips	Wilson	Former CFO & Treasurer, NRA
Powell	Joshua	NRA employee
Reno	Duane	NRA employee
Rowling	Sonya	NRA employee
Spray	Craig	NRA employee
Supernaugh	Lisa	NRA employee
Tavangar	Nader	AMc EVP, Managing Director – Mercury Group
Tedrick	Rick	NRA CFO
Winkler	Bill	AMc CFO

INTERROGATORY NO. 2

With respect to each person identified in response to Interrogatory No. 1, that is an NRA employee or agent, describe specifically that person's knowledge of the facts and circumstances of the subject matter of the Complaint and/or the Counterclaim and that person's basis for that knowledge.

RESPONSE TO INTERROGATORY NO. 2

The NRA incorporates its General Objections. The NRA also objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

In addition, the NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential

Information pursuant to AMc's obligations under the Services Agreement.

The NRA objects to this Interrogatory to the extent that the term "agent" is vague and ambiguous.

Furthermore, the NRA objects to this Interrogatory to the extent that the information sought is already known to or in the possession of Defendant AMc, and is readily accessible to Defendant AMc. Accordingly, the NRA will not purport to set forth the knowledge held by Defendant nor the "basis for" Defendant's knowledge.

Moreover, the NRA objects to this Interrogatory because it calls for speculation to the extent that AMc has previously acted as an agent of the NRA, and the Interrogatory purports to seek the NRA's disclosure of the knowledge held by AMc in that capacity. The NRA declines to speculate as to AMc's knowledge.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the consolidated cases, and by identifying the following employees or agents of the NRA:

LAST	FIRST	KNOWLEDGE	BASIS
Arulanandam	Andrew	NRA's requests for AMc books and records	NRA job responsibilities.
Erstling	Michael	Payments to AMc and lack of detail in AMc's invoices	NRA job responsibilities.
Frazer	John	NRA's requests for AMc books and records; NRA's knowledge of terms of North contract prior to obtaining copy of contract.	Facilitated attempts to examine AMc records; conducted circumscribed review of North contract after months of requests; corresponded with AMc re AMc's obligations re the NRA's Confidential

			Information
Hallow	Millie	NRA's requests for AMc books and records; NRA's knowledge of terms of North contract prior to obtaining copy.	Communications with AMC, North, prior to entry of North contract.
LaPierre	Wayne	NRA's requests for AMc books and records; NRA's knowledge of terms of North contract prior to obtaining copy.	Communications with AMC, North, prior to entry of North contract.
Padilla	Portia	Payments to AMc and lack of detail in AMc's invoices	NRA job responsibilities.
Phillips	Wilson	Payments to AMc and lack of detail in AMc's invoices	Role in NRA Finance Dept.
Powell	Joshua	NRA requests for AMc books and records	Requested books and records from AMc on behalf of NRA
Reno	Duane	AMc alleges that Mr. Reno received an email message from Nader Tavangar on April 30, 2019.	AMc's Counterclaim ¶ 46, dated June 19, 2019.
Rowling	Sonya	Payments to AMc and lack of detail in AMc's invoices	NRA job responsibilities.

Spray	Craig	NRA' s requests for AMc books and records; payments to AMc and lack of detail in AMc's invoices	NRA job responsibilities.
Supernaugh	Lisa	AMc alleges that Ms. Supernaugh received an email message from Nader Tavangar on April 30, 2019.	AMc's Counterclaim ¶ 46, dated June 19, 2019.
Tedrick	Rick	Payments to AMc and lack of detail in AMc's invoices	NRA job responsibilities.

INTERROGATORY NO. 3

With respect to each person identified in response to Interrogatory No. 1, that is not an NRA employee or agent, describe specifically that person's knowledge of the facts and circumstances of the subject matter of the Complaint and Counterclaim and that person's basis for that knowledge.

RESPONSE TO INTERROGATORY NO. 3

The NRA incorporates its General Objections. The NRA also objects to this Interrogatory to the extent it seeks descriptions of information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

In addition, the NRA also objects to this Interrogatory to the extent it seeks disclosure of "facts and circumstances of the subject matter of the Amended Complaint" comprising Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to,

waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Furthermore, the NRA objects to this Interrogatory as oppressive and unduly burdensome to the extent it seeks the "basis" for knowledge alleged to be held by persons other than NRA employees or officers, and outside of the NRA's control.

Moreover, the NRA objects to this Interrogatory to the extent that the term "agent" is vague and ambiguous.

The NRA objects to this Interrogatory to the extent that the information sought is equally – or in some cases, more readily – available to Defendant AMc from other sources, such as its own files and employees, and to the extent the Interrogatory calls for speculation. The NRA also objects to the Interrogatory to the extent that the information sought is already known to, or is in the possession of, Defendant AMc, and is readily accessible to Defendant AMc because the persons identified are employees or agents of Defendant AMc.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by identifying the following persons who may possess the knowledge indicated:

LAST	FIRST	KNOWLEDGE	BASIS
Boren	Dan	AMc's accounting for time/services of personnel.	Boren stated in an email message that : They [Ackerman] can't produce the backup to the invoices and were allocating full salary to these employees that may have been working on our [Chickasaw Nation's] accounts."

The NRA continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire, pursuant to Rule 4:1(e).

INTERROGATORY NO. 4

Identify and describe in detail any communications regarding “concerns that Ackerman and Mercury were regularly taking advantage of their favored position and the numerous roles they played for the NRA,” as alleged in Paragraph 16 of the Complaint.

RESPONSE TO INTERROGATORY NO. 4

The NRA incorporates its General Objections. The NRA also objects to this Interrogatory to the extent it seeks information about communications which are protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

In addition, the NRA objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA’s Confidential Information pursuant to AMc’s obligations under the Services Agreement.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory as follows: in 2018, when the NRA sought access to records regarding AMc’s business and accounting practices, AMc’s responses became evasive and hostile. As stated in the Complaint, the NRA was concerned about the amount and proportion of its funds paid to AMc, particularly in those instances in which documents sufficient to substantiate the invoiced charges were not available to the NRA. One specific concern related to the NRA’s reimbursement payments to AMc for out-of-pocket expenses that AMc claimed it incurred in

the performance of its services for the NRA account. Another concern related to the NRA's payments to AMc of certain AMc staff salaries, for AMc personnel who worked exclusively on the NRA account. Specifically, the NRA developed concerns that it was paying the salary of AMc personnel who worked for *other* AMc clients. A third concern among NRA employees and executives was AMc's unwillingness or inability to help the NRA validate AMc's "fair market value" analyses, which AMc used to determine its charges to the NRA for those services for which the NRA was required to pay the "fair market value" under the contract. The NRA continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire pursuant to Rule 4:1(e).

INTERROGATORY NO. 5

Identify the specific employees of Defendants that the NRA believes were "allocating substantial time to non-NRA clients" even though these employees were "NRA-Dedicated Personnel," as alleged in Paragraph 16 of the Complaint, and include in your response all facts relating to or supporting that contention.

RESPONSE TO INTERROGATORY NO. 5

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The

NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory on the basis that the specific identities of the individual AMc employees who were assigned by AMc to perform work on non-NRA accounts, is unavailable to the NRA; that information is exclusively available to Defendant AMc. Defendant AMc was required to produce to the NRA the information it now purports to seek from the NRA. On June 29, 2019, the NRA served its first set of discovery requests on AMc. Among the NRA's discovery requests was Request for Production No. 12, which sought "[d]ocuments sufficient to identify all NRA-Dedicated Personnel (as defined in Paragraph 14 of the NRA's Complaint) as of June 19, 2019, and all projects or accounts on which each individual worked, and the amount or percentage of time dedicated to each such project or account." AMc responded on July 25, 2019, that it would produce responsive documents "after a protective order has been issued to protect the confidential and proprietary nature of the documents." Despite that assertion, AMc is withholding production of the very information it now purports to inquire about. AMc has represented to the NRA that no documents will be forthcoming in response to the NRA's requests for production until the NRA agrees to exclude certain of its counsel from viewing certain of AMc's "highly confidential" documents. AMc has not asserted that the documents requested by Request for Production No. 12 are highly-confidential, but it nevertheless represented on August 2, 2019, that it does not intend to produce any documents, highly-confidential or otherwise, until the NRA accedes to its demand and signs a so-called "protective order" that is unreasonable and unfairly prejudicial to the NRA's case.

Relatedly, the Interrogatory is objectionable because responding to it would require the NRA to speculate as to facts in Defendants' sole possession. Specifically, AMc's

Interrogatory seeks information held by, and regarding, AMc's own employees. The NRA declines to speculate as to which members of AMc's staff possess knowledge that AMc was required to furnish *to the NRA* more than two weeks ago, and that AMc continues to withhold in defiance of its responsibility to engage in the discovery process.

Additionally, the NRA objects to this Interrogatory as premature because it seeks the NRA's ultimate position on its contentions, even though discovery is in the earliest stages: AMc has yet to produce a single document to the NRA. The NRA should not be required to answer this Interrogatory until after designated discovery is completed, or a pre-trial conference is held. *See* Rule 4:8(e).

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the Complaint and counterclaims. In addition, the NRA responds to this Interrogatory by pointing Defendant AMc to an email authored by Daniel Boren, an executive of AMc's client, the Chickasaw Nation, in which Boren specifically states that NRA-dedicated personnel may have been deployed to perform services on the Chickasaw Nation account. *See* Exhibit A.

INTERROGATORY NO. 6

Identify the specific "employees, executives, and board members," as well as anyone else, that raised concerns that "AMc's expenses and activities required greater oversight," as alleged in Paragraph 16 of the Complaint, and describe in detail any communications referring to or relating to the "concerns," including when each concern was brought to the attention of the NRA and the circumstances of how it was first brought to the attention of the NRA.

RESPONSE TO INTERROGATORY NO. 6

The NRA incorporates its General Objections. In addition, the NRA objects to this

Interrogatory to the extent that the communications referring to or relating to “concerns” about AMc’s activities and expenses are protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA’s Confidential Information pursuant to AMc’s obligations under the Services Agreement.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory as follows: The NRA continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire pursuant to Rule 4:1(e). The NRA refers AMc to the NRA’s response to Interrogatory No. 4, *supra*, and states that the NRA will produce communications responsive to this Interrogatory, pursuant to Rule 4:8(f).

INTERROGATORY NO. 7

Identify each employee or agent of the Defendants that the NRA believes has “leaked” information about the NRA, and specifically what information was leaked, who that information was leaked to, and when the leak occurred.

RESPONSE TO INTERROGATORY NO. 7

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-

client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory on the basis that the specific identities of the AMc employees or agents who are alleged to have leaked is exclusively available to Defendant AMc. Indeed, Defendant AMc was required to produce to the NRA the information it now purports to seek request. On June 29, 2019, the NRA served its first set of requests for production of documents on AMc. Among the NRA's requests for production to AMc was request number nine, seeking communications between AMc and certain news outlets which have published or are suspected to be in possession of the NRA's confidential information. AMc has neglected to produce the requested documents. AMc asserted objections based on relevance and privilege, and stated that it would produce responsive documents "after a protective order has been issued to protect the confidential and proprietary nature of the documents."

Despite that assertion, AMc has stated that no documents will be forthcoming in response to the NRA's requests for production until the NRA agrees to exclude certain of its counsel from viewing AMc's "highly confidential" documents. AMc has not asserted that the documents requested by the NRA's request for production number nine are highly-

confidential, but it nevertheless represented on August 2, 2019, and again on August 8, 2019, that it does not intend to produce any documents, highly-confidential or otherwise, until the NRA accedes to its demand and signs a so-called “protective order” that is unreasonable and unfairly prejudicial to the NRA’s rights.

Relatedly, the Interrogatory is objectionable because responding to it would require the NRA to speculate as to facts in Defendants’ sole possession. Specifically, AMc’s Interrogatory seeks information held by, and regarding, AMc’s own employees and agents. The NRA declines to speculate as to who among AMc staff and agents possess the knowledge that AMc was required to furnish *to the NRA* more than two weeks ago, and that AMc continues to withhold in defiance of its responsibilities.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory as follows: The NRA states that the following articles are believed to reflect information leaked by, or with the knowledge and consent of, AMc:

HEADLINE	PUBLICATION & DATE
NRA Chief Wayne LaPierre Questioned on Travel Expenses.	The Wall Street Journal, May 2, 2019
Leaked Letters Reveal Details of NRA Chief’s Alleged Spending	The Wall Street Journal, May 11, 2019
“Leaked Documents Reveal ‘Mindboggling’ Spending at the National Rifle Association	Rolling Stone, May 17, 2019
Inside the NRA’s finances: Deepening debt, increased spending on legal fees — and cuts to gun training	The Washington Post, June 14, 2019
NRA Chief Sought Purchase of \$6 Million Mansion in Wake of Parkland Shooting	The Washington Post, August 7, 2019
NRA Chief Sought Help of Group’s Ad Agency in Trying to Buy \$5 Million Mansion	The Wall Street Journal, August 6, 2019

"Leaked Documents: NRA Racked up \$24 Million in Legal Bills"	The Daily Beast, May 12, 2019
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The NRA continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire pursuant to Rule 4:1(e).

INTERROGATORY NO. 8

Identify the specific "sources" that "advised" the NRA "that leaks were emanating from AMc," as alleged in Paragraph 23 of the Complaint, and describe in detail the content and circumstances of every communication in which "sources" advised the NRA "that leaks were emanating from AMc."

RESPONSE TO INTERROGATORY NO. 8

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the litigation, and by referring AMc to the Complaint, which alleges, *inter alia*, that media sources described or

published the NRA's confidential information; the NRA did not furnish that confidential information; and the confidential information related to matters on which AMc had worked, and about which AMc and its agents possessed knowledge.

INTERROGATORY NO. 9

Identify and describe in detail all efforts by the NRA to investigate or determine the source of wrongfully "leaked" or "disseminated" NRA information or records and the results of such investigations.

RESPONSE TO INTERROGATORY NO. 9

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information about the NRA's investigative processes, or results, which are protected from disclosure by the attorney-client privilege, the work product doctrine, or other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the litigation. The NRA also directs AMc to the NRA's request to AMc, on May 6, 2019, that AMc secure declarations from certain AMc employees who have had access to the NRA's Confidential

Information. The NRA sought declarations from seven AMc executives attesting, under penalty of perjury, that they did not disclose NRA Confidential Information, nor cause NRA Confidential Information to be relayed to certain media outlets, without the NRA's express permission. The executives from whom the NRA sought declarations are Angus McQueen, Bill Powers, Bill Winkler, Tony Makris, Nader Tavangar, Melanie Montgomery and Revan McQueen. On May 7, 2019, AMc's attorneys informed the NRA that it declined to provide the requested declarations.

The NRA learned of another leak of NRA Confidential Information after an investigation by the Washington Post cited a purported analysis of the NRA's financial condition, neither authored nor authorized by the NRA. The document, titled "Analysis of the 2018 NRA Consolidated Financial Statement," included NRA Confidential Information and other (in instances, inaccurate) information. By email dated June 17, 2019, from Andrew Arulanandam of the NRA to Melanie Montgomery of AMc (copying Angus McQueen, Revan McQueen, and AMc attorney David Schertler), the NRA requested that AMc inform it of whether any "Ackerman employee was aware of that document, authorized it being produced, or had any knowledge of it being provided to The Washington Post," and requested that AMc provide declarations that attest to the accuracy of its responses. AMc again declined to cooperate with the NRA's investigation of the source(s) of leaks of NRA Confidential Information.

INTERROGATORY NO. 10

Identify which persons or entities "AMc conspired with [] to disseminate select" NRA records, as alleged in Paragraph 24 of the Complaint, and specifically what information was disseminated, the circumstances of the alleged conspiracy, and the identities of the persons involved.

RESPONSE TO INTERROGATORY NO. 10

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory on the basis that a portion of the information sought is unavailable to the NRA, and is exclusively available to Defendant AMc. Specifically, only AMc is positioned to know the circumstances of its conspiracy to disseminate the letters referenced *supra*. In fact, the NRA has sought to learn the circumstances of the conspiracy to disseminate selective information to NRA stakeholders, in its Request for Production Number 48, served on August 1, 2019, and AMc is actively obstructing the NRA's acquisition of that information. AMc has represented to the NRA that no documents will be forthcoming in response to the NRA's requests for production until the NRA agrees to exclude certain of its counsel from viewing the documents that AMc intends to designate "highly confidential." AMc has not asserted that the documents requested by the NRA's Request for Production No. 48 are highly-confidential, but it nevertheless represented on August 2, 2019, and again on August 8, 2019, that it does not intend to produce *any* documents, highly-confidential or otherwise, until the NRA accedes to AMc's demand by signing a so-called "protective order" that is unreasonable and unfairly prejudicial to the

NRA's case.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the Complaint and counterclaims. In addition, as previously noted by the NRA, at least three letters were received by NRA executives from AMc executive William ("Bill") Winkler, and the NRA has produced those documents (the "Winkler Letters") *back* to AMc as exhibits to Plaintiff's Second Set of Requests for Production to Defendant, Ackerman, served on August 1, 2019. Accordingly, and pursuant to Rule 4:8(f), the NRA has responded to the sub-part of this Interrogatory requesting the content of information disseminated, with respect to the three letters that the NRA previously identified. With respect to information disseminated to a subset of Board members, as alleged in the Complaint ¶ 24, the NRA responds that former counsel to the NRA Board of Directors, Steven J. Hart, conspired with AMc to distribute the Winkler Letters to Oliver North, Richard Childress, Carolyn Meadows, Charles Cotton, Allan Cors, Jim Porter and Pete Brownell. In addition, the NRA responds by referring AMc to the Complaint, ¶¶ 26 and 37, in which the NRA identifies Oliver North as a co-conspirator with AMc. The Complaint alleges that AMc caused North to telephone an aide of Wayne LaPierre and threaten to relay information that AMc was purportedly prepared to disseminate, including NRA Confidential Information known to the NRA and to AMc.

INTERROGATORY NO. 11

Identify and describe in detail the entire factual bases for your contention that "AMc directly or indirectly disclosed the NRA's confidential information [to the] The New York Times, The Wall Street Journal, The Daily Beast, [and/or] Rolling Stone," as alleged in Paragraph 30 of the Complaint.

RESPONSE TO INTERROGATORY NO. 11

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Additionally, the NRA objects to this Interrogatory as premature because it seeks the NRA's ultimate position on its contentions, even though discovery is in the earliest stages: AMc has yet to produce a single document to the NRA. The NRA should not be required to answer this Interrogatory until after designated discovery is completed, or a pre-trial conference is held. *See* Rule 4:8(e).

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory as follows: The NRA's confidential information, to which AMc had access, was described by representatives of, or published by, the named media outlets, including, for example, in the articles identified in the NRA's response to Interrogatory Seven, *supra*. The NRA continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire pursuant to Rule 4:1(e).

INTERROGATORY NO. 12

Describe all communications between any employee, representative, agent, or director of the NRA and representatives of any press and/or media organizations with respect to any of the events alleged in the Complaint. Your response should include the date of the communication, the parties to the communication, how it was made, and the content of the communication(s).

RESPONSE TO INTERROGATORY NO. 12

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement, including, in particular, information which AMc - as a representative of the NRA - may have learned from the NRA and communicated with any press and/or media organization. The disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory as overbroad and unduly burdensome due to its unrestricted scope, because it requests the NRA to "[d]escribe" "all communications" between any of Plaintiff's representatives, employees, agents or directors and members of the press, "with respect to the events alleged in the Amended Complaint," absent any limitation calculated to yield evidence probative of any subject of the claims or counterclaims. For example, one event alleged in the Amended Complaint is the NRA's 2019 Annual Meeting, which itself is the subject of thousands of individual communications between the NRA's professional public relations staff

and members of the news media, the description of which would require great time and expense not proportional to the probative value thereof.

The Interrogatory is also overbroad and unduly burdensome on the basis that it seeks description of communications with any “representatives of any press and/or media organizations,” of which there are thousands, on the one hand, and “any employee, representative, agent, or director of the NRA,” of which there are hundreds, on the other. The expense and effort of reviewing the communications of each of the hundreds of employees, representatives, agents or directors of the NRA for communications with any news or media outlet or the representative of such an outlet, is not reasonably proportional to the needs of the case.

Moreover, the Interrogatory is objectionable to the extent it seeks information already in the possession of Defendant AMc, or more readily available to AMc than to the NRA, because AMc was one of the NRA’s agents and its primary public relations advisor and representative during the occurrence of nearly every event detailed in the Amended Complaint. Notably, the NRA requested these communications from AMc in its Request for Production No. 8, served June 29, 2019. AMc has neglected to produce the requested documents. AMc asserted objections based on relevance and privilege, and stated that it would produce responsive documents “after a protective order has been issued to protect the confidential and proprietary nature of the documents.” Despite that assertion, AMc has refused to agree to a reasonable protective order, insisting to the NRA that no documents will be forthcoming in response to the NRA’s requests for production until the NRA agrees to exclude certain of its counsel from viewing AMc’s “highly confidential” documents. AMc has not asserted that the documents requested by the NRA in its Request for Production No. 8 are highly-confidential, but it nevertheless represented on August 2, 2019, and again on August 8, 2019, that it does not intend to produce *any* documents, highly-confidential or otherwise, until the NRA accedes to

its demand and signs a so-called “protective order” that is unreasonable and unfairly prejudicial to the NRA’s rights.

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by stating that it will produce communications issued after the filing of the Complaint on May 22, 2019, about the subject matter of the Complaint, pursuant to Rule 4:8(f).

INTERROGATORY NO. 13

Identify and describe in detail the factual bases for your contention that AMc caused North to “relay an extortion threat to the NRA on April 24, 2019,” as alleged in Paragraph 48 of the Complaint.

RESPONSE TO INTERROGATORY NO. 13

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA’s Confidential Information pursuant to AMc’s obligations under the Services Agreement.

In addition, the NRA objects to this Interrogatory on the grounds that the information sought is equally – or more readily – available to AMc, because it is in the custody, possession

or control of AMc's employee and agent, Col. Oliver North.

Additionally, the NRA objects to this Interrogatory as premature because it seeks the NRA's ultimate position on its contentions, even though discovery is in the earliest stages: AMc has yet to produce a single document to the NRA. The NRA should not be required to answer this Interrogatory until after designated discovery is completed, or a pre-trial conference is held. *See* Rule 4:8(e).

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by re-stating that it continues to investigate the subject matter of the Complaint and counterclaims, and by reiterating the allegations of the Complaint. On April 24, 2019, Oliver North telephoned an aide of NRA CEO Wayne LaPierre and relayed the contents of a letter that AMc purportedly planned to disseminate. Compl. ¶ 26. North described allegations the letter would contain, including false depictions of NRA finances; sexual harassment accusations; and information about expenses that AMc had charged to the NRA - information which was also utilized in letters issued by AMc executive Bill Winkler around the same time. *Id.* North described that the letter would be "bad" for LaPierre and the NRA. *Id.* On the phone call to LaPierre's aide, North purported to speak for AMc by stating that AMc would refrain from publicizing the aforementioned information if LaPierre agreed to withdraw the NRA's lawsuit against AMc, and take other steps described more fully in the Complaint. *Id.* at ¶ 27.

INTERROGATORY NO. 14

Identify and describe in detail any and all damages the NRA claims it has sustained as a result of AMc's alleged conduct as described in the Complaint, including the estimated monetary value of the alleged damages.

RESPONSE TO INTERROGATORY NO. 14

The NRA incorporates its General Objections. In addition, the NRA also objects to this Interrogatory purporting to seek “detail” regarding “any and all damages the NRA claims it has sustained,” to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA’s Confidential Information pursuant to AMc’s obligations under the Services Agreement.

The NRA further objects to this Interrogatory as premature because (a) the NRA needs to conduct certain discovery in connection with its damages analysis and (b) issues concerning the NRA’s alleged damages will be the subject of expert analysis and testimony, the disclosure of which is not required at this preliminary stage of discovery. This Interrogatory is also premature because it seeks the NRA’s ultimate position on its contentions, even though discovery is in the earliest stages: AMc has yet to produce a single document to the NRA. The NRA should not be required to answer this Interrogatory until after designated discovery is completed, or a pre-trial conference is held. *See* Rule 4:8(e).

Subject to the foregoing objections and the General Objections, the NRA responds to this Interrogatory by referring Defendant AMc to the NRA’s allegations as set forth in its Amended Complaint, on pages 15 through 19. The NRA continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire pursuant to Rule 4:1(e).

INTERROGATORY NO. 15

Describe in detail the findings and conclusions of each examination of AMc's records pursuant to Section VIII since 2014, and specify whether any negative findings and conclusions of such examinations were communicated to AMc.

RESPONSE TO INTERROGATORY NO. 15

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved. Specifically, to the extent this Interrogatory seeks the findings and conclusions of examinations of AMc records conducted in 2018 and 2019, the NRA objects on the basis that the information sought is protected by attorney-client privilege and the work-product doctrine.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Additionally, the NRA objects to this Interrogatory as premature because it seeks the NRA's ultimate position on its contentions, even though discovery is in the earliest stages: AMc has yet to produce a single document to the NRA in response to the NRA's requests for production of documents, served June 29, and August 1, 2019. The NRA should not be required to answer this Interrogatory until after designated discovery is completed, or a pre-trial conference is held.

See Rule 4:8(e).

The NRA further objects to this Interrogatory as premature because (a) the NRA continues to analyze data it has collected in connection with its reviews of AMc records and (b) issues arising from those reviews are expected to be the subject of expert analysis and testimony, the disclosure of which is not required at this preliminary stage of discovery.

Subject to the foregoing objections and General Objections, the NRA responds that it will produce communications responsive to this Interrogatory, pursuant to Rule 4:8(f). The NRA further responds that it continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire pursuant to Rule 4:1(e).

INTERROGATORY NO. 16

Describe in detail the status of any government investigation of the NRA ongoing during 2019 and specify the actions taken by AMc that may relate to each such investigation.

RESPONSE TO INTERROGATORY NO. 16

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential

Information pursuant to AMc's obligations under the Services Agreement.

The NRA also objects to Interrogatory No.16 as overbroad, irrelevant, harassing, and potentially propounded in bad-faith with the intention of "fishing" for potentially salacious information not probative of any claim or defense at issue in this litigation.

Furthermore, the NRA objects to the Interrogatory to the extent that it seeks information that is more readily available to AMc than it is to the NRA. In particular, the Interrogatory purports to request that the NRA furnish to AMc the facts of AMc's own alleged actions "that may relate to such investigation[s]." On the same basis, the NRA objects to the extent that the Interrogatory purports to require the NRA to collect information that is not in its possession, custody or control, and relatedly, because it calls for improper speculation on the part of the NRA.

INTERROGATORY NO. 17

Identify each NRA employee, director or agent who was receiving compensation or having expenses paid by both the NRA and AMc, specifying the amounts received from the NRA in 2015, 2016, 2017, 2018 and 2019, and the amounts received from AMc in each of those same years.

RESPONSE TO INTERROGATORY NO. 17

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of

Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

In addition, the NRA objects to this Interrogatory because it is over broad to the extent it fails to identify any particular employees, directors, or agents who – AMc appears to suggest – are the recipients of AMc payments, and because it fails to identify which such payments to these non-parties, if any, are relevant to or probative of any of the claims or defenses alleged in this litigation.

Moreover, the NRA objects to this Interrogatory to the extent that the use of the term “agent” renders the Request ambiguous and overbroad. For example, the NRA cannot determine whether any of its contractors hired by the NRA during the previous four years simultaneously performed work for AMc.

Furthermore, the NRA objects to this Interrogatory on the basis that the information purportedly sought is equally – or more readily – available to AMc. To the extent that this Interrogatory seeks to impose a duty on the NRA to conduct some sort of survey of all of its employees, agents and directors who served at or worked with the NRA over the preceding four years to collect the requested information, the NRA further objects on the basis of undue burden and because AMc is presumably already in possession of records identifying AMc's own disbursements to such persons. Indeed, the NRA sought information from AMc regarding AMc payments in its repeated document-examination requests during 2018 and 2019, which AMc rebuffed. The NRA declines to undertake any such information collection effort and declines to speculate as to the contents of the AMc records to which the NRA has been denied access. Accordingly, the NRA declines to answer that portion of the Interrogatory which requires the NRA

to identify each employee, director or agent who was receiving compensation or having expenses paid by AMc, and to identify the amounts such persons received from AMc.

Specifically, with respect to NRA employees, the NRA is in possession of records identifying the compensation or reimbursements paid to the employees *by the NRA*. The NRA is not in possession of records from which it can discern AMc's direct payments, if any, to such employees. With respect to directors and agents, the NRA is likewise aware of payments or reimbursements that it issued to its directors and agents, but similarly is not in possession of records of payments or compensation paid by AMc.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory as follows: The NRA is aware that Tyler Schropp, a former Ackerman employee who began work with the NRA in or about 2010, continued to submit expense reimbursements through Ackerman until 2018. In addition, during his tenure as NRA President, Lt. Col. Oliver North received occasional expense reimbursements from the NRA; the NRA understands that he simultaneously received a salary from Ackerman. The NRA continues to investigate the subject matter of the litigation and will supplement its response with additional responsive information it may acquire pursuant to Rule 4:1(e).

INTERROGATORY NO. 18

Identify and describe in detail any instances since 2014 where the NRA has disputed an AMc invoice and how that dispute was resolved.

RESPONSE TO INTERROGATORY NO. 18

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or

privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

The NRA further objects to this Interrogatory to the extent that the information sought is equally – or more readily – available to AMc as it is to the NRA, and the Interrogatory places an undue burden on the NRA to analyze five years of communication with AMc, to the extent that AMc has the same information available to it in its own records.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory as follows: Between August and October of 2018, the NRA sought information from AMc to, *inter alia*, substantiate certain of the billed items in AMc invoices issued between January 1, 2015 and the present. Communications between AMc and the NRA regarding the NRA's requests for sufficient information to substantiate invoiced amounts ultimately resulted in the NRA's issuance of new invoicing guidelines to AMc on October 4, 2018, with which Ackerman failed to comply. The NRA sought specific backup for AMc invoices dated May 1, June 12, and July 9, 2019, by letters dated June 5, June 25 and July 23, 2019, respectively. On December 21, 2018, the NRA requested information from AMc to substantiate the passthrough expenses invoiced to the NRA for AMc talent and employees engaged in NRA projects. On March 25 and 26, 2019, the NRA specifically requested information from AMc to delineate and substantiate the amounts invoiced to it in connection with the NRA project "American Heroes." Indeed, even after Lt. Col.

North belatedly furnished the NRA with a copy of his Ackerman contract, the NRA's request for basic information about the burdens imposed upon the NRA in connection with the American Heroes project remain unanswered.³

INTERROGATORY NO. 19

Identify and describe in detail any and all actions taken by the NRA Board or any NRA Board committee to authorize any change in, or termination of, the NRA/AMc Services Agreement and/or any decision to authorize litigation against AMc.

RESPONSE TO INTERROGATORY NO. 19

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.

The NRA also objects to this Interrogatory to the extent it seeks disclosure of Confidential Information as that term is defined in the Services Agreement; the disclosure of Confidential Information in response to this Request does not, and shall not be deemed to, waive the protections afforded such information pursuant to the Services Agreement. The NRA expects that AMc will maintain the confidentiality of the NRA's Confidential Information pursuant to AMc's obligations under the Services Agreement.

Moreover, the NRA objects to this Interrogatory to the extent it purports to assert that the NRA required a specific and additional approval by its Board of Directors to make business decisions that the NRA was already authorized to make. No particular resolution or

³ See Letter from John Frazer, Gen. Counsel, NRA, to Steve Ryan, counsel to AMc, McDermott Will & Emery (Mar. 26, 2019).

special blessing of the Board of Directors was or is required for the NRA to change or terminate a vendor agreement, or embark on litigation against a vendor that fails to meet its contractual obligations.

Subject to the foregoing objections and General Objections, the NRA responds to this Interrogatory by stating that to date, the Board has not adopted any formal resolution with respect to the NRA/AMc Services Agreement or litigation against AMc.

INTERROGATORY NO. 20

Identify any expert that the NRA expects to testify at trial, the qualifications of the expert, the sum and substance of each opinion that the expert is expected to provide, and the basis for each such opinion.

RESPONSE TO INTERROGATORY NO. 20

The NRA incorporates its General Objections. In addition, the NRA objects to this Interrogatory to the extent it seeks information protected from disclosure by the attorney-client privilege, the work product doctrine, or any other applicable exemption, immunity, or privilege from discovery, none of which are waived, and all of which are reserved.


Moreover, the Interrogatory is premature and the NRA will amend and supplement its response at the appropriate time.

Dated: August 20, 2019

Respectfully submitted,

NATIONAL RIFLE ASSOCIATION
OF AMERICA

By counsel


James W. Hundley (VSB No. 30723)
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*Counsel for the National Rifle Association of
America*

CERTIFICATE OF SERVICE

I hereby certify that on August 20, 2019, I caused the foregoing Plaintiffs Responses and Objections to Defendant Ackerman McQueen, Inc.'s First Set of Interrogatories to be served via electronic mail and first-class mail upon:

David Schertler David Dickieson
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Counsel for the Defendants



James W. Hundley (VSB No. 30723)
Robert H. Cox (VSB No. 33118)

VIRGINIA:

IN THE CIRCUIT COURT OF THE CITY OF ALEXANDRIA

**NATIONAL RIFLE ASSOCIATION OF
AMERICA,**

Plaintiff,

v.

ACKERMAN MCQUEEN, INC.

and

MERCURY GROUP, INC.

Defendants.

**Case No. CL19001757
CL19002067**

DECLARATION OF JOSH POWELL

I declare under penalty of perjury that the foregoing responses to the Interrogatories are true
and correct to the best of my knowledge and belief.

Date: 8/19/2019

Signed: 

**Josh Powell
Chief of Staff & Senior Strategist
National Rifle Association of America**

EXHIBIT A

5mail

Dan Boren <danboren1@gmail.com>

wd: NRA lawsuit against Ackerman McQueen [CONFIDENTIAL]

Dan Boren <Dan.Boren@chickasaw.net>
To: "danboren1@gmail.com" <danboren1@gmail.com>

Thu, May 30, 2019 at 12:36 PM

Hon. Dan Boren
President
Corporate Development
Chickasaw Nation
Department of Commerce
4001 N. Lincoln Blvd.
Oklahoma City, OK 73105
405-767-8921
Dan.Boren@Chickasaw.net<mailto:Dan.Boren@Chickasaw.net>

Begin forwarded message:

From: Dan Boren <Dan.Boren@chickasaw.net<mailto:Dan.Boren@chickasaw.net>>
Date: April 15, 2019 at 8:35:29 PM CDT
To: BILL LANCE <Bill.Lance@chickasaw.net<mailto:Bill.Lance@chickasaw.net>>
Subject: Fwd: NRA lawsuit against Ackerman McQueen [CONFIDENTIAL]

I reread this again. I bet Ackerman is in trouble on this one. They can't produce the backup to the invoices and were allocating full salary to these employees that may have been working on our accounts

Hon. Dan Boren
President
Corporate Development
Chickasaw Nation
Department of Commerce
4001 N. Lincoln Blvd.
Oklahoma City, OK 73105
405-767-8921
Dan.Boren@Chickasaw.net<mailto:Dan.Boren@Chickasaw.net>

Begin forwarded message:

From: "Frazer, John" <John.Frazer@nrahq.org<mailto:John.Frazer@nrahq.org>>
Date: April 15, 2019 at 10:11:42 AM CDT
To: "Frazer, John" <John.Frazer@nrahq.org<mailto:John.Frazer@nrahq.org>>
Subject: NRA lawsuit against Ackerman McQueen [CONFIDENTIAL]

Dear Board and Executive Council members:

Please see Wayne LaPierre's note below regarding the attached complaint filed this past Friday. Beneath Wayne's note is a Wall Street Journal article that appeared online today.

Sincerely,

John Frazer
Secretary and General Counsel
National Rifle Association of America
11250 Waples Mill Rd.

DB_0216

Fairfax, VA 22030

(703) 267-1254

John.frazer@nrahq.org<mailto:john.frazer@nrahq.org>

This e-mail and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed, and may be privileged. If you have received this e-mail in error, please notify the sender immediately, delete the message from your computer, and do not disseminate, distribute, or copy it.

Dear NRA Board of Directors:

Today, an article in The Wall Street Journal reported on a business dispute between the NRA and one of our vendors, Ackerman McQueen. Ackerman has been a longtime partner and valued advisor to the NRA. And, although we appreciate the many years of successful partnership we have shared with Ackerman, this action was necessary because of a failure to comply with multiple requests for documents and information relating to its work for our Association. We hope to get this matter resolved in the best interest of all parties involved.

As most of you know, the NRA requested that all of our vendors commit to providing detailed reports and records relating to their work for our organization. This is part of the NRA's Compliance Review Process and our determination to adopt best practices in the areas of accounting and governance.

Today's reporting also touched upon other concerns, including efforts undertaken by the Office of the Executive Vice President to protect the NRA's legal, regulatory and reputational interests. As was reported, I have supported the work of the firm Brewer, Attorneys & Counselors, to represent our interests on several related fronts. Centralizing these services allows us to gain strategic advantages, operational efficiencies, recognize cost savings, and improve our advocacy on these many fronts.

I look forward to working closely with all of our vendors – in advertising, marketing, and other areas – to maximize their value to our Association. I also look forward to continuing my work with all of you – our board of directors.

Our goal is to ensure we are doing everything possible to protect our Second Amendment, further the interests of the NRA, drive brand awareness and membership, and operate in full compliance with all applicable regulations. The NRA will also continue our advocacy at every level – and we will not make any apologies for that. Our members and our mission come first – always.

Wayne

<https://www.wsj.com/articles/nra-files-suit-against-ad-agency-in-rift-with-key-partner-11555320601>

NRA Files Suit Against Ad Agency in Rift With Key Partner

Gun-rights group accuses Ackerman McQueen of refusing to comply with requests to justify its billings

By

Mark Maremont

April 15, 2019 5:30 a.m. ET

The National Rifle Association filed a lawsuit accusing its longtime advertising agency Ackerman McQueen Inc. of refusing to comply with demands to justify its billings, an extraordinary public break with the gun-rights group's largest outside partner.

The lawsuit, filed late Friday, comes amid an unusual battle unfolding behind the scenes at the NRA's 76-member board, which some say pits a small group of pro-Ackerman McQueen directors against other board members and an outside NRA attorney.

The dispute in part is about how the NRA, with an annual budget of more than \$300 million, is spending money during a period when its finances have been tight. The NRA ran at a deficit in its two most recently reported years.

Oklahoma City-based Ackerman McQueen has been the NRA's ad agency since the 1980s and has been widely credited with helping to transform the NRA from a grass-roots operation to a powerful national advocacy group. In recent years the ad firm has also produced the organization's NRATV<https://www.nratv.com/?mod=article_inline>, a video outlet that mainly focuses on conservative and pro-gun rights commentary.

NRA filings show it paid Ackerman McQueen \$42.6 million in 2017, the most recent year available, making it by far the group's largest vendor.

The lawsuit is "frivolous, inaccurate and intended to cause harm to the reputation of our company," Ackerman

DB_0217

McQueen said in a statement. "We will defend our position and performance aggressively and look forward to continuing to serve the NRA's membership."

An Ackerman McQueen spokeswoman added that an NRA-hired forensic auditing firm spent three weeks reviewing the firm's records and was "given every single thing they requested."

In the lawsuit, filed in Circuit Court in Alexandria, Va., the NRA said Ackerman McQueen was obliged to provide access to records underlying its bills. But since the middle of 2018, it said the NRA's requests for such documents had been met with partial compliance or "rebuffed or baldly ignored...This situation cannot continue."

The NRA is concerned the ad firm may be overcharging for certain items, the lawsuit said, such as invoicing for the full salaries of Ackerman McQueen employees who were "allocating substantial time to non-NRA clients."

The NRA also alleged it hadn't received complete information about an NRATV contract between Ackerman McQueen and retired Lt. Col. Oliver North, the Iran-Contra figure who became NRA president in May 2018.

Though the NRA president's post is largely ceremonial, the lawsuit said, Mr. North was hired last year by Ackerman McQueen to host a documentary program on NRATV—"Oliver North's American Heroes."

As a nonprofit, the NRA said it must approve and disclose its top officials' pay. The NRA initially agreed to reimburse the ad firm for costs related to Mr. North's TV contract, but when the organization later sought contract details, Ackerman McQueen balked and Mr. North for months wouldn't provide documents without the ad firm's approval, the NRA alleged.

Attempts to reach Mr. North through his assistant and his attorneys were unsuccessful.

"It's stunning that a trusted partner for all these years is just refusing to cooperate," said William A. Brewer III, an outside NRA lawyer. He said Ackerman McQueen is the only vendor resisting the NRA's push for such records. Some NRA board members have publicly raised questions [about whether the NRA should cut back spending on Ackerman McQueen's NRATV platform](https://www.nytimes.com/2019/03/11/us/nra-video-streaming-nratv.html?mod=article_inline), concerned that much of its content reflects conservative political views not directly related to the group's core Second Amendment message.

The NRA said in the lawsuit it had sought information on how well NRATV was faring, but claimed Ackerman McQueen refused to provide the NRA with certain requested data in writing, such as unique visitors, "that enable the NRA [to] analyze the return on its investment in NRATV."

The Ackerman McQueen spokeswoman said, "The NRA has had consistent access to any document regarding NRATV analytics."

In a Shakespearean twist, the outside NRA lawyer spearheading the lawsuit, Mr. Brewer, is related to Ackerman McQueen's two top officials, who are his brother-in-law and father-in-law.

Ackerman McQueen said it told the NRA three months ago that the family relationship meant that Mr. Brewer had an "irreconcilable conflict of interest" and that he had "demonstrated, in words and deeds, his animus" for the company and those family members.

The pro-Ackerman board faction also is blaming some of the discord on Mr. Brewer, whose firm, Brewer Attorneys & Counselors, started working for the NRA last year and has since become a major NRA vendor, according to people familiar with the matter.

Mr. Brewer's firm is representing the NRA in federal litigation against New York Gov. Andrew Cuomo and other New York state officials. The NRA accuses New York of violating its First Amendment rights [by warning financial-services firms regulated by the state to avoid doing business](https://www.wsj.com/articles/nra-sues-new-york-after-insurance-crackdown-1526075373?mod=article_inline) [with the gun-rights group](https://www.wsj.com/articles/new-york-bans-nra-insurance-program-and-fines-broker-1525273379?mod=article_inline&mod=article_inline). The defendants deny the allegations.

The pro-Ackerman McQueen faction, which people said includes Mr. North, has circulated complaints inside the NRA board that Mr. Brewer's firm is charging unusually high fees—about \$1.2 million a month by some internal estimates—and is justifying those in part by exaggerating the risks that New York officials pose to the group, according to the people familiar with the matter.

"I've never seen this much agitation on the board," said Todd Rathner, an NRA board member for 20 years, who said he thinks the dissidents are attacking Mr. Brewer as a way to undermine NRA CEO Wayne LaPierre and "I'm disgusted by it."

Mr. LaPierre backed Mr. Brewer in a statement released through an NRA spokesman, saying: "I am proud of the essential work the Brewer legal team is doing for the NRA." He added that all of the law firm's invoices are closely reviewed by the NRA's legal and finance departments.


Mr. Brewer defended his fees in an interview, saying "we're a premium law firm, we make no bones about that." He also said his firm is doing work for the NRA well beyond the New York litigation. Among its tasks, he said, is helping the NRA respond to numerous congressional demands for records related to its dealings with Russia [mod=article_inline](https://www.wsj.com/articles/maria-butina-pleads-guilty-to-conspiracy-to-influence-u-s-politics-11544718313?mod=article_inline).

As for Mr. Brewer's family relationships, his law firm in a statement said that has "no bearing whatsoever on the NRA's litigation strategy," calling that argument a red herring.

Tom King, an NRA board member who heads a New York state gun organization, said he backs Mr. Brewer's legal

effort in New York: "However much money it takes is well spent, because it's for the survival of the NRA." Mr. King, speaking before the lawsuit was filed, said Ackerman McQueen has long been "very important to the NRA" and he expects the subject of the firm's budget to come up at the group's annual meeting later this month. As for the ad firm's NRATV content, Mr. King said, "if you took a poll of most board members, they'll tell you they like NRATV."

2 attachments

 2157_001.pdf
725K

 ATT00001.htm
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VIRGINIA:

IN THE CIRCUIT COURT FOR THE
CITY OF ALEXANDRIA

NATIONAL RIFLE ASSOCIATION OF
AMERICA,

Plaintiff,

v.

ACKERMAN MCQUEEN, INC.,

and

MERCURY GROUP, INC.

Defendants.

Civil Case No. 0219001757

FILED
CLERK OF COURTS
CITY OF ALEXANDRIA
2012 JUN 12 0 3:00
EDWARD J. JACOBSON, CLERK
BY
DEPUTY CLERK

COMPLAINT

COMES NOW the Plaintiff, the National Rifle Association of America (the "NRA"), and files this Complaint against Defendants Ackerman McQueen, Inc. ("Ackerman") and Mercury Group, Inc. ("Mercury" and, collectively with Ackerman, "AMc"), based on personal information as to its own actions and on information and belief as to all other matters, as follows:

PRELIMINARY STATEMENT

The NRA seeks specific performance of an unambiguous books-and-records inspection right contained in a longstanding contract with one of its most important third-party vendors: the advertising agency Ackerman McQueen.

The NRA and Ackerman have collaborated fruitfully for decades. Together, the parties crafted iconic, impactful Second Amendment messaging that featured Charlton Heston ("from my cold, dead hands") and other important constitutional rights advocates. The impasse between them which gives rise to this lawsuit is simple, and baffling: the NRA requested access to material, readily available records that Ackerman and Mercury are contractually obligated to provide. Defendants refused to provide them.

For the better part of a year, the NRA has negotiated with AMc and appeased its demands in an effort to coax compliance with the parties' contract. However, the NRA's patience has run out. Confronting escalating concerns about AMc's activities and accounting practices, the NRA seeks access to basic business records—including *budgets purportedly approved by the NRA*, copies of *material contracts for which the NRA is purportedly liable*, and *readily available performance data*—all to inform the judgment of its fiduciaries. The NRA has an undisputed contractual right to examine these documents. Indeed, its contract with AMc entitles the NRA, upon "reasonable notice," to examine any and all "files, books, and records" of both Ackerman and Mercury which pertain to matters covered by the parties' contract. Since July 2018, the NRA has provided more-than-reasonable notice of its desire to view key items. In some instances, AMc has affected partial compliance with the NRA's requests—in other cases, it has rebuffed or baldly ignored the NRA's letters. This situation cannot continue.

There is no adequate remedy at law which would compensate the NRA for the risks and burdens posed by AMc's concealment of material business records. Fortunately, there is a straightforward remedy at equity: specific performance by Ackerman and Mercury of their obligation to furnish documents. This is the relief the NRA seeks.

PARTIES

1. Plaintiff NRA is a not-for-profit corporation organized under the laws of the State of New York with its principal place of business located in Fairfax, Virginia. The NRA is America's leading provider of gun-safety and marksmanship education for civilians and law enforcement. It is also the foremost defender of the Second Amendment of the United States Constitution. A 501(c)(4) tax-exempt organization, the NRA has over five million members—and its programs reach many millions more.

2. Defendant Ackerman is a nonresident for-profit business corporation organized under the laws of the State of Oklahoma with its principal place of business in Oklahoma City, Oklahoma. Ackerman is an advertising and public relations agency that has counted the NRA among its largest clients for more than thirty years.

3. Defendant Mercury Group, Inc. ("Mercury" and, collectively with Ackerman pursuant to the Services Agreement, "AMc") is a nonresident for-profit business corporation organized under the laws of the State of Oklahoma with its principal place of business in Alexandria, Virginia. Mercury is a wholly owned subsidiary of Ackerman which specializes in public-communications strategy, including on behalf of advocacy groups such as the NRA. At all relevant times, Ackerman has acted on behalf of both itself and Mercury pursuant to the Services Agreement (defined below) between Ackerman and the NRA.

RELEVANT NONPARTIES

4. The NRA Foundation, Inc. (the "NRA Foundation") is a 501(c)(3) tax-exempt organization that raises tax-deductible contributions in support of a wide range of firearm-related public interest activities of the NRA and other organizations that defend and foster the Second

Amendment rights of law-abiding Americans. Over the course of its contractual relationship with the NRA, Ackerman has occasionally performed services for the benefit of the NRA Foundation and issued corresponding invoices to the NRA Foundation. Because of its 501(c)(3) designation, the NRA Foundation is permitted to engage in, and fund, a narrower range of activities and communications than the NRA.

JURISDICTION AND VENUE

5. The Court has jurisdiction over the NRA's claims in this matter as the claims are subject to a court of general jurisdiction.

6. This Court has jurisdiction over Ackerman and Mercury pursuant to Virginia Code § 8.01-328.1 because Ackerman and Mercury have both transacted business in the Commonwealth of Virginia and contracted to supply services in the Commonwealth of Virginia.

7. Venue is proper in this Court pursuant to Virginia Code § 8.01-262 because Mercury's principle place of business is located in Alexandria, there exists a practical nexus to this forum, and/or a part of this cause of action arose in Alexandria.

8. Additionally, jurisdiction and venue are proper in this Court because Ackerman and Mercury have both contractually consented with the NRA to exclusive jurisdiction and venue of courts sitting within Virginia and waived any objection to venue in Alexandria, Virginia regarding the matters presented herein.

FACTUAL BACKGROUND

A. For More Than Thirty Years, the NRA Has Relied on AMc to Provide Public-Affairs Advice and Services Under Carefully Negotiated Contracts.

9. For decades, AMc and the NRA have collaborated closely regarding public affairs and messaging. Over that time, the NRA vested extensive trust and confidence in AMc, relying

upon the agency to perform work including: public relations and strategic marketing; planning and placement of media; management of digital media and websites; and, the operation of NRATV, a digital-media platform managed by AMc but frequently perceived by the public as the "voice" of the NRA.¹

10. Since at least 1999, AMc's work on behalf of the NRA has been governed by successive incarnations of a Services Agreement containing detailed specifications for how various types of work performed by AMc for the NRA should be budgeted and billed. The Services Agreement between the NRA and AMc dated May 1, 1999 (the "Previous Services Agreement") as well as the current, operative Services Agreement dated April 30, 2017 (as amended May 6, 2018, the "Services Agreement") provide that certain categories of services, such as Owned Media and Internet Services, are compensated with an agreed annual fee, while others are required to be invoiced on an *ad hoc* basis based on estimates furnished by AMc and approved by the NRA.

11. Both the Previous Services Agreement and the current Services Agreement have obligated AMc to adjust its pricing based on the "fair market value" or "fair market price" of the services performed. For example, the Previous Services Agreement contained the straightforward assurance by AMc, "we will charge you a fair market price for the work performed." Similarly, the Previous Services Agreement and the current Services Agreement require AMc to provide cost quotations for art concepts, design layouts, and similar items "based on the fair market price of the work as determined by AMc."

12. Anticipating that AMc would, from time to time, incur out-of-pocket expenses in the course of its work, but mindful of the NRA's mandate to steward its funds in the interest of its

¹ See, e.g., Jeremy W. Peters & Katie Benner, *Where The N.R.A. Speaks First and Loudest*, THE NEW YORK TIMES, February 21, 2018, <https://www.nytimes.com/2018/02/21/us/politics/nratv-nra-news-media-operation.html>.

public mission, the parties bargained for an expense-reimbursement protocol whereby travel and related expenses incurred by AMc could be paid by the NRA—but only upon prior written approval from the NRA in accordance with the NRA's expense-reimbursement procedures.

13. The NRA's collaboration with AMc has generated important, iconic Second Amendment advocacy. In recent years, the trust and confidence it placed in AMc led the NRA to invest in an expanding suite of services which were—according to AMc's assurances—fairly priced. For example, the NRA agreed to experiment with an "owned media company," NRATV, a concept fervently pitched by AMc. By 2017, the NRA's aggregate payments to Ackerman and Mercury totaled nearly \$40 million annually.

14. As the scope of AMc's work for the NRA grew, AMc represented to the NRA that it was required to hire a substantial number of personnel, as well as incur obligations to third-party contractors, for the exclusive purpose of servicing the NRA's account. Accordingly, when the parties renegotiated a new services agreement in 2017, AMc insisted upon—and the NRA agreed to provide—certain financial assurances in the event that the NRA terminated the Services Agreement. Among other things, upon the NRA's termination, the Services Agreement requires that the NRA compensate AMc for outstanding liabilities to both third-party contractors and employees. Specifically, the NRA must: (i) pay AMc the balance of any compensation owed under "non-cancellable contracts entered into between AMc and third parties for the benefit of the NRA" (as defined under the Services Agreement, the "AMc-Third Party NRA Contracts"); and (ii) pay AMc a termination fee to cover severance payments owed to AMc employees who are "dedicat[ed] . . . to provide services [to the NRA]" and need to be laid off if the Services Agreement is terminated (the "NRA-Dedicated Personnel").

requirements and provided detailed guidance regarding, for example, expense reimbursement procedures.

18. During the course of this process, the NRA developed concerns that AMc's expenses and activities required closer oversight. Specific concerns that the NRA sought to investigate included:

- "Out of pocket" expenses that lacked meaningful documentation of NRA approvals, receipts, or other support, despite the requirements set forth in the Services Agreement;
- Lack of transparency regarding AMc's annual budgets under the Services Agreement, as well as its adherence to those budgets;
- Lack of transparency regarding "fair market value" determinations;
- Concerns that AMc was invoicing the NRA for the entire salaries attributable to NRA-Dedicated Personnel, despite certain NRA-Dedicated Personnel allocating substantial time to non-NRA clients;
- Refusal to provide certain requested data "in writing" (such as unique visitors, viewership numbers, clickthrough rates, or related performance metrics) that enable the NRA analyze the return on its investment in NRATV.²

19. During early- and mid-2018, the NRA sought information from AMc pursuant to the Records-Examination Clause on a common-interest basis to advance the parties' mutual interests in connection with an ongoing lawsuit. However, after the NRA began to request access to records that would shed light on the above topics, AMc's responses became evasive and hostile. In fact, in September 2018, for the first time in the parties' decades-long course of dealing, AMc demanded that its outside counsel supervise any document review conducted under the Records-Examination Clause, then demanded payment of outside counsel's legal fees as a precondition for delivery of video footage for which AMc had already invoiced the NRA. During a telephone call

² In addition, certain NRA stakeholders were also concerned that NRATV's messaging—on topics far afield of the Second Amendment—deviated from the NRA's core mission and values.

on September 19, 2018, after AMc's counsel insisted that the NRA pay AMc's legal fees without any insight into why the fees had been incurred, the NRA's counsel observed that AMc's posture seemed more consistent with an adverse than a common-interest relationship. AMc's counsel replied: "Ackerman views the relationship as adverse."

20. Thereafter, AMc strenuously resisted the NRA's efforts to enforce the Services Agreement, including embarking on a campaign to "kill the messenger" when the NRA sought access to documents or proposed reductions in AMc's budget. At first, AMc scapegoated the NRA's outside counsel. However, over ensuing months, AMc also refused to respond to basic information requests from NRA executives. After the NRA retained a third-party forensic accounting firm to interface with AMc in an effort to appease AMc and gain its compliance in January 2019, AMc indicated it would cooperate. Unfortunately, that pledge of cooperation was short-lived as AMc forbid the accountants from disclosing simple, material information to the NRA—including copies of annual budgets that the NRA allegedly approved. When the NRA's General Counsel sought additional information in follow-up to the forensic audit, AMc ignored his letters.

D. AMc Is Concealing Material Information From the NRA, Including a Large Related-Party Contract.

21. The NRA brings this action not only because AMc has flagrantly disregarded its contractual obligations, but because the NRA has recently grown concerned that the records AMc is withholding include information material to the NRA's not-for-profit governance and its stewardship of its members' donations.

22. Lieutenant Colonel Oliver North (Ret.) ("Col. North") is a veteran of the United States Marine Corps and the Reagan administration, a longstanding advocate for the Second Amendment, and a member of the NRA Board of Directors. During May 2018, the NRA

announced that Col. North was slated to serve as its next President—a largely ceremonial but high-profile position famously occupied by Charlton Heston during the late 1990s. As Col. North prepared to assume the presidency of the NRA, he separately discussed a potential engagement by AMc as the host of an NRATV documentary series. On May 6, 2018, the NRA and AMc amended the Services Agreement to affirm that any contract between AMc and Col. North would be considered an AMc-Third Party NRA Contract, for which outstanding compensation would be owed by the NRA to AMc if the Services Agreement was terminated. Importantly, the amendment treated Col. North as a third-party contractor—but not, necessarily, an employee—of AMc.

23. New York law requires that the NRA Board of Directors, or an authorized committee thereof, review and approve “any transaction, agreement, or any other arrangement in which [a director or officer of the NRA] has a financial interest and in which the [NRA or an affiliate] is a participant.”³ Guidance published by the New York Attorney General notes that a board of directors may define additional restrictions on transactions giving rise to potential conflicts of interest;⁴ and, consistent with best practices, the NRA’s Conflict of Interest Policy requires disclosure of contracts between NRA leadership and vendors, like AMc, that receive funds from the NRA.

24. Aware that Col. North entered into a contract with AMc (the “North Contract”), the NRA diligently sought to comply with its obligations concerning analysis and approval of the North Contract. During September 2018, the Audit Committee of the NRA Board of Directors (the “Audit Committee”) reviewed a purported summary of the material terms of the North

³ See N.Y. N-PCL § 715.

⁴ *Conflicts of Interest Policies Under the Not-for-Profit Corporation Law*, CHARITIES BUREAU, N.Y. STATE OFFICE OF THE ATTORNEY GENERAL (2018), https://www.charitiesnys.com/pdfs/Charities_Conflict_of_Interest.pdf, at 3.

Contract and ratified the relationship pursuant to New York law—subject to carefully drawn provisos designed to avoid any conflicts of interest.

25. At the time it ratified Col. North's continued service as an NRA director and President given his relationship with AMc, the Audit Committee was assured that the NRA's counsel would review the North Contract in full. But thereafter, AMc continued to refuse to provide the North Contract pursuant to the Records-Examination Clause. Meanwhile, Col. North indicated via counsel that he could only disclose a copy of the contract to the NRA subject to AMc's consent. This back-and-forth persisted for nearly six months.

26. Eventually, in February 2019, AMc acceded to a brief, circumscribed, "live" review of the North Contract (but no retention of any copies) by the General Counsel of the NRA. This review raised concerns about whether the previous summary of the North Contract which was provided to the Audit Committee had been complete and accurate. Among other things, the NRA's brief, limited review of the North Contract gave rise to questions regarding: (i) whether Col. North was a third-party contractor of AMc or, conversely, a full-time employee with fiduciary duties to AMc that supersede his duties to the NRA; (ii) whether the previously disclosed costs borne by the NRA in connection with the North Contract were complete and accurate; and (iii) whether the contract imposed obligations on Col. North that prevent him from communicating fully and honestly with other NRA fiduciaries about AMc. Against the backdrop of escalating concerns about AMc's compliance with the Services Agreement and applicable law, the NRA became determined to resolve these issues.

27. By letters dated March 25-26, 2019, the NRA's General Counsel again sought visibility regarding the North Contract and other material business records pursuant to the Services Agreement. Specifically, the NRA requested:

- Information about any additional costs relating to AMc's engagement of Col. North, to the extent that such costs were being "passed through" to the NRA;
- Copies of any additional AMc-Third Party NRA Contracts currently in existence;
- Information about which AMc personnel purportedly constituted "NRA-Dedicated Personnel," such that their salaries or severance were alleged to be reimbursable by the NRA, and business records sufficient to show whether these personnel were in fact dedicated to NRA projects; and
- Copies of the annual budget documents provided to the NRA's forensic accountants.

28. The NRA made clear that it sought the above information "in whatever form [wa]s most convenient" for AMc and hoped to obtain access to ordinary-course business records as contemplated under the Records-Examination Clause. AMc immediately acknowledged receipt of the letters and promised to respond. AMc has not done so. Put simply, the NRA is at the end of its rope.

E. AMc's Disregard of Its Contractual Obligations Will Continue to Damage the NRA.

29. AMc's breach of the Services Agreement has damaged—and threatens to imminently and irreparably harm—the NRA's legitimate operational interests as a not-for-profit organization. By denying the NRA access to basic information regarding the nature of the services being performed, the putative budgets for these services, and the material terms of third-party contracts for which the NRA is purportedly liable, AMc is interfering with the NRA's ability to steward its funds in pursuit of its public mission. Moreover, AMc's baseless refusal to permit a fulsome review of the North Contract threatens to impede the NRA's corporate governance process.

30. If the NRA is denied access to material business records regarding its largest vendor relationship—records which it specifically bargained to access, under the Services Agreement—the NRA's fiduciaries will be forced either to exercise their business judgment based on

incomplete information or defer resolution of pressing matters. There is no adequate remedy at law for the risks that would arise in either scenario. The NRA is America's oldest civil rights organization and an advocate for millions of law-abiding gun owners. Its compliance with not-for-profit law cannot be permitted to be held hostage by a recalcitrant advertising agency.

DEMAND FOR JURY TRIAL

31. Plaintiff hereby demands a trial by jury regarding all issues of fact in this case.

FIRST CAUSE OF ACTION

**BREACH OF CONTRACT AND REQUEST FOR SPECIFIC PERFORMANCE
(Against All Defendants)**

31. Plaintiff incorporates by reference and realleges each and every allegation in the foregoing paragraphs as if fully set forth herein.

32. The Services Agreement is a legally enforceable contract. The Records-Examination Clause is unambiguous.

33. The NRA has performed all of its obligations under the Services Agreement, including its obligation to provide reasonable notice pursuant to the Records-Examination Clause.

34. Ackerman and Mercury have breached the Records-Examination Clause of the Services Agreement. Specifically, Ackerman—acting at all times on behalf of both itself and Mercury, pursuant to the Services Agreement—has repeatedly failed or refused to permit the NRA to examine specified categories of books and records with respect to matters covered under the Services Agreement.

35. There is no adequate remedy at law for AMc's refusal to permit examination of records (whether they reside at Ackerman or Mercury) pursuant to the Services Agreement. The information sought by the NRA pursuant to the Records-Examination Clause resides uniquely

within the possession of Ackerman and/or Mercury, and cannot be acquired by the NRA on the open market for any sum of money.

36. The nature of the obligation imposed by the Records-Examination Clause makes specific performance equitable and practical because the Court need only order AMc to furnish to the NRA: (i) copies of any AMc-Third Party NRA Contracts; and (ii) business records, in whatever form they were generated in the ordinary course of AMc's business, which are sufficient to convey the information sought by the NRA as described in Paragraph 27 hereof.

37. Defendants' breaches of the Services Agreement have damaged—and threaten to imminently, irreparably harm—the NRA's legitimate operational interests as a not-for-profit organization. By denying the NRA access to basic information regarding the nature of the services being performed, the putative budgets for these services, and the material terms of third-party contracts for which the NRA is purportedly liable, Defendants have jeopardized the NRA's ability to steward its funds in pursuit of its public mission. Moreover, AMc's continued and baseless refusal to permit a fulsome review of the North Contract threatens to impede the NRA's corporate governance.

38. By reason of the foregoing, the NRA requests that this Court order specific performance by Defendants of their obligations pursuant to the Records-Examination Clause of the Services Agreement.

REQUEST FOR RELIEF

Wherefore, for all the foregoing reasons, Plaintiff requests relief as follows:

- a. A judgment against each of Ackerman and Mercury for breach of contract;
- b. An award of specific performance to the NRA requiring that:

- a. AMc furnish copies of all AMc-Third Party NRA Contracts to the NRA within three (3) business days of the entry of such order; and
- b. Within ten (10) business days of the entry of such order, AMc furnish to the NRA:
 - i. Copies of annual budgets for the years 2016-2018, which AMc alleges were approved by the NRA and were previously provided to the NRA's forensic accountants;
 - ii. A list of all current NRA-Dedicated Personnel (as defined in the NRA's letter correspondence) and, for each such employee, copies of business records sufficient to show the amount or percentage of the employee's time that was dedicated to NRA projects during the period from January 1, 2018, to present;
 - iii. Copies business of records sufficient to show the extent of any costs invoiced to the NRA or the NRA Foundation, during the period from January 1, 2018, to April 1, 2019, which costs were incurred by reason of:
 - (1) The production of the NRATV documentary series "American Heroes;" or
 - (2) Cash or non-cash compensation to Col. North or North-related Staff; or
 - (3) Office space or other perquisites provided to Col. North or North-related Staff; and
 - (4) Whether each item was billed specifically to the NRA, the NRA Foundation, or both entities; and

- c. Such other and further relief to which the NRA may be entitled at law or in equity.

Respectfully submitted,

[REDACTED]

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