

**Monthly Operating Report**  
**ACCRUAL BASIS**

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085
<b>JUDGE:</b>	The Honorable Harlin Dewayne Hale

**UNITED STATES BANKRUPTCY COURT**  
**NORTHERN & EASTERN DISTRICTS OF TEXAS**  
**REGION 6**  
**MONTHLY OPERATING REPORT**

**MONTH ENDING:** January 2021  
MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

**RESPONSIBLE PARTY:**

*Sonya Bowling*  
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

Sonya Bowling  
PRINTED NAME OF RESPONSIBLE PARTY

Acting CFO  
TITLE

2/22/21  
DATE

**PREPARER:**

*David Warren*  
ORIGINAL SIGNATURE OF PREPARER

David Warren  
PRINTED NAME OF PREPARER

CFO - For Profit Entity  
TITLE

2/22/21  
DATE

**Monthly Operating Report**  
**ACCRUAL BASIS-1**

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

<b>COMPARATIVE BALANCE SHEET</b>				
	<b>SCHEDULE AMOUNT</b>	<b>JANUARY</b>	<b>FEBRUARY</b>	<b>MARCH</b>
<b>ASSETS</b>				
1. UNRESTRICTED CASH	\$9,841,335	\$18,892,944		
2. RESTRICTED CASH	\$26,729,030	\$26,245,244		
3. TOTAL CASH	\$36,570,365	\$45,138,188	\$0	\$0
4. ACCOUNTS RECEIVABLE (NET)	\$56,060,804	\$55,068,670		
5. INVENTORY	\$12,614,366	\$12,702,361		
6. NOTES RECEIVABLE	\$5,043,931	\$5,043,931		
7. PREPAID EXPENSES	\$4,774,150	\$4,039,086		
8. OTHER (ATTACH LIST)	\$64,045,137	\$63,151,032		
9. TOTAL CURRENT ASSETS	\$179,108,754	\$185,143,268	\$0	\$0
10. PROPERTY, PLANT & EQUIPMENT	79,024,124	\$79,024,124		
11. LESS: ACCUMULATED DEPRECIATION/DEPLETION	(52,010,945)	(\$52,120,544)		
12. NET PROPERTY, PLANT & EQUIPMENT	\$27,013,179	\$26,903,580	\$0	\$0
13. DUE FROM INSIDERS	\$0	\$0		
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)	\$162,000	\$162,000		
15. OTHER (ATTACH LIST)	\$4,023,361	\$4,030,684		
16. TOTAL ASSETS	\$210,307,294	\$216,239,532	\$0	\$0
<b>POSTPETITION LIABILITIES</b>				
17. ACCOUNTS PAYABLE		\$903,309		
18. TAXES PAYABLE		\$149,609		
19. NOTES PAYABLE		\$0		
20. PROFESSIONAL FEES		\$1,275,000		
21. SECURED DEBT		\$0		
22. OTHER (ATTACH LIST)		\$272,648		
23. TOTAL POSTPETITION LIABILITIES		\$2,600,566	\$0	\$0
<b>PREPETITION LIABILITIES</b>				
24. SECURED DEBT	\$44,458,884	\$44,458,884		
25. PRIORITY DEBT	\$3,415,456	\$3,415,456		
26. UNSECURED DEBT	\$62,617,343	\$62,544,001		
27. OTHER (ATTACH LIST)	\$0	\$0		
28. TOTAL PREPETITION LIABILITIES	\$110,491,683	\$110,418,342	\$0	\$0
29. TOTAL LIABILITIES	\$110,491,683	\$113,018,907	\$0	\$0
<b>EQUITY</b>				
30. PREPETITION OWNERS' EQUITY		\$100,791,136		
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		\$2,429,489		
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)		\$0		
33. TOTAL EQUITY		\$103,220,625	\$0	\$0
34. TOTAL LIABILITIES & OWNERS' EQUITY		\$216,239,532	\$0	\$0

## Monthly Operating Report

### ACCRUAL BASIS-1

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

<b>POST PETITION LIABILITIES</b>	Total	Unrestricted	Restricted	
22. OTHER (ATTACH LIST)				
Deferred Grant Revenue - CRDF	169,648		169,648	
Deferred Litigation Offset Revenue	103,000		103,000	
	-			
	272,648	-	272,648	

**Monthly Operating Report**  
**ACCRUAL BASIS-2**

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

INCOME STATEMENT	JANUARY	FEBRUARY	MARCH	APRIL
<b>REVENUES</b>				
1. GROSS REVENUES	\$22,226,154			
2. LESS: RETURNS & DISCOUNTS	\$0			
3. NET REVENUE	\$22,226,154	\$0	\$0	\$0
<b>COST OF GOODS SOLD</b>				
4. MATERIAL	\$332,945			
5. DIRECT LABOR	\$0			
6. DIRECT OVERHEAD	\$60,532			
7. TOTAL COST OF GOODS SOLD	\$393,477	\$0	\$0	\$0
8. GROSS PROFIT	\$21,832,677	\$0	\$0	\$0
<b>OPERATING EXPENSES</b>				
9. OFFICER / INSIDER COMPENSATION	\$109,069			
10. SELLING & MARKETING	\$3,023,712			
11. GENERAL & ADMINISTRATIVE	\$11,872,468			
12. RENT & LEASE	\$30,264			
13. OTHER (ATTACH LIST)	\$540,741			
14. TOTAL OPERATING EXPENSES	\$15,576,253	\$0	\$0	\$0
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	\$6,256,424	\$0	\$0	\$0
<b>OTHER INCOME &amp; EXPENSES</b>				
16. NON-OPERATING INCOME (ATTACH LIST)	\$0			
17. NON-OPERATING EXPENSE (ATTACH LIST)	\$0			
18. INTEREST EXPENSE	\$54,787			
19. DEPRECIATION / DEPLETION	\$219,198			
20. AMORTIZATION	\$0			
21. OTHER (ATTACH LIST)	\$0			
22. NET OTHER INCOME & EXPENSES	\$273,985	\$0	\$0	\$0
<b>REORGANIZATION EXPENSES</b>				
23. PROFESSIONAL FEES	\$0			
24. U.S. TRUSTEE FEES	\$0			
25. OTHER (ATTACH LIST)	\$0			
26. TOTAL REORGANIZATION EXPENSES	\$0	\$0	\$0	\$0
27. INCOME TAX				
28. NET PROFIT (LOSS)	\$5,982,439	\$0	\$0	\$0

### Monthly Operating Report ACCRUAL BASIS-2

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

<b>OPERATING EXPENSES</b>		<b>Total</b>	<b>Unrestricted</b>	<b>Restricted</b>	
<b>13 OTHER (ATTACH LIST)</b>					
Subscriptions and Reporting Services	22,308		22,308		
Third Party Lobbying and policy consultants	93,117		93,117		
Political Action Committee expenses and transfers	116,987		116,987		
Grassroots and member communication activity	109,790		109,790		
2nd Amendment litigation and related activity	198,538		198,538		
	-				
	540,741	-	540,741		

**Monthly Operating Report**  
**ACCRUAL BASIS-3**

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

<b>CASH RECEIPTS AND DISBURSEMENTS</b>	<b>JANUARY</b>	<b>FEBRUARY</b>	<b>MARCH</b>	<b>QUARTER</b>
1. CASH - BEGINNING OF MONTH (1/15)	\$36,569,428	\$45,137,285	\$45,137,285	
<b>RECEIPTS FROM OPERATIONS</b>				
2. CASH SALES	\$11,185,107			\$11,185,107
<b>COLLECTION OF ACCOUNTS RECEIVABLE</b>				
3. PREPETITION	\$1,589,839			\$1,589,839
4. POSTPETITION	\$1,557,840			\$1,557,840
5. TOTAL OPERATING RECEIPTS	\$14,332,786	\$0	\$0	\$14,332,786
<b>NON-OPERATING RECEIPTS</b>				
6. LOANS & ADVANCES (ATTACH LIST)	\$0			\$0
7. SALE OF ASSETS	\$0			\$0
8. OTHER (ATTACH LIST)	\$0			\$0
9. TOTAL NON-OPERATING RECEIPTS	\$0	\$0	\$0	\$0
10. TOTAL RECEIPTS	\$14,332,786	\$0	\$0	\$14,332,786
11. TOTAL CASH AVAILABLE	\$50,902,214	\$45,137,285	\$45,137,285	
<b>OPERATING DISBURSEMENTS</b>				
12. NET PAYROLL	\$844,549			\$844,549
13. PAYROLL TAXES PAID	\$497,472			\$497,472
14. SALES, USE & OTHER TAXES PAID	\$313,643			\$313,643
15. SECURED / RENTAL / LEASES	\$0			\$0
16. UTILITIES	\$0			\$0
17. INSURANCE	322,151.25			\$322,151
18. INVENTORY PURCHASES	639,627.60			\$639,628
19. VEHICLE EXPENSES	\$0			\$0
20. TRAVEL	\$12,500			\$12,500
21. ENTERTAINMENT	\$0			\$0
22. REPAIRS & MAINTENANCE	\$0			\$0
23. SUPPLIES	\$0			\$0
24. ADVERTISING	1,424,850.00			\$1,424,850
25. OTHER (ATTACH LIST)	\$1,710,136			\$1,710,136
26. TOTAL OPERATING DISBURSEMENTS	\$5,764,929	\$0	\$0	\$5,764,929
<b>REORGANIZATION EXPENSES</b>				
27. PROFESSIONAL FEES	\$0			\$0
28. U.S. TRUSTEE FEES	\$0			\$0
29. OTHER (ATTACH LIST)	\$0			\$0
30. TOTAL REORGANIZATION EXPENSES	\$0	\$0	\$0	\$0
31. TOTAL DISBURSEMENTS	\$5,764,929	\$0	\$0	\$5,764,929
32. NET CASH FLOW	\$8,567,856	\$0	\$0	\$8,567,856
33. CASH - END OF MONTH	\$45,137,285	\$45,137,285	\$45,137,285	

### Monthly Operating Report ACCRUAL BASIS-3

<b>CASE NAME:</b>	National Rifle Association of America
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**Monthly Operating Report**  
**ACCRUAL BASIS-4**

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	JANUARY	FEBRUARY	MARCH
1. 0-30	\$65,279,937	\$62,960,174	\$0	\$0
2. 31-60	\$0	\$0	\$0	\$0
3. 61-90	\$0	\$0	\$0	\$0
4. 91+	\$0	\$0	\$0	\$0
5. TOTAL ACCOUNTS RECEIVABLE	\$65,279,937	\$62,960,174	\$0	\$0
6. AMOUNT CONSIDERED UNCOLLECTIBLE	\$9,219,133	\$8,747,515	\$0	\$0
7. ACCOUNTS RECEIVABLE (NET)	\$56,060,804	\$54,212,659	\$0	\$0

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: January 2021		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL	\$0	\$0	\$0	\$0	\$0
2. STATE	\$149,609	\$0	\$0	\$0	\$149,609
3. LOCAL	\$0	\$0	\$0	\$0	\$0
4. OTHER (ATTACH LIST)	\$0	\$0	\$0	\$0	\$0
5. TOTAL TAXES PAYABLE	\$149,609	\$0	\$0	\$0	\$149,609
6. ACCOUNTS PAYABLE	\$903,309	\$0	\$0	\$0	\$903,309

STATUS OF POSTPETITION TAXES		MONTH: January 2021		
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
<b>FEDERAL</b>				
1. WITHHOLDING	\$0	\$351,788	\$351,788	\$0
2. FICA-EMPLOYEE	\$0	\$202,740	\$202,740	\$0
3. FICA-EMPLOYER	\$0	\$202,740	\$202,740	\$0
4. UNEMPLOYMENT	\$0	\$11,222	\$11,222	\$0
5. INCOME	\$0	\$0	\$0	\$0
6. OTHER (ATTACH LIST)	\$0	\$0	\$0	\$0
7. TOTAL FEDERAL TAXES	\$0	\$768,490	\$768,490	\$0
<b>STATE AND LOCAL</b>				
8. WITHHOLDING	\$0	\$124,311	\$124,311	\$0
9. SALES	\$366,243	\$120,159	\$336,793	\$149,609
10. EXCISE	\$0	\$0	\$0	\$0
11. UNEMPLOYMENT	\$0	\$18,457	\$18,457	\$0
12. REAL PROPERTY	\$0	\$0	\$0	\$0
13. PERSONAL PROPERTY	\$0	\$0	\$0	\$0
14. OTHER (ATTACH LIST)	\$0	\$0	\$0	\$0
15. TOTAL STATE & LOCAL	\$366,243	\$262,927	\$479,561	\$149,609
16. TOTAL TAXES	\$366,243	\$1,031,417	\$1,248,051	\$149,609



CASE NAME: National Rifle Association of America

CASE NUMBER: 21-30085

## BANK RECONCILIATIONS

	NRA	NRA	NRA	NRA	NRA	NRA	NRA
A. BANK:	Atlantic Union Bank	Atlantic Union Bank	Atlantic Union Bank	Atlantic Union Bank	Atlantic Union Bank	Wells Fargo Bank	Commerce Bank
B. ACCOUNT NUMBER:	6398	4944	5347	4340	7142	0899	8907
C. PURPOSE (TYPE):	Checking	Checking	Checking	Checking	Checking	Checking	Checking
1. BALANCE PER BANK STATEMENT (1/15)	\$22,037	\$0	\$0	\$0	\$156,282	\$0	\$15,580
2. ADD: TOTAL DEPOSITS (1/16-1/31)	\$21,865,814	\$2,432,778	\$9,480	\$1,341,022	\$2,955,503	\$1,058,539	\$19,632
3. SUBTRACT: CHECKS (1/16-1/31)	\$5,518,345	\$2,432,778	\$9,480	\$1,341,022	\$2,787,226	\$20	\$13
4. OTHER RECONCILING ITEMS	\$2,399,458	(\$206,999)		(\$8,168)		(\$126,042)	
5. MONTH END BALANCE PER BOOKS/BANK	\$18,768,964	(\$206,999)	\$0	(\$8,168)	\$324,559	(\$20)	\$15,567
6. NUMBER OF LAST CHECK WRITTEN		005492					

## INVESTMENT ACCOUNTS

BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7. Morgan Stanley Portfolio (NRA)				\$46,674,587
8. Endowment (Morgan Stanley)				\$5,331,853
9. SERP				\$1,890,606
10. Morgan Stanley Portfolio (LLA)				\$8,253,986
11. TOTAL INVESTMENTS			\$0	\$63,151,032

Positioned as consolidated not individual investment(s).

Positioned as consolidated not individual investment(s).

## CASH

12. CURRENCY ON HAND	\$903
13. TOTAL CASH - END OF MONTH	\$108,289,220

CASE NAME:	National Rifle Association of
CASE NUMBER:	21-30085

## BANK RECONCILIATIONS

A. BANK:	B. ACCOUNT NUMBER:	MONTH:	
			January
C. PURPOSE (TYPE):		NRA	NRA
1. BALANCE PER BANK STATEMENT (1/15)		Hamington National Bank	973
2. ADD: TOTAL DEPOSITS (1/16-1/31)		Checking	\$4
3. SUBTRACT: CHECKS (1/16-1/31)		Checking	\$10,198
4. OTHER RECONCILING ITEMS		Checking	\$35
5. MONTH END BALANCE PER BOOKS/BANK		Checking	\$4
6. NUMBER OF LAST CHECK WRITTEN		Checking	\$17,872
		Checking	\$0
		Checking	\$11,642,507
		Checking	\$35,018
		Checking	\$0
		Checking	83706

## INVESTMENT ACCOUNTS

BANK ACCOUNT NAME & NUMBER
7. Morgan Stanley Portfolio (NRA)
8. Endowment (Morgan Stanley)
9. SERP
10. Morgan Stanley Portfolio (ILA)
11. TOTAL INVESTMENTS

## CASH

12. CURRENCY ON HAND
13. TOTAL CASH - END OF

CASE NAME: National Rifle Association of  
CASE NUMBER: 21-30085

BANK RECONCILIATIONS		ILA	ILA	ILA	ILA	ILA	ILA	ILA
A. BANK:		Atlantic Union - Online Fundraising	Wells Fargo - Online Fundraising	Atlantic Union - Endowment	Wells Fargo - Endowment	Wells Fargo - Endowment Scholarship	Wells Fargo - Lockbox	Atlantic Union - Lockbox
B. ACCOUNT NUMBER:		5449	0679	6406	0695	0267	0578	5643
C. PURPOSE (TYPE):		Checking	Checking	Checking	Checking	Checking	Checking	Checking
1. BALANCE PER BANK STATEMENT (1/15)		\$0	\$0	\$10,262,381	\$3,854,908	\$7,755	\$0	\$0
2. ADD: TOTAL DEPOSITS (1/16-1/31)				\$61,844				
3. SUBTRACT: CHECKS (1/16-1/31)								
4. OTHER RECONCILING ITEMS								
5. MONTH END BALANCE PER BOOKS/BANK		\$0	\$0	\$10,324,225	\$3,854,908	\$7,755	\$0	\$0
6. NUMBER OF LAST CHECK WRITTEN								

#### INVESTMENT ACCOUNTS

BANK ACCOUNT NAME & NUMBER  
7. Morgan Stanley Portfolio (NRA)  
8. Endowment (Morgan Stanley)  
9. SERP  
10. Morgan Stanley Portfolio (ILA)  
11. TOTAL INVESTMENTS

CASH  
12. CURRENCY ON HAND  
13. TOTAL CASH - END OF

CASE NUMBER: 21-30085

## 2021

## INVESTMENT ACCOUNTS

10.	Morgan Stanley Portfolio (LLA)	
11.	TOTAL INVESTMENTS	

CASH	
12. CURRENCY ON HAND	
13. TOTAL CASH - END OF	

**Monthly Operating Report  
ACCRUAL BASIS-6**

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

MONTH: January 2021**PAYMENTS TO INSIDERS AND PROFESSIONALS**

<b>INSIDERS</b>			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1. Wayne LaPierre	Payroll	\$13,650	\$13,650
2. Craig Spray	Payroll	\$13,650	\$13,650
3. John Frazer	Payroll	\$11,077	\$11,077
4.			
5.			
6. TOTAL PAYMENTS TO INSIDERS		\$38,377	\$38,377

<b>PROFESSIONALS</b>					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID
1. N/A					
2.					
3.					
4.					
5.					
6. TOTAL PAYMENTS TO PROFESSIONALS			\$0	\$0	\$0

**POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1. N/A			
2.			
3.			
4.			
5.			
6. TOTAL	\$0	\$0	\$0

## Monthly Operating Report

### ACCRUAL BASIS-7

<b>CASE NAME:</b>	National Rifle Association of America
<b>CASE NUMBER:</b>	21-30085

**MONTH:** January 2021

## QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		X
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		X
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

## INSURANCE

		YES	NO
1.	ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2.	ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3.	PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

## INSTALLMENT PAYMENTS

[illegible]