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PROPOSED ATTORNEYS FOR DEBTORS

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE: § **CHAPTER 11**
§
§
NATIONAL RIFLE ASSOCIATION OF § **CASE NO. 21-30085-hdh11**
AMERICA and SEA GIRT LLC §
§
DEBTORS¹ § **JOINTLY ADMINISTERED**

**DEBTORS' APPLICATION FOR ENTRY OF AN ORDER PURSUANT
TO SECTIONS 105(A), 327(E), 328(A), 329 AND 1107(B) OF THE BANKRUPTCY
CODE AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION
EFFECTIVE AS OF THE PETITION DATE OF BREWER, ATTORNEYS &
COUNSELORS AS SPECIAL COUNSEL FOR THE DEBTORS
AND DEBTORS IN POSSESSION**

**A HEARING WILL BE CONDUCTED ON THIS MATTER ON FEBRUARY 24,
2021 AT 2:00 PM IN COURTROOM #3, EARL CABELL FEDERAL BUILDING, 1100
COMMERCE STREET, 14TH FLOOR, DALLAS, TEXAS. IF YOU OBJECT TO THE
RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY
ANSWERING EACH PARAGRAPH OF THIS APPLICATION. UNLESS OTHERWISE
DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE
CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY-ONE DAYS FROM THE**

¹ The last four digits of the Debtors' taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt).
The Debtors' mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

DATE YOU WERE SERVED WITH THIS APPLICATION. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE APPLICATION AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

Sea Girt LLC ("Sea Girt") and the National Rifle Association of America (the "NRA"), as debtors and debtors in possession (together, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), file this application (the "Application") for entry of an order (the "Order"), substantially in the form attached hereto, (a) authorizing and approving the employment and retention of Brewer, Attorneys & Counselors ("BAC") as special counsel for the Debtors, and (b) granting related relief.

In support of this Application, the Debtors submit and incorporate herein by reference the declarations of: (i) Michael J. Collins, a Partner at BAC (the "Collins Declaration"); (ii) Carolyn Meadows, President and longtime Director of the NRA (the "Meadows Declaration"); (iii) John C. Frazer, Secretary and General Counsel of the NRA (the "Frazer Declaration"). Together, these declarations provide the verification required by the Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under United States Code by Attorneys in Larger Chapter 11 Cases (the "Guidelines"). In further support of this Application, the Debtors respectfully state as follows:

I. JURISDICTION

1. The United States Bankruptcy Court for the Northern District of Texas (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. § 1334.
2. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
3. The Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), to the entry of a final order by the Court.

4. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

5. The bases for the relief requested herein are sections 105(a), 327(e), 328(a), 329 and 1107(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Procedure of the United States Bankruptcy Court for the Northern District of Texas (the “Local Bankruptcy Rules”).

II. BACKGROUND

6. On January 15, 2021 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

7. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code.

8. On January 20, 2021, the Court entered an order [Docket No. 36] authorizing the joint administration and procedural consolidation of the Chapter 11 Cases pursuant to Bankruptcy Rule 1015(b).

9. Under Rule 2014-1 of the Local Bankruptcy Rules, “[i]f a motion for approval of the employment of a professional is made within 30 days of the commencement of that professional’s provision of services, it is deemed contemporaneous.” Here, the Debtors are moving for approval of BAC’s retention and employment within 30 days of the commencement of BAC’s provision of services to the Debtors.

III. BAC SERVICES

10. BAC has served as Pre-Petition litigation counsel to the NRA in connection with an array of significant matters detailed in the Collins Declaration. These include key New York

and federal government and regulatory matters, along with various private-party commercial litigation that seeks to recover funds from former agents and vendors of the NRA. The Debtors request authority to continue to retain BAC in connection with the Specific Matters,² along with any matters ancillary or related thereto which may arise during the course of these chapter 11 cases.

11. BAC and its attorneys are well-positioned to handle these matters for the Debtors because BAC has accumulated a reservoir of knowledge that could not be efficiently offloaded to, or replicated by, substitute counsel.³

12. In addition, on January 7, 2021, the NRA Board of Directors established a Special Litigation Committee (the “SLC”) pursuant to New York Not-For-Profit Corporation Law § 712(a). The SLC is comprised of independent, disinterested directors and possesses corporate authority to direct the prosecution and defense of several of the Specific Matters (as defined in the Collins Declaration) for which Debtors seek to retain BAC. As set forth in the Meadows Declaration, the SLC has firmly and unanimously recommended the retention of BAC as special counsel to the Debtors.

13. BAC’s retention has been evaluated and approved by the SLC, whose members had the opportunity to assess BAC’s performance over the course of several years⁴ and received advice from independent outside counsel to the NRA Board of Directors.⁵ The Debtors submit that BAC will supplement, not duplicate, the services to be provided by their proposed debtors’ counsel, Neligan, LLP.

² Capitalized terms not defined herein are defined in the Collins Declaration.

³ Meadows Decl. ¶ 7.

⁴ *Id.*

⁵ *Id.*

14. Because the Debtors propose to retain BAC for the specified special purposes described herein, BAC may be properly employed pursuant to section 327(e) of the Bankruptcy Code.

IV. BAC'S QUALIFICATIONS

15. The Debtors selected BAC as special counsel because of BAC's considerable experience and institutional knowledge acquired over the course of its multiple representations of the NRA pre-petition. As set forth in the Collins and Meadows Declarations, the NRA first retained BAC in early 2018 after it received a warning from Eric Schneiderman, then the Attorney General of the State of New York, that his office faced political pressure to take action against the NRA in advance of the 2020 election. Thus, the NRA hired BAC precisely to fend off the unconstitutional hostilities from the State of New York that have now materialized in the action captioned: *People of the State of New York v. The National Rifle Association et al.*, Index No. 451625/2020 (Sup. Ct. N.Y.) (Collins Decl. Schedule 1, Ref. No. 14), which is one of the most significant matters comprising the BAC Pre-Petition Litigation (as defined in the Collins Declaration).

16. Over the course of BAC's ensuing attorney-client relationship with the NRA, BAC provided professional services and representation to the NRA in connection with all of the Specific Matters enumerated in Schedule 1 to the Collins Declaration, including the DFS Investigation, the NYAG Investigation, and federal legislative inquiries; BAC has also served, and continues to serve, as lead litigation counsel to the NRA in the BAC Pre-Petition Litigation.

1. As a result of its pre-petition representation of the NRA, BAC has acquired in-depth knowledge of the NRA's finances, operations, corporate governance, and unique political and public relations considerations. Accordingly, BAC possesses the necessary background to

provide professional services that may be required by the NRA in connection with the Specific Matters during these chapter 11 Cases. BAC is also well-situated to represent the NRA because BAC's retention has been examined and approved by the Special Litigation Committee of independent directors that oversees the NRA's prosecution and defense of key litigation matters.⁶ Over the course of 2018-2020, as BAC's engagement expanded, the members of the Special Litigation Committee received detailed briefings regarding the firm's docket.⁷ The committee concurs with the NRA's General Counsel that the reservoir of knowledge accumulated by BAC could not be efficiently offloaded to, or replicated by, substitute counsel.⁸ The Special Litigation Committee is familiar BAC's budget and staffing, and "firmly and unanimously"⁹ recommends BAC's retention in the best interest of Debtors' estates.

17. In addition, BAC possesses expertise in insolvency-related litigation matters. Michael Collins and other attorneys at BAC have (either while at BAC or other firms) served as counsel and special counsel to debtors, official creditors' committees, non-debtor affiliates in bankruptcy cases including, without limitation: *Caesars Entertainment Operating Company, Inc.*; *Delta Airlines, Inc.*; *Lehman Brothers Holdings, Inc.*; *Oriental Trading Company, Inc.*; *NII Holdings, Inc.*; and *Quicksilver Resources, Inc.*

18. For these reasons, the Debtors believe that BAC has superior qualifications to provide them with the requested services and BAC's appointment as special litigation counsel for the special purposes specified herein is in the best interests of the Debtors' estates.

⁶ *See id.*

⁷ *See id.*

See id.

⁹ Meadows Decl. ¶ 7.

V. SERVICES TO BE PROVIDED

19. Subject to this Court's approval, the terms and conditions of BAC's retention, employment, and compensation are set forth in the Collins Declaration. Specifically, BAC will continue to provide legal services directly to the Debtors with respect to the Specific Matters. Should the scope of BAC's services expand beyond the scope discussed herein, BAC will file a supplemental retention application with the Court.

VI. PROFESSIONAL COMPENSATION

20. BAC intends to apply for compensation for professional services rendered on an hourly basis and reimbursement of expenses incurred in connection with the services rendered, subject to the Court's approval and in compliance with applicable provisions of the Bankruptcy Code, the Federal Bankruptcy Rules, the Local Bankruptcy Rules, and any other applicable procedures and orders of this Court. The hourly rates and corresponding rate structure BAC will use is equivalent to the hourly rates and corresponding rate structure that BAC predominantly uses for matters involving complex litigation. These rates and the rate structure reflect that certain complex matters typically are national in scope and involve great technical, factual, and legal complexity, high stakes, and severe time pressures.

21. BAC operates in dynamic, international marketplace for legal services in which rates are driven by multiple factors relating to (a) the individual lawyer and his or her area of specialization, (b) the firm's expertise, performance, and reputation, (c) the nature of the work involved, and (d) other factors.

22. BAC's hourly rates are set at a level designed to compensate BAC for the work of its attorneys, other professionals, and paraprofessionals and to cover fixed and routine overhead expenses. Hourly rates vary with the experience and seniority of the professionals assigned.

These hourly rates are subject to periodic adjustments to reflect economic and other conditions and are consistent with the rates charged elsewhere. BAC's hourly rates are set forth in Schedule 3 to the Collins Declaration.

23. It is BAC's policy to charge its clients in all areas of practice for identifiable, non-overhead expenses incurred in connection with the client's case that would not have been incurred except for the representation of that particular client. It is also BAC's policy to charge its clients only the amount actually incurred by BAC in connection with such items. Examples of such expenses include postage, overnight mail, courier delivery, transportation, overtime expenses, computer-assisted legal research, photocopying, airfare, meals, and lodging. BAC will comply will with all applicable rules and guidelines on reimbursable expenses.

24. In accordance with the UST Guidelines, BAC answers the following questions:

Question No. 1:

Did you agree to any variations, or alternatives to, your standard or customary billing arrangements for this engagement?

Response:

Yes. For one of the matters, BAC agreed not to seek fees for its professionals' time in excess of \$100,000.¹⁰ In addition, BAC represents the NRA in another matter *pro bono*. Otherwise, BAC has not agreed to any variations or alternatives to BAC's standard or customary billing arrangements. BAC's engagement by the Debtors in connection with the Debtors' bankruptcy cases is to serve as special counsel to the Debtors in the litigation that began Pre-Petition and other related matters BAC has been handling for the Debtors, as well as to assist Neligan LLP (lead counsel to the Debtors) during a transition period after the filing of the

¹⁰ The retention agreement in that case states: "NRA will be responsible for payment of all professional staff fees, which shall be capped at \$100,000." Paraprofessionals' fees are not subject to the cap.

chapter 11 cases in order to facilitate the quick, efficient handling of matters drawing on BAC's institutional knowledge.

Question No. 2:

Do any of the professionals included in this engagement vary their rates based on the geographic location of the bankruptcy case?

Response:

None of the professionals from BAC involved in this engagement varies his or her rates based on the geographic location of the bankruptcy case or litigation matter.

Question No. 3:

If you represented the client in the 12 months Pre-Petition, disclose your billing rates and material financial terms for the Pre-Petition engagement, including any adjustments during the 12 months Pre-Petition. If your billing rates and material financial terms have changed postpetition, explain the difference and the reasons for the difference.

Response:

In 2020 and in 2021, BAC's standard hourly rates were as follows:

<u>Professionals</u>	<u>2020 Hourly Rates</u>
Founding Partner, William A. Brewer III	\$1,400
Partner	\$700-\$900
Associate	\$275-\$600
Consultant/Analyst	\$250-\$725
Investigator	\$250-\$350
Public Affairs	\$375-\$800

BAC's rates have not changed post-petition.¹¹

¹¹ BAC periodically adjusts its firmwide billing rates to reflect economic changes in the market in which it operates. While no such adjustment will be applied specifically to the Debtors alone, BAC anticipates that any such firmwide adjustment will also apply to the Debtors and will be reflected in the fee applications submitted to the Court.

Question No. 4:

Has your client approved your prospective budget and staffing plan, and, if so, for what budget period?

Response:

Yes, the client (through the Special Litigation Committee and John C. Frazer, Secretary and General Counsel of the NRA) has approved a staffing and budgeting plan covering the first 90-day period after the filing of the Chapter 11 Cases, and BAC will continue working with the client to obtain approval of subsequent 90-day budgets going forward.

VII. RELIEF REQUESTED

25. By this Application, the Debtors respectfully request approval to employ and retain BAC as special counsel to the Debtors with respect to the matters identified above and consistent with the terms of the matters described in the Collins Declaration, in connection with these Chapter 11 Cases.

VIII. BASIS FOR RELIEF

26. Section 327(e) of the Bankruptcy Code provides that a debtor, subject to Court approval:

[M]ay employ, for a specified special purpose . . . an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.

11 U.S.C. § 327(e).

27. Furthermore, pursuant to section 328(a) of the Bankruptcy Code, a debtor, “with the court’s approval, may employ or authorize the employment of a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on a

retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis.” 11 U.S.C. § 328(a). Section 328(a) of the Bankruptcy Code permits compensation of professionals on flexible terms that reflect the nature, extent, and value of their services and market conditions. Further, section 1107(b) of the Bankruptcy Code provides that “a [firm] is not disqualified for employment under section 327 of this title by a debtor in possession solely because of such [firm’s] employment by or representation of the debtor before the commencement of the case.” 11 U.S.C. § 1107(b).

28. Moreover, Bankruptcy Rule 2014(a) requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant’s knowledge, all of the [firm’s] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

Fed. R. Bankr. P. 2014(a).

In considering whether to appoint counsel under section 327(e) of the Bankruptcy Code, courts generally consider whether “(1) the representation is in the best interest of the estate, (2) the attorney represented the debtor in the past, (3) the attorney is for a specific purpose approved by the court, other than to represent the debtor in conducting the case, [and] (4) the attorney does not represent or hold an interest adverse to the debtor or the debtor’s estate.” *In re Johnson*, 43 B.R. 626, 635 (Bankr. S.D. Tex. 2010). The Debtors submit that for all the reasons stated above and in the Collins Declaration, the employment of BAC by the Debtors is in the best interests of the Debtors’ estates and satisfies all standards for retention under section 327(e) and Rule 2014(a).

IX. NO ADVERSE INTEREST

29. Under 11 U.S.C. 327(e), “[t]he trustee, with the court’s approval, may employ, for a specified special purpose, other than to represent the trustee in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.” Here, BAC does not represent or hold any interest adverse to the debtors or to their estates with respect to the matters on which BAC is proposed to be employed.¹²

30. BAC will periodically review its files during the pendency of these chapter 11 Cases to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, BAC will use reasonable efforts to identify such further developments and promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

WHEREFORE the Debtors request that the Court enter an order, substantially in the form attached hereto, granting the relief requested in this Application and granting such other and further relief as is appropriate under the circumstances.

January 29, 2021

Respectfully submitted,

/s/ Patrick J. Neligan, Jr

Patrick J. Neligan, Jr.

State Bar. No. 14866000

Douglas J. Buncher

State Bar No. 03342700

John D. Gaither

State Bar No. 24055516

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¹² Collins Declaration.

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PROPOSED COUNSEL FOR DEBTORS

BREWER, ATTORNEYS & COUNSELORS

/s/ Michael J. Collins

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**PROPOSED SPECIAL
COUNSEL FOR
THE DEBTORS AND
DEBTORS IN POSSESSION**

Exhibit A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CHAPTER 11
	§	
	§	
NATIONAL RIFLE ASSOCIATION OF AMERICA and SEA GIRT LLC	§	CASE NO. 21-30085-hdh11
	§	
DEBTORS¹	§	JOINTLY ADMINISTERED

[PROPOSED] ORDER GRANTING DEBTORS’ APPLICATION FOR ENTRY OF AN ORDER PURSUANT TO 105(A), 327(E), 328(A), 329 AND 1107(B) OF THE BANKRUPTCY CODE AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION EFFECTIVE AS OF THE PETITION DATE OF BREWER, ATTORNEYS & COUNSELORS AS SPECIAL COUNSEL FOR THE DEBTORS AND DEBTORS IN POSSESSION

Upon the application (the “Application”) of Debtors Sea Girt LLC (“Sea Girt”) and the National Rifle Association of America (the “NRA” and, collectively with Sea Girt, the “Debtors”) pursuant to 11. U.S.C. §§ 327(e), 328(a), and 1107(b), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure, and Local Bankruptcy Rules 2014-1 and 2016-1 for the entry of an order (this “Order”) authorizing the Debtors to retain and employ as of the Petition Date Brewer, Attorneys & Counselors (“BAC”) for the special purpose specified in the Application; and the Court having reviewed the Application, and the supporting Declarations; and the Court having found that the Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and the Court having found that the Application is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409;

¹ The last four digits of the Debtors’ taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors’ mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

and the Court having found based on the representations made in the Application and accompanying Declarations that:

(a) BAC does not hold or represent an interest adverse to the Debtors' estates,

(b) BAC has no connection with the Debtors, their affiliates, their creditors, the U.S. Trustee, any person employed in the Office of the U.S. Trustee, the United States Bankruptcy Judges in the Northern District of Texas, or any other entity with an actual or potential interest in the chapter 11 cases or their respective attorneys or accountants, except as set forth in the Collins Declaration;

(c) BAC is not a creditor, equity security holder, or insider of the Debtors;

(d) none of BAC's attorneys are or were, within two years of the Petition Date, a director, officer, or employee of the Debtors; and

(e) BAC neither holds nor represents an interest materially adverse to the Debtors or its estate by reason of any direct or indirect relationship to, connection with, or interest in the Debtors' estates or any class of creditors;

And the Court having found that the relief requested in the Application is in the best interests of the Debtors' estates, their creditors, and other parties in interest;

And the Court having found that the Debtors provided adequate and appropriate notice of the Application under the circumstances and that no other or further notice is required;

and the Court having reviewed the Application and having heard any statements offered in support of the Application at a hearing held before the Court (the "Hearing");

and the Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein;

and any objections to the relief requested herein having been withdrawn or overruled on

the merits;

and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Debtors are authorized to retain and employ as of the Petition Date BAC pursuant to sections 327(e), 328(a), and 1107(b) of the Bankruptcy Code, as special counsel to render independent services in all Specific Matters in accordance with the terms and conditions set forth in the Application and this Order;

2. Pursuant to Local Bankruptcy Rule 2014-1(a), because the application for approval of the employment of BAC was made within 30 days of the commencement of [BAC's] provision of services [to the Debtors and Debtors in Possession], it is deemed contemporaneous";

3. BAC shall apply for compensation for professional services rendered and reimbursement of expenses in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, applicable provisions of the Bankruptcy Rules, the Local Bankruptcy Rules, the U.S. Trustee Guidelines and any fee and expense guidelines of this Court.

4. In connection with its fee applications, BAC shall make a reasonable effort to comply with the U.S. Trustee's requests for information and additional disclosures as set forth in the Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective November 1, 2013 (the "Revised UST Guidelines").

5. The Debtors and BAC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

6. The terms and conditions of the retention of BAC as set forth in the Application and in the Collins, Meadows, and Frazer Declarations are reasonable. BAC shall be compensated

in accordance with sections 330 and 331 of the Bankruptcy Code, any applicable Bankruptcy Rules, any applicable Local Bankruptcy Rules, and any applicable orders of the Court.

7. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

8. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

END OF PROPOSED ORDER

Exhibit B

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CHAPTER 11
	§	
	§	
NATIONAL RIFLE ASSOCIATION OF AMERICA and SEA GIRT LLC	§	CASE NO. 21-30085-hdh11
	§	
DEBTORS¹	§	JOINTLY ADMINISTERED

DECLARATION OF MICHAEL J. COLLINS IN SUPPORT OF APPLICATION FOR ENTRY OF AN ORDER PURSUANT TO, *INTER ALIA*, SECTION 327(e) OF THE BANKRUPTCY CODE AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION EFFECTIVE AS OF THE PETITION DATE OF BREWER, ATTORNEYS & COUNSELORS AS SPECIAL COUNSEL FOR THE DEBTORS AND DEBTORS IN POSSESSION

I, Michael J. Collins, pursuant to 28 U.S.C. § 1746, state:

1. I am a partner at Brewer, Attorneys and Counselors (“BAC”). My office is located at 1717 Main Street, Suite 5900, Dallas, Texas 75201. I am an attorney duly licensed in and am a member in good standing of the bar for the State of Texas. There are no disciplinary proceedings against me in any jurisdiction. I submit this Declaration in support of the application (the “Application”) of the above-captioned Debtors for entry of an order pursuant to, among other things, section 327 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014(a) and 5002 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014 and 2016 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “Local Bankruptcy Rules”), authorizing and approving the employment and retention of BAC as special litigation counsel for the Debtors with respect to

¹ The last four digits of the Debtors’ taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors’ mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

certain matters during these chapter 11 Cases. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

II. SERVICES TO BE RENDERED

2. The Debtors have requested that BAC continue² to provide the following professional services in connection with the following matters (collectively, the “Specific Matters”):

- Advice and representation in the pending legal proceedings listed on Schedule 1 attached hereto, wherein BAC currently serves as the NRA’s litigation counsel (the “BAC Pre-Petition Litigation”), along with any additional matters that arise out of or relate to the BAC Pre-Petition Litigation;
- To the extent not encompassed within the BAC Pre-Petition Litigation, advice and representation regarding the investigation of the NRA by the New York State Office of the Attorney General (the “NYAG”) which preceded the NYAG State Lawsuit (Schedule 1, Ref. No. 14) (such investigation, the “NYAG Investigation”);
- To the extent not encompassed within the BAC Pre-Petition Litigation, advice and representation with regard to the NRA’s potential claims against certain departed executives, former counsel, and other former fiduciaries believed by the NRA to have breached their duties to the NRA or committed other wrongful acts;
- To the extent not encompassed within the BAC Pre-Petition Litigation, advice and representation regarding compliance with the laws and regulations governing charitable and non-profit organizations;
- Advice and representation with regard to issues arising under state corporate law that may affect or relate to Debtors’ reorganization including, but not limited to, fiduciary duties and corporate forms;
- Advice and representation with regard to potential actions by state, federal, or other authorities, including legislative committees, concerning matters discussed

²To date, the BAC Pre-Petition Litigation has involved claims and defenses asserted by and against Debtor NRA and has not entailed claims by or against Debtor Sea Girt. However, to the extent that Sea Girt requires professional services in connection with any of the Specific Matters, BAC is prepared to render such services and has identified no conflicts that would preclude it from rendering such services. If BAC becomes aware of facts or circumstances giving rise to any potential conflict between the NRA and Sea Girt in any of the Specific Matters, BAC will endeavor to obtain conflict waiver(s) as appropriate. To the extent that a waiver is not obtained and is necessary for the contemplated representation, Sea Girt will be represented in any such matter by separate counsel.

and alleged in: (i) the United States Senate Committee on Finance Minority Staff Report, titled *The NRA and Russia*, released in September 2019; (ii) certain letter requests directed to the NRA by Democratic members of the House Ways and Means Committee, Senate Finance Committee, and House Judiciary Committee commencing in Spring 2019; and/or (iii) other government inquiries and investigations;

- Advice and representation regarding civil, administrative, and commercial aspects of affinity insurance, including, without limitation: (i) the NRA’s rights and obligations under that certain Consent Order between the NRA and the New York State Department of Financial Services (“DFS”) effective November 18, 2020 (the “DFS Consent Order”); and (ii) any additional matters which may arise from the affinity-insurance investigation conducted by DFS during the period from 2017 to 2020 which preceded the DFS Consent Order (the “DFS Investigation”);
- Advice and representation regarding corporate insurance coverage and coverage for officers and directors;
- To the extent not encompassed within the BAC Pre-Petition Litigation, advice and representation regarding media coverage and media outreach, including claims and defenses related to publicity torts and confidentiality obligations and strategic public affairs and communications services; and
- Assistance to Debtors’ bankruptcy counsel, to facilitate the efficient handling of matters in these Cases that implicate BAC’s institutional knowledge and pre-petition work.

III. THE DEBTOR’S RETENTION OF BAC IS APPROPRIATE

3. As attested in the Declaration of Carolyn Meadows (the “Meadows Declaration”), the NRA first retained BAC in early 2018 after it received a warning from Eric Schneiderman, then the Attorney General of the State of New York, that his office faced political pressure to take action against the NRA in advance of the 2020 election.³ Thus, the NRA hired BAC to fend off the unconstitutional hostilities from the State of New York⁴ that have now materialized in the action captioned: *People of the State of New York v. The National Rifle Association et al.*, Index

³ See, e.g., Meadows Decl. ¶ 3.

⁴ Meadows Decl. ¶ 7.

No. 451625/2020 (Sup. Ct. N.Y.) (Schedule 1, Ref. No. 14), which is one of the most significant matters comprising the BAC Pre-Petition Litigation. Over the course of BAC's ensuing attorney-client relationship with the NRA, BAC provided professional services and representation to the NRA in connection with all of the Specific Matters enumerated above, including the DFS Investigation, the NYAG Investigation, and legislative inquiries. BAC has also served, and continues to serve, as lead litigation counsel to the NRA in the BAC Pre-Petition Litigation.

4. As a result of its pre-petition representation of the NRA, BAC has acquired in-depth knowledge of the NRA's finances, operations, corporate governance, and unique political and public relations considerations. Accordingly, BAC possesses the necessary background to provide professional services that may be required by the NRA in connection with the Specific Matters during these chapter 11 Cases. BAC is also well-situated to represent the NRA because BAC's retention has been examined and approved by the Special Litigation Committee of independent directors that oversees the NRA's prosecution and defense of key litigation matters.⁵ Over the course of 2018-2020, as BAC's engagement expanded, the members of the Special Litigation Committee received detailed briefings regarding the firm's docket.⁶ The committee concurs with the NRA's General Counsel that the reservoir of knowledge accumulated by BAC could not be efficiently offloaded to, or replicated by, substitute counsel.⁷ The Special

⁵ *See id.*

⁶ *See id.*

See id.

Litigation Committee is familiar BAC's budget and staffing, and "firmly and unanimously" ⁸ recommends BAC's retention in the best interest of Debtors' estates.

5. BAC possesses expertise in insolvency-related litigation matters. I and other attorneys at BAC have (either while at BAC or other firms) served as counsel and special counsel to debtors, official creditors' committees, and non-debtor affiliates in bankruptcy cases including, without limitation: *Caesars Entertainment Operating Company, Inc.*; *Delta Airlines, Inc.*; *Lehman Brothers Holdings, Inc.*; *Oriental Trading Company, Inc.*; *NII Holdings, Inc.*; and *Quicksilver Resources, Inc.*

IV. NO ADVERSE INTEREST

6. In connection with BAC's proposed employment by Debtors, BAC undertook measures to identify conflicts or other relationships that might cause BAC to hold or represent an interest adverse to the Debtors or their estates with respect to the Specific Matters. Specifically, based on information obtained from Debtors and information already in BAC's possession, BAC identified categories of individuals and entities against which to assess conflicts in this matter, including: Debtors' affiliates; Debtors' officers and directors; the bankruptcy judges comprising this Court; the Debtors' lenders and major secured and unsecured creditors; the Debtors' largest vendors and other material contract counterparties; the Debtors' litigation counterparties; the Debtors' insurance carriers; the Debtors' regulators and taxing authorities; and, the Debtors' landlords and utility providers (all such parties, "Potential Parties in Interest"). BAC representatives working under my supervision conducted a detailed search of BAC's client database, and interviewed key BAC personnel, to assess the nature and scope of BAC's association, if any, with the Potential Parties in Interest.

⁸ Meadows Decl. ¶ 7.

7. To the best of my knowledge, after a reasonably diligent search, BAC has no connection with any Potential Parties in Interest, other than those persons that are current or former BAC clients listed on **Schedule 2** hereto and as set forth below. A person is listed as having an “Open” matter on Schedule 2 if BAC has any open matters for such person and BAC professionals have recorded time on any such matter within the past two years. A person or entity is listed as having a “Closed” matter on Schedule 2 if BAC represented such person or entity or its known affiliate within the past two years based on recorded time charges or other records, but all matters for the relevant person or entity have been closed. In addition to the representations denoted on Schedule 2, BAC, in the course of its representation of the NRA in the DFS and NYAG Investigations, appeared alongside and represented certain individual, then-current employees, directors and officers of the NRA who were subpoenaed for depositions, interviews, or in-person testimony. Such representations were undertaken jointly with, and by reason of, BAC’s representation of the NRA in the same investigations. No current attorney-client relationship exists between BAC and any such individual.

8. In connection with certain matters, BAC represented Wayne LaPierre, the Executive Vice President of the NRA. Mr. La Pierre is now represented by P. Kent Correll.

9. Additionally, a BAC partner, William A. Brewer III, is related by marriage to an executive of Ackerman McQueen, Inc. (“Ackerman”), which is the NRA’s former vendor and a current litigation counterparty. In connection with the Ackerman Litigation (Schedule 1, Ref. No. 5), the United States District Court for the Northern District of Texas assessed this

relationship and determined that it did not give rise to any conflict impeding BAC's representation of the NRA in litigation adverse to Ackerman.⁹

10. In the event that BAC must become adverse to any party listed on Schedule 2, BAC will first endeavor to obtain applicable written conflict waiver(s) as appropriate. To the extent that a waiver does not exist or is not obtained and is necessary for the contemplated representation, the NRA will be represented in the relevant matter by separate counsel.

11. None of the clients listed on Schedule 2 individually represented more than 1% of BAC's annual revenues for 2018, 2019, or 2020.

12. None of BAC's attorneys are or were, within two years of the Petition Date, a director, officer, or employee of the Debtors.

13. From time to time, BAC has worked with or referred work to other professionals retained or that may be retained in these chapter 11 Cases, including P. Kent Correll, counsel to Wayne LaPierre, and William P. Davis, counsel to the Board of Directors of the NRA, and Patrick J. Neligan, Jr. and Neligan LLP, proposed counsel for the Debtors.

14. While BAC has undertaken, and continues to undertake, efforts to identify connections with the Debtors and other Potential Parties in Interest, it is possible that connections with some parties in interest have not yet been identified. Should BAC, through its continuing efforts, learn of any new connections of the nature discussed herein, BAC will so advise the Court.

⁹ See *National Rifle Association v. Ackerman McQueen, Inc., et al.*, case no. 3:19-cv-2074 (N.D. Tex.) at ECF No. 166.

15. I do not believe that any of the representations or relationships recited above or listed in Schedule 2 would give rise to a finding that BAC represents or holds an interest adverse to the Debtors or their estates with respect to the services for which BAC would be retained.

16. Accordingly, to the best of my knowledge, BAC: (a) is not a creditor, equity security holder, or insider of the Debtors; (b) was not (nor were any of its attorneys), within two years before the date of the filing of the Debtors' Chapter 11 petitions, a director, officer, or employee of Debtors; and (c) does not have an interest materially adverse to the interest of the Debtors' estates or of any class of creditors.

17. BAC will review its client database periodically during the course of its engagement to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, BAC will use reasonable efforts to identify such further developments and will file promptly a supplemental declaration as required by Bankruptcy Rule 2014(a).

**V. STATEMENT UNDER SECTIONS 329 AND 504 OF THE BANKRUPTCY CODE
AND UNDER FEDERAL RULE OF BANKRUPTCY PROCEDURE 2016**

18. In accordance with sections 329 and 504 of the Bankruptcy Code and Bankruptcy Rule 2016, I hereby state that neither I nor BAC has entered into any agreements, express or implied, with any other party in interest, including the Debtor, any creditor or investor of the Debtor, or any attorney for such party in interest in the NRA's chapter 11 case, for the purpose of sharing or fixing fees or other compensation to be paid to any such party in interest or its attorneys for services rendered in connection therewith.

19. BAC intends to apply for compensation for professional services rendered on an hourly basis and reimbursement of certain expenses incurred in connection with the services rendered, subject to Court approval and in compliance with applicable provisions of the

Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and other applicable procedures and orders of this Court. The hourly rates and corresponding rate structure BAC will use will be the same as the hourly rates and corresponding rate structure that BAC predominantly uses in other restructuring matters, as well as in non-restructuring matters, whether in court or otherwise, regardless of whether a fee application is required.

20. BAC's hourly rates are set at a level designed to compensate BAC for the work of its professionals and to cover fixed and routine overhead expenses. Hourly rates vary with the experience and seniority of the individuals assigned. These hourly rates are subject to periodic adjustments to reflect economic and other conditions and are consistent with the rates charged elsewhere. A schedule of the range of BAC's 2021 standard hourly rates is attached hereto as **Schedule 3**.

21. It is BAC's policy to charge its clients in all areas of practice for identifiable, non-overhead expenses incurred in connection with the client's case that would not have been incurred except for the representation of that particular client. It is also BAC's policy to charge its clients only the amount actually incurred by BAC in connection with such items. Examples of such expenses include postage, overnight mail, courier delivery, transportation, overtime expenses, computer-assisted legal research, photocopying, airfare, meals, and lodging.

22. To minimize the cost to its clients and allow matters to proceed through discovery and prepare for trials efficiently, for document review, issue tagging, and related tasks, BAC uses a BAC affiliate it believes to provide such services at cost effective prices as compared to available alternatives.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and that all statements I make in this declaration are based on my personal knowledge unless otherwise noted herein.

Executed on January 29, 2021

By: /s/ Michael J. Collins

Name: Michael J. Collins

SCHEDULE 1**Pre-Petition Litigation Handled by BAC**

Unless otherwise noted, matters are invoiced at BAC's standard hourly rates.

Ref.	Case Caption
1.	<i>The National Rifle Association v. Andrew Cuomo</i> , Case No. 1:18-cv-566 (N.D.N.Y. 2018)
2.	<i>The National Rifle Association v. Ackerman McQueen, Inc. et al.</i> , Case No. CL19001757 (Va. Cir. Ct. 2019)
3.	<i>The National Rifle Association v. Ackerman McQueen, Inc. et al.</i> , Case No. CL19002067 (Va. Cir. Ct. 2019)
4.	<i>David Dell'Aquila v. The National Rifle Association et al.</i> , Case No. 3:19-cv-679 (M.D. Tenn. 2019)
5.	<i>The National Rifle Association v. Ackerman McQueen, Inc. et al.</i> , Case No. 3:19-cv-2074 (N.D. Tex. 2019)
6.	<i>Under Wild Skies, Inc. v. National Rifle Association</i> , Case No. 19-12530 (Va. Cir. Ct. 2019)
7.	C. Cox Arbitration, CPR Case No. 1340018083 (2019)
8.	<i>People of the State of New York v. Ackerman McQueen, Inc. and The National Rifle Association</i> , Index No. 451825/2019 (Sup. Ct., N.Y. Cnty. 2019)
9.	<i>The National Rifle Association et al. v. Mark R. Dycio et al.</i> , Case No. 2019-17571 (Va. Cir. Ct. 2019)
10.	<i>The National Rifle Association v. Andrew Cuomo</i> , Case No. 1:20-cv-385 (N.D.N.Y. 2020) ¹⁰
11.	<i>The National Rifle Association v. Oliver North</i> , Case No. 903843-20 (N.Y. Sup. Ct. 2019). ¹¹
12.	<i>The National Rifle Association v. JAMS, Inc. and Winston & Strawn, LLP</i> , Case No. 2020 CA 003346 B (D.C. Sup. Ct. 2020) ¹²
13.	<i>District of Columbia v. NRA Foundation, Inc. et al</i> , Case No. 2020 CA 003454 B (D.C. Sup. 2020)
14.	<i>People of the State of New York v. The National Rifle Association et al.</i> , Index No. 451625/2020 (Sup. Ct. N.Y.)
15.	<i>The National Rifle Association v. Letitia James</i> , Case No. 1:20-cv-889 (N.D.N.Y. 2020)
16.	<i>In re National Rifle Association Business Expenditures Litigation</i> , MDL No. 2979 (2020)

¹⁰ *Pro bono.*

¹¹ Fee cap on professionals' services of \$75,000.

¹² Fee cap on professionals' services of \$100,000.

SCHEDULE 2**Disclosures: Representations of Potential Parties in Interest**

Party Represented	Proceeding	Status
Wayne LaPierre, Officer of Debtor	<i>The National Rifle Association v. Ackerman McQueen, Inc. et al.</i> , Case. No. 3:19-cv-2074 (N.D. Tex. 2019) Mr. LaPierre is named as a defendant in a counterclaim by Ackerman. BAC jointly represented Mr. LaPierre alongside the NRA until November 2020, when Mr. LaPierre substituted his own counsel.	Closed
Wayne LaPierre, Officer of Debtor	<i>David Dell'Aquila v. The National Rifle Association et al.</i> , Case No. 3:19-cv-679 (M.D. Tenn. 2019) Mr. LaPierre was named as a co-defendant in a putative class action lawsuit against the NRA by a former donor. BAC jointly represented Mr. LaPierre alongside the NRA until September 2020, when claims against Mr. LaPierre were dismissed.	Closed
NRA Freedom Action Foundation , Affiliate of Debtor	NYAG Investigation BAC represented the NRA Freedom Action Foundation ("NRA FAF") in connection with a response to a document subpoena in the NYAG Investigation.	Closed
NRA Political Victory Fund , Affiliate of Debtor	NYAG Investigation BAC was engaged to represent the NRA Political Victory Fund (" <u>NRA-PVF</u> ") in connection with any possible involvement in the NYAG Investigation, but no subpoenas were served upon NRA-PVF and no actions were commenced against NRA-PVF.	Closed

Party Represented	Proceeding	Status
The NRA Special Contributions Fund d/b/a Whittington Center , Affiliate of Debtor	NYAG Investigation BAC was engaged to represent the NRA Special Contributions Fund (“ <u>NRA-SCF</u> ”) in connection with any possible involvement in the NYAG Investigation, but no subpoenas were served upon NRA-SCF and no actions were commenced against NRA-SCF.	Closed

SCHEDULE 3

BAC Standard Hourly Billing Rates

<u>Professionals</u>	<u>2021 Hourly Rates¹</u>
Founding Partner, William A. Brewer III	\$1400
Partner	\$700-\$900
Associate	\$275-\$600
Consultant/Analyst	\$250-\$725
Investigator	\$250-\$350
Public Affairs	\$375-\$800

¹ BAC periodically adjusts its firmwide billing rates to reflect economic changes in the market in which it operates. While no such adjustment will be applied specifically to the Debtor alone, BAC anticipates that any such firmwide adjustment will also apply to the Debtor and will be reflected in the fee applications submitted to the Court.

Exhibit C

NELIGAN LLP
PATRICK J. NELIGAN, JR.
State Bar. No. 14866000
DOUGLAS J. BUNCHE
State Bar No. 03342700
JOHN D. GAITHER
State Bar No. 24055516
325 North St. Paul, Suite 3600
Dallas, Texas 75201
Telephone: 214-840-5333
Facsimile: 214-840-5301
pneligan(dneliganlaw.com
dbuncher neliganlaw.com
jgaither neliganlaw.com
*Proposed Co-Counsel for Debtors and
Debtors-in-Possession*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CHAPTER 11
	§	
NATIONAL RIFLE ASSOCIATION OF AMERICA and SEA GIRT LLC,	§	CASE NO. 21-30085-hdh11
	§	
DEBTORS¹	§	Jointly Administered
	§	

**DECLARATION OF CAROLYN MEADOWS IN SUPPORT OF DEBTORS’
APPLICATION FOR ENTRY OF AN ORDER AUTHORIZING AND APPROVING
THE EMPLOYMENT OF BREWER, ATTORNEYS & COUNSELORS AS SPECIAL
COUNSEL FOR THE DEBTORS, EFFECTIVE AS OF THE PETITION DATE**

I, Carolyn Meadows, pursuant to 28 U.S.C. § 1746, state:

1. I am the President of the National Rifle Association of America (the “Association”), a position to which I was elected by the Association Board of Directors in April 2019. In my capacity as President, I continue to serve on the Association’s Board of Directors; I have been a

¹ The last four digits of the Debtors’ taxpayer identification numbers are: 6130 (National Rifle Association of America) and 5681 (Sea Girt LLC).

member of the Association's Board of Directors since 2003. I also served as Second Vice President of the Association during 2017 and 2018, and served a previous, partial term as President from May to September 2018.

2. I submit this declaration in support of the *Debtors' Application for Entry of an Order Authorizing and Approving the Employment of Brewer, Attorneys & Counselors as Special Counsel for the Debtors, Effective as of the Petition Date* (the "Application")² filed by Sea Girt, LLC ("Sea Girt") and the National Rifle Association of America (the "Association," and, together with Sea Girt, the "Debtors"), debtors and debtors-in-possession. Except as otherwise noted, I have personal knowledge of the matters stated herein.

3. During late 2017 or early 2018, I learned that another Association Board member, Tom King, had received a disturbing communication from Eric Schneiderman, who then served as Attorney General of the State of New York. That communication caused the Association to become concerned that in advance of the 2020 election, it would face politically motivated hostilities from the New York State Office of the Attorney General (the "NYAG"), possibly including an invasive investigation and a dissolution lawsuit. Those concerns later came to fruition: in August 2020, the NYAG commenced a politically motivated dissolution action against the Association (the "NYAG State Action"). The NYAG State Action names as defendants two sitting officers of the Association: the Association's Executive Vice President and Chief Executive Officer, Wayne LaPierre, and the Association's Secretary and General Counsel, John Frazer.

4. In my capacity as an elected officer, I participated in multiple conversations about the strategic direction the Association should take in advance of a potential attack by the NYAG.

² Capitalized terms not defined in this Declaration have the meanings set forth in the Application.

The prospect of the NYAG State Action was a key consideration motivating the Association to retain Brewer, Attorneys and Counselors (“BAC”).

5. When the NYAG commenced the NYAG State Action, I directed the formation of a special litigation committee (the “Special Litigation Committee”) to advise the Association regarding its litigation strategy in this and related matters. I appointed three members of the Special Litigation Committee: myself, First Vice President Charles Cotton, and Second Vice President Willes Lee. Based on my review of the Association’s records and my conversations with Messrs. Cotton and Lee, no member of the Special Litigation Committee has any significant business relationship with the Association, or any other relationship that would impair our oversight of the Association’s litigation strategy. Thus, the directors composing the Special Litigation Committee are independent and disinterested. I am the Chair of the Special Litigation Committee.

6. On January 7, 2021, the Board of Directors voted to formalize the existence of the Special Litigation Committee as a committee of the Board of Directors, authorized to exercise corporate authority on behalf of the Association. Specifically, the Board delegated to the Special Litigation Committee the following responsibilities:

RESOLVED that the Special Litigation Committee shall exercise corporate authority on behalf of the NRA with respect to the prosecution and defense of (i) the litigation captioned *People of the State of New York v. The National Rifle Association et al.*, Index No. 451625/2020 (Sup. Ct. N.Y.); (ii) the litigation captioned *The National Rifle Association v. Letitia James*, Case No. 1:20-cv-889 (N.D.N.Y. 2020); (iii) the litigation captioned *District of Columbia v. Association Foundation, Inc. et al.*, (2020 CA 003545 B); and (iv) any additional legal proceedings arising from or relating to the same facts, circumstances, or allegations as the foregoing, wherein the potential for an actual or apparent conflict of interest

favors recusal by one or more NRA executives who would customarily oversee such proceedings.³

7. The Special Litigation Committee has firmly and unanimously determined that the Association should continue to retain BAC in the prepetition matters it has handled, which include multiple lawsuits opposite the NYAG, as well as commercial litigation against former vendors and fiduciaries of the Association. The Association's interests would be significantly impaired if it were forced to retain new counsel in these matters now—more than two years after selecting BAC to defend the Association against the unconstitutional actions of New York State and in the midst of multiple pending actions. In my capacity as a member of the Special Litigation Committee and as a director and officer of the Association, I have received detailed briefings from BAC over the course of several years regarding its litigation docket and am confident that the reservoir of knowledge BAC has accumulated regarding these cases could not be efficiently offloaded to, or replicated by, substitute counsel. Nor would the Special Litigation Committee desire such an outcome because the services of BAC are beneficial and in the best interests of the Debtors and their estates.

8. The Special Litigation Committee is aware of the considerations favoring robust oversight of costs incurred by outside counsel in any Chapter 11 proceeding. The Special Litigation Committee understands that BAC sets hourly rates for its attorneys that are consistent with those charged in other matters, do not reflect any premium or increase vis-à-vis rates charged to non-bankruptcy clients, and are comparable to the hourly rates of competing firms. In connection with the review and approval of outside counsel's invoices, the Special Litigation Committee has sought and will continue to seek advice from the Board of Directors' counsel.

³ Resolution Authorizing Chapter 11 Reorganization and Related Retention of Counsel, ECF No. 1, at p. 5.

9. Each month, BAC submits detailed invoices narrating, in six-minute increments the work performed by its professionals and the corresponding hourly-rate charge for each entry. The monthly invoices also itemize charges for document review, data hosting, administrative support costs and related items. The Special Litigation Committee customarily seeks advice from William “Wit” Davis, an attorney who serves as independent counsel to the Association’s Board of Directors, regarding the reasonableness of the items invoiced each month by BAC and whether adjustments should be requested. After receiving the invoices of BAC and receiving advice from Mr. Davis, each member of the Special Litigation Committee votes each month on whether BAC’s invoices should be approved. If and when the members of the Special Litigation Committee agree unanimously that an invoice should be paid, payment authorization is provided to the Association.

10. Members of the Special Litigation Committee have discussed with BAC a staffing and budget plan covering the Special Litigation Committee Litigation for the 90-day period commencing with the filing of these chapter 11 cases and concluding April 15, 2021. The Special Litigation Committee will continue to elicit budget and staffing plans for subsequent periods along with any amended budget or staffing plan necessary to reflect changed circumstances or unanticipated developments and will approve or request changes to them based on our judgement as fiduciaries.

11. Based on the foregoing, the Special Litigation Committee believes that the employment of BAC as special counsel is necessary and in the best interest of the Debtors and their estates.

12. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: January 29, 2021

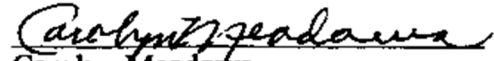

Carolyn Meadows

Exhibit D

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CHAPTER 11
	§	
NATIONAL RIFLE ASSOCIATION OF AMERICA and SEA GIRT LLC	§	CASE NO. 21-30085-hdh11
	§	
DEBTORS¹	§	JOINTLY ADMINISTERED

**DECLARATION OF JOHN C. FRAZER IN SUPPORT OF APPLICATION FOR
ENTRY OF AN ORDER PURSUANT TO, *INTER ALIA*, SECTION 327(e) OF THE
BANKRUPTCY CODE AUTHORIZING AND APPROVING THE EMPLOYMENT AND
RETENTION EFFECTIVE AS OF THE PETITION DATE
OF BREWER, ATTORNEYS & COUNSELORS AS SPECIAL COUNSEL FOR THE
DEBTORS AND DEBTORS IN POSSESSION**

I, John C. Frazer, pursuant to 28 U.S.C. § 1746, state:

1. I am the Secretary and General Counsel of the National Rifle Association of America (the “NRA”). I have held the position of General Counsel since January 2015, and have been elected annually by the NRA Board of Directors to the position of Secretary since April 2015. As General Counsel, I am responsible for supervising outside counsel and monitoring and controlling legal costs. Unless otherwise noted, I have personal knowledge of the matters stated herein.

2. Proposed special counsel Brewer, Attorneys and Counselors (“BAC”) were first retained by the NRA in March 2018. Although BAC had not previously worked with the NRA,

¹ The last four digits of the Debtors’ taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors’ mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

Declaration of John C. Frazer in Support of Debtors’ Application for Entry of an Order Authorizing and Approving the Employment, Effective as of the Petition Date, of Brewer, Attorneys & Counselors as Special Counsel for the Debtors

the firm came highly recommended by another outside lawyer on whom the NRA routinely relied. Based on that recommendation, BAC and other firms met with NRA executives to discuss potential legal strategies the NRA might pursue to preserve its corporate relationships in the wake of the Parkland tragedy and to fortify itself in anticipation of government hostilities in New York. Other firms present at these meetings, and considered by the NRA as alternatives or co-counsel to BAC in various matters, included Cooper & Kirk LLP and Morgan, Lewis & Bockius LLP. The NRA has used each of these firms in the past, and I am familiar with their hourly rates, which (allowing for regional variations and firms' internal variations for different levels of partners and associates) are comparable to BAC's hourly rates. Ultimately, the NRA chose to engage BAC.

3. As BAC's relationship with the NRA deepened over the ensuing two years and its institutional knowledge expanded, the NRA chose to engage the firm for additional matters. From time to time, other firms contended for the same work, or were even employed as co-counsel for a time before the NRA ultimately chose to employ BAC exclusively. In sum, over the course of BAC's engagement, the NRA considered at least four law firms as alternatives to BAC, but ultimately continued to rely on BAC as its primary outside litigation counsel.

4. Commencing with BAC's initial retention in March 2018, I was responsible for supervising the firm's activities and reviewing all of the invoices it submitted to the NRA for payment. On August 6, 2020, the New York State Office of the Attorney General (the "NYAG") purported to commence litigation that named me as an individual defendant (the "NYAG State Action"), which gave rise to the potential for an apparent conflict if I continued to supervise the NRA's outside counsel and litigation strategy.

5. On September 10, 2020, NRA President Carolyn Meadows announced the formation of a Special Litigation Committee of independent directors (the “SLC”)² to oversee the prosecution and defense of the NYAG State Action and certain related matters, namely: a companion lawsuit commenced August 6, 2020, by the District of Columbia Office of the Attorney General (the “DCAG Action”); and a federal section 1983 lawsuit by the NRA against the NYAG arising from the NYAG State Action and the investigation that preceded it (the “NYAG Federal Action” and, collectively with the NYAG State Action and the DCAG Action, the “SLC Litigation”). Except with regard to the SLC Litigation, I continue to oversee BAC’s activities and review any invoices it submits for payment.

6. On occasion, the NRA has negotiated fee caps and discounts with BAC, and from time to time the firm also applies fee caps or discounts on its own initiative. In addition, one case is being handled by BAC on a *pro bono* basis.³ However, generally speaking, most of the work performed by BAC for the NRA has been billed at BAC’s standard hourly rates, which I am informed and believe are no different for bankruptcy-related matters than for non-bankruptcy-related matters. BAC submits detailed monthly invoices narrating, in six-minute increments, the

² The SLC was formalized as an official committee of the NRA Board of Directors on January 7, 2021. It has been delegated corporate authority to oversee the following litigation matters:

(i) the litigation captioned: *People of the State of New York v. The National Rifle Association et al.*, Index No. 451625/2020 (Sup. Ct. N.Y.); (ii) the litigation captioned *The National Rifle Association v. Letitia James*, Case No. 1:20-cv-889 (N.D.N.Y. 2020); (iii) the litigation captioned *District of Columbia v. NRA Foundation, Inc. et al.*, (2020 CA 003545 B); and (iv) any additional legal proceedings arising from or relating to the same facts, circumstances, or allegations as the foregoing, wherein the potential for an actual or apparent conflict of interest favors recusal by one or more NRA executives who would customarily oversee such proceedings.

³ Specifically, BAC represents the NRA *pro bono* in connection with *The National Rifle Association v. Andrew Cuomo*, Case No. 1:20-cv-385 (N.D.N.Y. 2020), a section 1983 action challenging certain COVID-19 restrictions that impede the exercise of Second Amendment rights.

Declaration of John C. Frazer in Support of Debtors’ Application for Entry of an Order Authorizing and Approving the Employment, Effective as of the Petition Date, of Brewer, Attorneys & Counselors as Special Counsel for the Debtors

work performed by its professionals and the corresponding hourly-rate charge.⁴ I conduct a detailed review of BAC's invoices each month and evaluate, based on my familiarity with each engagement, whether the invoiced charges appear reasonable. I often elicit additional information from BAC's partners to inform my judgment—*e.g.*, I inquire about the reason for particular research, or the number of professionals required to be staffed on an assignment, or seek insight regarding the factors that drove particular expenditures of time. Such questions are consistently and transparently answered, and the responses I receive tend to reaffirm my confidence in BAC and the propriety of its billings.

7. As part of the initial retention and from time to time in the NRA's annual budget process, I ask BAC to submit fee estimates for each matter it is handling. Aggregate expenditures that deviate from these budgets are analyzed and discussed.

8. Additionally, a portion of BAC's invoices are reviewed by an outside law firm retained at the behest of certain insurance carriers; despite its obvious incentive to challenge BAC's billings, that firm has repeatedly concluded that the charges invoiced by BAC are reasonable and should be paid in full.

9. At times, other NRA officers and employees may approach BAC directly with legal questions, or inquire about whether they should do so. I stay abreast of matters being referred to BAC and, where appropriate, re-direct certain issues to in-house counsel, or less expensive outside counsel, who are capable of handling them. Examples of items assigned to less-expensive counsel

⁴ In addition, a BAC affiliate provides document review, issue tagging, related indexing and other services at prices the NRA determined to be substantially more cost effective than available alternatives.

include routine contract negotiations, regulatory filings, employment matters, and disputes, litigation or investigations unrelated to the high-level work entrusted to BAC.

10. I have discussed with BAC a staffing and budget plan covering each matter proposed to be handled by BAC for the 90-day period commencing with the filing of these chapter 11 cases and concluding April 15, 2021. Assuming that the Court approves BAC's retention and employment, I will continue to elicit budget and staffing plans for subsequent periods from BAC thereafter, and approve or request changes to them based on my judgement as General Counsel.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: January 29, 2021

/s/ John C. Frazer
John C. Frazer

4847-3501-4362, v. 1

Exhibit E

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CHAPTER 11
	§	
	§	
NATIONAL RIFLE ASSOCIATION OF AMERICA and SEA GIRT LLC	§	CASE NO. 21-30085-hdh11
	§	
DEBTORS¹	§	JOINTLY ADMINISTERED

**DISCLOSURE PURSUANT TO 11 U.S.C. § 329 AND RULE 2016(b) OF THE
FEDERAL RULES OF BANKRUPTCY PROCEDURE OF COMPENSATION TO
BREWER, ATTORNEYS & COUNSELORS**

I am a partner at Partner at Brewer, Attorneys & Counselors (“BAC”), proposed special counsel for the Debtors and Debtors in Possession (together, the “Debtors”).² I hereby make the following disclosures on behalf of BAC pursuant to, among other things, 11 U.S.C. § 329 and Rule 2016(b) of the Federal Rules of Bankruptcy Procedure:

1. On January 15, 2021, the Debtors filed voluntary petitions for relief under chapter 11, title 11 of the United States Code (the “Bankruptcy Code”).
2. Contemporaneously with the filing of this disclosure, the Debtors are filing an Application for an Order Authorizing and Approving the Retention and Employment, effective as of the Petition Date, of BAC as Special Counsel for the Debtors pursuant to, among other things, 11 U.S.C. § 329(e).

¹ The last four digits of the Debtors’ taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors’ mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

² Terms not otherwise defined herein maintain the definitions previously described to them in the Debtor’s Application for an Order Authorizing and Approving the Retention and Employment, effective as of the Petition Date, of Brewer, Attorneys & Counselors as Special Counsel for the Debtors.

3. Under Local Bankruptcy Rule (the “Local Rule”) 2014-1(a), “[a] motion for employment by an attorney for the debtor . . . shall have attached the statement required by Bankruptcy Rule 2016(b) and 11 U.S.C. § 329.”

4. Section 329 of the Bankruptcy Code calls for a “statement of [1] the compensation paid or agreed to be paid, if such payment or agreement was made after one year before the date of the filing of the petition, for services rendered or to be rendered in contemplation of or in connection with the case by such attorney, and [2] the source of such compensation.”

5. Rule 2016(b) of the Federal Rules of Bankruptcy Procedure requires disclosure of “whether the attorney has shared or agreed to share the compensation with any other entity.” Furthermore, such disclosure “shall include the particulars of any such sharing or agreement to share by the attorney that shared or agreed to share the compensation with any other entity.” *Id.*

6. During the year leading up to the filing of the Petitions, BAC rendered to the Prepetition Entities services that relate to the chapter 11 filings and therefore may be argued to have been or deemed to have been “in contemplation of [and/or] in connection with” the chapter 11 cases. Out of an abundance of caution, BAC therefore files this disclosure and states that the total amount of payments for such services is \$794,582.50. The source of such compensation is the National Rifle Association of America.

7. BAC has not shared or agreed to share any portion of its compensation for such services with any other person, except to the extent fees are shared among BAC partners.

8. In return for the above-disclosed compensation, BAC agreed to provide certain legal services to the NRA, including but not limited to, those related to:

- (a) Strategic advice to the Prepetition Entities in conjunction with contemplated chapter 11 filings; and
- (b) Preparation of petitions, First Day Motions, schedules, statement of financial affairs and other documents and court filings.

9. There was not an agreement made after one year before the date of the filing of the petitions regarding any additional compensation to be paid to BAC for such services.

10. In addition, prior to filing the above-captioned action, the NRA transferred to BAC a retainer amount (the “Retainer”).

11. I hereby certify that BAC is compliant with Local Rule 2016-1. BAC deposited the Retainer in a trust account (the “Trust Account”). The amount in the Trust Account is \$2,551,039.54. No portion of the Retainer will be withdrawn unless such withdrawal complies with all applicable laws, rules, and court orders.

12. Any excess pre-petition fees and expenses in excess of pre-petition payments to BAC were written off. Therefore, BAC was paid in full for its pre-petition work prior to the commencement of these chapter 11 cases.

13. BAC has not received any other compensation that it believes may be deemed to be for services rendered in contemplation of or in connection with these chapter 11 cases, nor does it have any other agreement for payment of such compensation.

14. I certify that the foregoing is a complete statement of any agreement or arrangement for payment to BAC for services to the Debtors that may be argued or deemed to have been in contemplation of or in connection with these chapter 11 cases within the meaning of 11 U.S.C. 329(a).

Respectfully submitted this 29th day of January 2021.

BREWER, ATTORNEYS & COUNSELORS

/s/ Michael J. Collins

Michael J. Collins

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**PROPOSED SPECIAL
COUNSEL FOR
THE DEBTORS AND
DEBTORS IN POSSESSION**

CERTIFICATE OF SERVICE

Pursuant to Rule 2016(b) of the Federal Rules of Bankruptcy Procedure, I hereby certify that on, January 29th, 2021, a true and correct copy of the foregoing disclosures was transmitted to Elizabeth A. Young, Trial Attorney, Office of the United States Trustee, and also served upon Ms. Young through the Court's ECF noticing system.

By: /s/ Michael J. Collins
Michael J. Collins