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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:)
)
)
NATIONAL RIFLE) Case No.
ASSOCIATION OF AMERICA) 21-30085-hdh-11
AND SEA GIRT, LLC,)
)
Debtors.)

REMOTE ORAL AND VIDEOTAPED DEPOSITION OF
SONYA ROWLING
IN HER INDIVIDUAL CAPACITY AND
AS CORPORATE REPRESENTATIVE OF
THE NATIONAL RIFLE ASSOCIATION OF AMERICA
MARCH 19, 2021

CONFIDENTIAL PURSUANT TO PROPOSED PROTECTIVE ORDER

1 REMOTE ORAL AND VIDEOTAPED DEPOSITION OF SONYA
 2 ROWLING, produced as a witness at the instance of the
 3 New York State Office of the Attorney General, and
 4 duly sworn, was taken remotely in the above-styled
 5 and numbered cause on the 19th day of March, 2021, from
 6 9:12 a.m. to 7:07 p.m., via Zoom, before Julie C.
 7 Brandt, RMR, CRR, and CSR in and for the State of Texas,
 8 reported by machine shorthand, with the witness located
 9 in Fairfax, Virginia, pursuant to the Federal Rules of
 10 Civil Procedure and the provisions stated on the record
 11 or attached hereto.
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 Dan Reidy - Veritext Legal Solutions
 22
 23
 24
 25

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1 PROCEEDINGS

2 THE VIDEOGRAPHER: Good morning. We are

3 going on the record at 9:12 a.m. on Friday, March 19,

4 2021.

5 Please note that microphones are sensitive and

6 may pick up whispering, private conversations and

7 cellular interference. Audio and video recording will

8 continue to take place unless all parties agree to go

9 off the record.

10 This is media unit 1 of the video recorded

11 deposition of Sonya Rowling, taken for counsel of the

12 Movant in regards to the National Rifle Association

13 of America and Sea Girt, LLC. This case is filed in

14 the United States Bankruptcy Court for the Northern

15 District of Texas, the Dallas Division, Case No.

16 1-30085-hdh-11.

17 This deposition is being held at the

18 headquarters of the National Rifle Association, located

19 at 11250 Waples Mill Road, Fairfax, Virginia 22030.

20 My name is Dan Reidy from the firm Veritext

21 Legal Solutions, and I am the videographer. The court

22 reporter is Julie Brandt from the firm Veritext Legal

23 Solutions.

24 Will the court reporter please swear in the

25 witness.

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1 SONYA ROWLING,

2 having been first duly sworn and having confirmed that

3 she is Sonya Rowling, testified remotely as follows:

4 EXAMINATION

5 BY MR. SHEEHAN:

6 Q. Good morning, Ms. Rowling. My name is Jim

7 Sheehan. I'm an assistant attorney general for the

8 State of New York, and you and I have met each other

9 before. Correct?

10 A. Yes.

11 MR. SHEEHAN: I am going to ask the court

12 reporter at this point to pull up the 30(b)(6) notice as

13 an exhibit.

14 And Ms. Brandt, are we managing the exhibits

15 as they come, or is that -- does the court reporter do

16 that?

17 MR. THOMPSON: Jim, this is Stephen. I

18 have marked the exhibit, and it has been introduced in

19 the Marked Exhibit folder on the Exhibit Share site.

20 MR. SHEEHAN: Excellent. Okay.

21 (Exhibit 1 marked.)

22 Q. (BY MR. SHEEHAN) So Ms. Rowling, it's my

23 understanding that you have consented to testify on

24 behalf of the National Rifle Association with respect to

25 topics 2, 3, 4 and 6. Is that correct?

Page 9

<p>1 A. That's correct. 2 Q. All right. Can you tell me just briefly what 3 you did to prepare yourself for testifying on these 4 issues? 5 A. I spoke with various individuals at the NRA 6 regarding certain of these issues. I -- I reviewed my 7 own recollection, as well as those of others associated 8 with these issues. 9 Q. Who did you speak with regarding the issues 10 that are in 2, 3, 4 and 6? 11 MS. KOZLOWSKI: Just for clarity of the 12 record, don't reveal any communications of counsel. 13 THE WITNESS: Okay. 14 A. I spoke with Rick Tedrick. 15 Q. (BY MR. SHEEHAN) Who else? 16 A. I spoke with Linda Crouch. 17 Q. Who else? 18 A. Counsel. 19 Q. Okay. Which counsel? 20 A. I'm sorry? 21 Q. Which counsel? 22 A. The Brewer firm. 23 Q. Which lawyers of the Brewer firm? 24 A. Sarah Rogers and Svetlana -- 25 Q. Eisenberg?</p> <p style="text-align: right;">Page 10</p>	<p>1 my face. So you tell me. Am I doing okay now? 2 MS. KOZLOWSKI: That's fine. Thank you. 3 MR. SHEEHAN: Okay. I'm not sure what 4 that is. 5 Q. (BY MR. SHEEHAN) So what I would like to do, 6 Ms. Rowling, at this point is to ask Mr. Thompson to 7 pull up the IRS Form 4720 which you produced to us last 8 week. 9 MR. SHEEHAN: Stephen, can you do that? 10 MR. THOMPSON: Yes, just one moment. 11 Okay. Counsel, it should be in the Exhibit Share site 12 now. 13 MR. SHEEHAN: I'm embarrassed even that I 14 signed on for -- let me see what I got here. One 15 second. 16 (Exhibit 2 marked.) 17 Q. (BY MR. SHEEHAN) If you take a look at this 18 exhibit, which includes the 2018 document, the 2019 19 document and then the 2019 amended document, do you 20 recognize these documents? 21 A. Yes. 22 Q. All right. And can you tell what these 23 documents are? 24 A. These are the excess benefit and compensation 25 tax returns relating to the NRA.</p> <p style="text-align: right;">Page 12</p>
<p>1 A. Thank you. 2 Q. Who else? 3 A. On these specifics, that is the extent. 4 Q. Any other lawyers besides the Brewer firm? 5 A. No. 6 THE WITNESS: Did I say you? 7 A. The Garman firm as well. Sorry. 8 Q. So who at the Garman firm? 9 A. Teresa -- 10 THE WITNESS: Sorry, I don't know your 11 last name. 12 MS. PILATOWICZ: "Piladowicz." 13 A. Talitha. 14 Q. (BY MR. SHEEHAN) Anyone else? 15 A. Greg Garman. 16 Q. Anyone else? 17 A. Dylan -- I don't know his last name either, 18 I'm sorry. 19 Q. Okay. Anyone else? 20 A. No. 21 Q. All right. 22 MS. KOZLOWSKI: Mr. Sheehan, we're losing 23 your face again, if you can adjust the camera, that 24 would be great. 25 MR. SHEEHAN: The problem is I can't see</p> <p style="text-align: right;">Page 11</p>	<p>1 Q. That is for excise tax returns? 2 A. That's correct. 3 Q. And are you familiar with the contents of 4 these 4720 three documents? 5 A. Yes. 6 Q. Did the NRA consider whether the Brewer law 7 firm or Mr. Brewer met the standard under Section 4958 8 as a disqualified person? 9 MS. KOZLOWSKI: Objection to the extent 10 it calls for a legal conclusion. 11 Additionally, to the extent it seeks 12 attorney/client privileged information, I would instruct 13 you not to answer. 14 THE WITNESS: Okay. 15 Q. (BY MR. SHEEHAN) So you can answer. 16 A. There were discussions had with legal counsel 17 regarding those issues. 18 Q. And what did the NRA conclude with respect to 19 whether -- 20 MS. KOZLOWSKI: Objection. 21 Q. (BY MR. SHEEHAN) I'm sorry, one second. 22 What did the NRA conclude with respect to 23 whether Mr. Brewer or the Brewer law firm should be 24 listed as a disqualified person? 25 MS. KOZLOWSKI: Objection to the extent</p> <p style="text-align: right;">Page 13</p>

1 it calls for a legal conclusion. As well as to the
 2 extent that it seeks information derived from
 3 conversations with counsel, I would instruct you not to
 4 answer.
 5 Q. (BY MR. SHEEHAN) You can answer.
 6 A. I cannot answer.
 7 Q. All right. So you don't know whether the
 8 NRA -- you do not know whether the NRA reached a
 9 conclusion whether Mr. Brewer met the standard as a
 10 disqualified person?
 11 MS. KOZLOWSKI: Objection, misstates
 12 testimony. Additionally, the witness has been
 13 instructed not to answer to the extent that you're
 14 seeking attorney/client privileged communication.
 15 Q. (BY MR. SHEEHAN) Isn't it true that
 16 Mr. Brewer was in a position to substantially influence
 17 the affairs of the NRA?
 18 MS. KOZLOWSKI: Objection to the extent
 19 it calls for a legal conclusion. Additionally, to the
 20 extent that --
 21 MR. SHEEHAN: Are we going to have
 22 speaking objections throughout this?
 23 Q. (BY MR. SHEEHAN) Let's go back, Ms. Rowling.
 24 Is Mr. Brewer in a position to substantially influence
 25 the affairs of the NRA in your opinion as the NRA?
 Page 14

1 A. Mr. Brewer is a legal counsel. His opinion
 2 and counsel is sought for various matters.
 3 Q. If you look at the amended return, the
 4 attachment, you will see the statement -- you will see
 5 the statement that -- I'm sorry. Can you pull up the
 6 document? Do you have access to the document here?
 7 MS. KOZLOWSKI: We do have a copy of the
 8 document. Can you advise what page you're referring to?
 9 MR. SHEEHAN: Sure.
 10 Q. (BY MR. SHEEHAN) 2019 amended return, and I
 11 am looking at page 1 of the attachment.
 12 MR. THOMPSON: And Counsel, that's
 13 page 31 of the PDF, if that is helpful.
 14 Q. (BY MR. SHEEHAN) Ms. Rowling, do you have the
 15 document?
 16 A. I do.
 17 Q. All right. You'll see in the second paragraph
 18 it says, Mr. LaPierre was recently informed that some
 19 travel expenses incurred by the NRA from 2015 through
 20 2019 resulted in his receipt of excess benefits. Do you
 21 see that sentence?
 22 A. Yes.
 23 Q. How was Mr. LaPierre informed that some travel
 24 expenses result in the receipt of excess benefits?
 25 MS. KOZLOWSKI: I am going to again
 Page 15

1 object as to attorney/client privilege.
 2 If these are communications and your
 3 understanding is based on conversations with counsel, I
 4 would instruct you not to answer.
 5 Q. (BY MR. SHEEHAN) So how was Mr. LaPierre
 6 informed that some travel expenses resulted in excess
 7 benefits?
 8 A. Those were the result of legal counsel's
 9 discussion.
 10 Q. Did he examine any documents in connection
 11 with the travel expenses to determine whether they were,
 12 in fact, excess benefits?
 13 A. With the advice of some legal counsel, those
 14 invoices relating to those travel expenses were
 15 examined.
 16 Q. Who selected the invoices to look at?
 17 A. Those were requested -- all Mr. LaPierre's
 18 travel expenses were requested as part of litigation
 19 efforts.
 20 Q. All his expenses, not just travel expenses?
 21 A. The expenses -- yes.
 22 Q. All right. And so who conducted a review of
 23 the travel expenses and other LaPierre expenses to
 24 determine on the 4720 amended return whether they should
 25 be reported?
 Page 16

1 MS. KOZLOWSKI: Objection as to form,
 2 foundation.
 3 As well as, again, instruct you not to reveal
 4 any attorney/client communications.
 5 A. They were reviewed with counsel.
 6 Q. (BY MR. SHEEHAN) Was there -- let me -- okay.
 7 Prior to this meeting with -- whatever
 8 meetings there were with counsel and Mr. LaPierre
 9 concerning the travel expenses, what process at the NRA
 10 was used to identify excess benefits to disqualified
 11 persons in -- for 2019?
 12 MS. KOZLOWSKI: Objection, form.
 13 Again, I instruct you not to disclose any
 14 attorney/client communication.
 15 A. It is an ongoing process within the accounts
 16 payable department to recognize excess benefit
 17 transactions.
 18 Q. (BY MR. SHEEHAN) And whose job was that
 19 within the accounts payable department?
 20 A. Portia Padilla with advice and discussions
 21 with myself and then counsel, if necessary.
 22 Q. All right. For 2019, are you confident that
 23 all the excess benefit payments to disqualified persons
 24 were identified? "You" meaning NRA. "You" meaning the
 25 NRA.
 Page 17

<p>1 MS. KOZLOWSKI: Objection as to form. 2 To the extent that -- I instruct you not to 3 speculate as well as not to reveal any attorney/client 4 communications. 5 A. To the best of our knowledge of what we had 6 visibility of at the time, yes. 7 Q. (BY MR. SHEEHAN) You say what you had 8 visibility of at the time. Were there items that you 9 did not have visibility of as of 2019 with respect to 10 payments to disqualified persons? 11 MS. KOZLOWSKI: Objection, same form 12 again. 13 And I instruct you not to reveal any 14 attorney/client communications. To the extent that you 15 can answer without disclosing such information, you can 16 answer. 17 A. There is ongoing insights or look into various 18 matters that were actually disclosed in the 4720 that 19 are still being looked at. 20 Q. (BY MR. SHEEHAN) Okay. So let's go back to 21 2019. Did the NRA -- during the calendar year 2019, 22 what system did the NRA have in place to make sure that 23 all payments to disqualified persons were identified and 24 reported? 25 A. I believe I answered that question.</p> <p style="text-align: right;">Page 18</p>	<p>1 not to disclose those communications. 2 A. The Ackerman review was more from a legal 3 perspective at that time. 4 Q. (BY MR. SHEEHAN) So let me go back a step. 5 Forget the attorneys. I don't want to talk about the 6 attorneys. 7 You described the process which Ms. Padilla 8 undertook during 2019 to identify excess payments to 9 disqualified persons. Did that process that Ms. Padilla 10 used include review of payments that were made to the 11 Ackerman McQueen or its related entities? 12 MS. KOZLOWSKI: Objection, form, 13 foundation. 14 A. The Ackerman McQueen did not provide 15 sufficient backup, which was why counsel was brought in. 16 Q. (BY MR. SHEEHAN) All right. So is it 17 accurate to say that you did not include during calendar 18 year 2019, "you" the NRA, any payment from Ackerman, any 19 payment by Ackerman of expenses which were incurred by 20 disqualified persons at the NRA? 21 MS. KOZLOWSKI: Objection, form, 22 foundation, misstates testimony. 23 THE WITNESS: I don't know what to say. 24 A. Again -- again, the review of those invoices 25 ended up being through counsel because of litigation.</p> <p style="text-align: right;">Page 20</p>
<p>1 Q. Well, try -- I didn't -- let's try again. 2 A. The accounts payable department reviews 3 invoices and backups to determine if those transactions 4 exist, and then counsel is brought in in questionable 5 areas. 6 Q. All right. And was that the same process that 7 was used in 2020 for 2019 expenditures? 8 A. 2020 is still under review, but yes. As the 9 process takes place, yes. 10 Q. With respect to 2018 expenditures, was it the 11 same process as you just describe for 2019? 12 A. Yes. 13 Q. All right. With respect to the I'll call them 14 payments to disqualified persons, did the process 15 consider economic benefits provided through the Ackerman 16 McQueen firm or Ackerman entities? Let me reask that 17 question. 18 In 2019, during calendar year 2019, did the 19 process that you just described with respect to 20 Ms. Padilla include evaluation of expenses which were 21 paid through Ackerman or Ackerman entities? 22 MS. KOZLOWSKI: Objection to form, 23 foundation. 24 And again, to the extent that it seeks 25 information derived from counsel, I would instruct you</p> <p style="text-align: right;">Page 19</p>	<p>1 Q. (BY MR. SHEEHAN) Okay. But let's go back to 2 2019. When expenses were incurred -- this is for 3 calendar year 2019 -- did Ms. Padilla have the records 4 from Ackerman in making the judgment about whether those 5 expenses should be treated as payments to disqualified 6 persons? 7 MS. KOZLOWSKI: Objection, form, 8 foundation. 9 You can answer to the extent you know. 10 A. She did not have the proper backup at that 11 time. 12 Q. (BY MR. SHEEHAN) Okay. Thank you. 13 Did the process, that process in 2019, 14 consider gifts that were purchased by Wayne LaPierre for 15 others in excess of \$25? 16 MS. KOZLOWSKI: Objection, form, 17 foundation. 18 A. We had no expenses paid to Mr. LaPierre 19 through the accounts payable processes in 2019. 20 Q. (BY MR. SHEEHAN) So if he was purchasing 21 gifts during 2019 for other employees of the NRA or 22 outside persons, you would have no visibility into those 23 purchases. Is that correct? "You" the -- 24 MS. KOZLOWSKI: Objection. 25 Q. (BY MR. SHEEHAN) Is that correct?</p> <p style="text-align: right;">Page 21</p>

<p>1 MS. KOZLOWSKI: Objection, form, 2 foundation. 3 And you cut out for a moment, so we didn't 4 actually hear the totality of your question. 5 Q. (BY MR. SHEEHAN) Did Ms. Padilla or the 6 process in financial services have insight into or 7 access to the gifts purchased by Mr. LaPierre for other 8 NRA employees in determining excess benefits to 9 disqualified persons during calendar year 2019? 10 MS. KOZLOWSKI: Objection as to form and 11 foundation. 12 A. I will repeat, no expenses were paid to 13 Mr. LaPierre during that timeframe. 14 Q. (BY MR. SHEEHAN) That's true, but how about 15 on his behalf? 16 MS. KOZLOWSKI: Objection as to form and 17 foundation. 18 Q. (BY MR. SHEEHAN) Ms. Rowling? 19 A. If expense reports came through our normal 20 process of accounts payable, they would have been 21 evaluated. 22 Q. And how would I find out now or how would you 23 find out whether those expenses were reported through 24 your accounts payable process? 25 MS. KOZLOWSKI: I am going to object as Page 22</p>	<p>1 Q. (BY MR. SHEEHAN) In 2019? 2 A. It did not during 2019, but during the process 3 of -- of trying to determine what goes into the form. 4 Q. Okay. So let's go back. Let's talk about 5 calendar year 2019. Did the process include 6 consideration of hair and makeup services for Susan 7 LaPierre? 8 MS. KOZLOWSKI: Objection as to form and 9 foundation. 10 And again, I instruct you not to disclose any 11 attorney/client communications. 12 Q. (BY MR. SHEEHAN) Ms. Rowling? 13 A. I am not aware of those payments. 14 Q. All right. When you say you, "you" meaning 15 the NRA. 16 A. Sorry. I don't know. 17 Q. Okay. 18 A. I can't answer that. 19 Q. Okay. That's -- you're allowed to give that 20 answer, by the way. 21 Let's go back to the issue of -- so let's talk 22 about during 2019 are you familiar with the American 23 Express cards which were used by employees at the NRA? 24 A. Yes. 25 Q. And could you tell me whether the expenditures Page 24</p>
<p>1 to form and foundation and assumes facts not in 2 evidence. 3 Q. (BY MR. SHEEHAN) Ms. Rowling? 4 A. We would have to evaluate other expense 5 reports, which is done in the normal course anyway. 6 Q. When you say it's done in the normal course, 7 who does that? 8 A. I spoke to Portia Padilla. 9 Q. All right. Did the process in 2019 consider 10 hair and makeup services to Susan LaPierre as possible 11 excess payments to disqualified persons? 12 MS. KOZLOWSKI: Objection as to form, 13 foundation, assumes facts not in evidence. 14 And to the extent that it seeks information 15 that you learned from counsel, I would instruct you not 16 to disclose those communications. 17 It also calls for a legal conclusion. 18 MR. SHEEHAN: That objection is 19 ridiculous. 20 Q. (BY MR. SHEEHAN) The question is did the 21 process that you described, Ms. Rowling, for 2019 22 consider hair and makeup services to Susan LaPierre? 23 MS. KOZLOWSKI: Same objections. 24 A. Yeah, the process was -- was assisted with 25 counsel at that point. Page 23</p>	<p>1 which were incurred on the American Express credit cards 2 were considered as part of the process you've described 3 for identifying potential excess benefit payments to 4 disqualified persons during calendar year 2019? 5 A. American Express payments were -- they were 6 reviewed in a normal course process. To the extent they 7 were considered excess benefits, it would not have been 8 through that accounts payable process. 9 Q. Okay. So how would they be considered as 10 excess benefits if not through the normal accounts 11 payable process in 2019? 12 MS. KOZLOWSKI: Objection. 13 To the extent it calls for attorney/client 14 communications, I instruct you not to disclose those. 15 A. The process surrounding American Express 16 payments or credit card payments were -- were through 17 another line of approvals, so they would have been 18 evaluated separately. 19 Q. (BY MR. SHEEHAN) So who would the person be 20 during 2019 who would evaluate whether the American 21 Express credit card charges were excess benefits to 22 disqualified persons? 23 MS. KOZLOWSKI: Objection to the extent 24 it calls for a legal conclusion, as well as form and 25 foundation. Page 25</p>

1 A. I don't know.
2 Q. (BY MR. SHEEHAN) You, the NRA, don't know?
3 A. It would have gone through the treasurer's
4 office. So Rick Tedrick, Craig Spray at that time.
5 Q. And during 2019, did Mr. Tedrick or Mr. Spray
6 conduct a review and report back for purposes of the
7 2019 -- let me go back.
8 During 2019, did Mr. Tedrick or Mr. Spray have
9 within their responsibility the reporting of excess
10 benefit payments to disqualified persons to some other
11 portion of the NRA?
12 MS. KOZLOWSKI: Objection as to form.
13 A. No.
14 Q. (BY MR. SHEEHAN) With respect to 2018 and the
15 American Express credit cards, at that point whose
16 responsibility was it to review the American Express
17 credit card charges by disqualified persons within the
18 NRA?
19 A. It would have been the same and Woody
20 Phillips.
21 Q. All right. And did Mr. Phillips or
22 Mr. Tedrick or Mr. Spray have the specific
23 responsibility within the NRA of identifying American
24 Express credit card charges that involved potential
25 payments to disqualified persons?

Page 26

1 MS. KOZLOWSKI: Objection as to form,
2 foundation.
3 And again, to the extent it requires
4 attorney/client communication, I instruct you not to
5 disclose those.
6 A. No.
7 Q. (BY MR. SHEEHAN) Okay. How is it that
8 Mr. Spray in May of 2020 reported that there were no
9 payments to disqualified persons in 2019?
10 MS. KOZLOWSKI: Objection as to form,
11 foundation, assumes facts not in evidence, and it may
12 require speculation.
13 A. I would have to speculate on his answer to
14 that.
15 Q. (BY MR. SHEEHAN) Okay.
16 A. I don't have --
17 Q. What knowledge did the NRA have of American
18 Express credit card charges that were potentially excess
19 benefit payments to disqualified persons as of the time
20 that the original 2019 return was filed?
21 A. Can you repeat that question, please?
22 Q. What knowledge --
23 MR. SHEEHAN: Sorry, could the court
24 reporter read it back, please?
25 (Requested testimony read.)

Page 27

1 Q. (BY MR. SHEEHAN) And that's the 2019 4720
2 return.
3 MS. KOZLOWSKI: Objection as to form, as
4 well as objection to the extent it calls for a legal
5 conclusion.
6 Do you understand the question?
7 A. I don't really understand the question,
8 actually.
9 Q. (BY MR. SHEEHAN) What knowledge did the NRA
10 have of payments to disqualified persons when the
11 May 2019 return was filed?
12 MS. KOZLOWSKI: Objection to form,
13 foundation. Object to the extent it that calls for a
14 legal conclusion and to the extent that it seeks
15 attorney/client communication.
16 A. The form was signed at that time, as it even
17 says on the form, to the best of their knowledge.
18 Q. (BY MR. SHEEHAN) And their knowledge meaning
19 Mr. Spray's knowledge only?
20 A. It represents the organization.
21 Q. So that was to the best of the organization's
22 knowledge in May 2019, there was no 2020 --
23 To the best of the NRA's knowledge in May of
24 2020, there were no excess payments to disqualified
25 persons in 2019. Is that correct?

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1 MS. KOZLOWSKI: Objection as to form,
2 foundation, misstates testimony and to the extent it
3 calls for a legal conclusion.
4 Q. (BY MR. SHEEHAN) Ms. Rowling?
5 A. The question again, please?
6 Q. When -- I am going to rephrase it.
7 When the May 2020 4720 tax return, which is
8 Exhibit 2, part of Exhibit 2, was filed with the
9 Internal Revenue Service, the NRA had no knowledge of
10 any payments to disqualified persons -- excess payments
11 to disqualified persons during 2019. Is that correct?
12 MS. KOZLOWSKI: Same objection.
13 A. That -- if there was knowledge, it was not
14 known to the individual who signed it. I don't know who
15 else would have known, but at that point in time that
16 was the -- what was signed and agreed to.
17 Q. (BY MR. SHEEHAN) Hadn't Mr. Spray by May of
18 2020 identified significant failures to oversee the
19 American Express credit card charges by his predecessor
20 Mr. Phillips and by Mr. Tedrick?
21 MS. KOZLOWSKI: Objection as to form,
22 foundation. It's also argumentative.
23 Q. (BY MR. SHEEHAN) You can answer.
24 A. Mr. Spray identified areas of weakness, and we
25 were -- and was working toward rectifying those.

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1 Q. What were the weaknesses he identified?
 2 A. Certification of -- and signatures by
 3 individuals to their -- to the validity of the
 4 individual charges or in some cases missing -- missing
 5 receipts.
 6 Q. How about statement of the purpose of the
 7 expenditures? Was there weakness there with respect to
 8 the 2019 American Express charges?
 9 A. In some instances. Not all.
 10 Q. Okay. And what did Mr. Spray -- or what did
 11 the NRA do about those weaknesses with respect to
 12 specific charges during 2019?
 13 A. We sought -- sought further clarification and
 14 implemented processes going forward to remove those
 15 weaknesses.
 16 Q. Did the NRA go back to older charges on the
 17 NRA cards before 2019 to evaluate whether the same
 18 weaknesses had existed in prior years?
 19 A. For certain individuals there was a review.
 20 Q. Which individuals?
 21 A. Josh Powell specifically.
 22 Q. Who else?
 23 A. I am not aware of who else.
 24 Q. Did anyone go back -- I'm sorry. Did the NRA
 25 go back prior to --

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1 During 2019, did the NRA go back and take a
 2 look at the expenses incurred by Mr. Phillips for
 3 weaknesses that you've talked about in your previous
 4 answer?
 5 MS. KOZLOWSKI: Objection to form and
 6 foundation.
 7 A. Mr. Phillips at that point was no longer with
 8 the organization, and we were focusing on those
 9 individuals that were currently with the organization.
 10 Q. (BY MR. SHEEHAN) Okay. So it is fair to say
 11 that you did not look at Mr. Phillips' charges. Is that
 12 right?
 13 MS. KOZLOWSKI: Objection, misstates
 14 testimony.
 15 A. Mr. Phillips, there -- again, he wasn't the
 16 focus because he was no longer with the organization.
 17 Q. (BY MR. SHEEHAN) So that means you did not
 18 look at Mr. Phillips' charges. Is that correct?
 19 MS. KOZLOWSKI: Objection, misstates
 20 testimony.
 21 A. Mr. Phillips' charges were -- were looked at
 22 in normal course, as well as -- so I -- in a lot of
 23 Mr. Phillips' expenses actually came through on an
 24 expense report, not on a corporate card.
 25 Q. (BY MR. SHEEHAN) All right. But for the ones

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1 that came through on the corporate card, you say they
 2 were looked at in the ordinary course. Who looked at
 3 them?
 4 A. That would have been Rick Tedrick.
 5 Q. And did Mr. Tedrick ever identify any
 6 weaknesses in Mr. Phillips' submission of charges on the
 7 American Express Card?
 8 MS. KOZLOWSKI: Objection as to form and
 9 objection to the extent it calls for a legal conclusion.
 10 A. I do not know.
 11 Q. (BY MR. SHEEHAN) Okay. Let's go back to the
 12 amended return that we were examining before. Can you
 13 tell me when Mr. LaPierre was informed that some of his
 14 travel expenses resulted in his receipt of excess
 15 benefits?
 16 MS. KOZLOWSKI: Objection as to form and
 17 foundation.
 18 And to the extent it calls for attorney/client
 19 communications, I instruct you not to disclose them.
 20 A. I am unaware of the exact date and time that
 21 Mr. LaPierre was informed.
 22 Q. (BY MR. SHEEHAN) Was it before 2020?
 23 MS. KOZLOWSKI: Same objections.
 24 A. I don't know.
 25 Q. (BY MR. SHEEHAN) Okay. Doesn't the NRA know?

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1 A. I'm sure the NRA does know, and I realize I'm
 2 speaking for the NRA, but that is not knowledge that I
 3 currently have.
 4 MR. SHEEHAN: So Counsel, we would like
 5 to have a witness who can testify about that issue,
 6 which is specifically part of our examination questions.
 7 MS. KOZLOWSKI: I would disagree. You
 8 have a very broad scope here. I certainly disagree that
 9 that specific nuanced question falls within the scope
 10 for something that the witness should be prepared to
 11 answer.
 12 Q. (BY MR. SHEEHAN) The 4720s that were filed,
 13 were they -- were copies of these documents provided to
 14 the board of directors of the NRA, that is, of
 15 Exhibit 2?
 16 A. No, they were not.
 17 Q. Why not?
 18 A. It's not procedure to do so.
 19 Q. Say that again. I couldn't quite hear that.
 20 A. It is not procedure to do so.
 21 Q. So the disclosure that was filed in November
 22 of 2020 that says that the employee -- senior employees
 23 and officers, directors -- let me go back a second.
 24 The disclosure from November 15, 2020 that
 25 describes excess benefits payments to disqualified

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1 persons in violation of the IRS code were not disclosed
2 to the board?
3 MS. KOZLOWSKI: Objection. It is
4 argumentative, misstates -- assumes facts not in
5 evidence, misstates testimony, misstates the document.
6 Q. (BY MR. SHEEHAN) Ms. Rowling?
7 A. The board was not given this document.
8 Q. Okay. Was there any committee of the board
9 that was given the document that is Exhibit 2, the 4720
10 filed on November 2020 for 2019?
11 A. The committee -- no, not -- no committee was
12 given this document.
13 Q. Why did the NRA not disclose these important
14 issues to the NRA board or any committee thereof?
15 MS. KOZLOWSKI: Objection, misstates
16 testimony.
17 MR. SHEEHAN: How does it misstate
18 testimony? Can you tell me on the record, please?
19 MS. KOZLOWSKI: You said how were
20 these -- why were these issues not disclosed to the
21 board. That is distinct from why was this document not
22 handed to the board. Those are different questions, and
23 the response was different. And it does -- and you
24 incorporate in there that no issue was disclosed to the
25 board, and that is inaccurate and misstates the

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1 testimony.
2 MR. SHEEHAN: Okay. Fair enough.
3 Q. (BY MR. SHEEHAN) Ms. Rowling, how was the
4 board advised of the excess benefit payments to
5 disqualified persons by the NRA for 2019?
6 MS. KOZLOWSKI: I am going to object.
7 To the extent the communications were from
8 counsel, I would instruct you not to disclose those.
9 A. I don't know.
10 Q. (BY MR. SHEEHAN) Okay. As of today, as of
11 March 19, 2021, has the 4720 form, the amended 4720 form
12 ever been disclosed to any member of the board of
13 directors of the NRA who is not also an officer?
14 A. I can't -- I don't know if it has been
15 disclosed to any member of the board.
16 Q. Now in preparing that amended 4720, can you
17 tell me all the people who were involved in preparing
18 the amended report?
19 A. Arif Rahman.
20 Q. Who is that?
21 A. He is the manager of tax and accounting
22 analysis.
23 Q. Who else?
24 A. John Frazer.
25 Q. Okay. Who else?

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1 A. And the Brewer firm.
2 Q. Who else?
3 A. Don -- Don Lan --
4 Q. Who is he?
5 A. -- who is the tax attorney for tax -- I guess
6 he's a tax attorney for Smith Lan Sosolik
7 Baxter-Thompson & Johnston.
8 Q. Okay. And whose tax lawyer is he?
9 A. He is not -- well, for the NRA. He was
10 brought in to help with the legal and disclosure
11 requirements surrounding tax returns.
12 Q. Was Mr. LaPierre's personal tax attorney
13 involved in reviewing the -- that form, the 4720 for the
14 amended return?
15 MS. KOZLOWSKI: Objection to form and
16 scope.
17 A. I don't know.
18 Q. (BY MR. SHEEHAN) Who negotiated the amount to
19 be repaid by Mr. LaPierre to the NRA?
20 MS. KOZLOWSKI: Objection as to form,
21 scope.
22 As well as to the extent that it calls for
23 attorney/client communications, I would instruct you not
24 to disclose those.
25 A. I don't know that negotiation was involved;

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1 however, those were legal counsel's discussions.
2 Q. (BY MR. SHEEHAN) So was there anybody in a --
3 let me rephrase that.
4 With respect to Mr. LaPierre, was there a
5 demand made upon him to repay the money that he had
6 received that was considered an excess benefits
7 transaction?
8 MS. KOZLOWSKI: Again, to the extent it
9 seeks attorney/client communications, I ask you not to
10 disclose those.
11 A. A payment was made back to the NRA.
12 Q. (BY MR. SHEEHAN) Who made the demand that he
13 pay it back?
14 A. I don't know.
15 Q. Okay. Was there any negotiation involved to
16 determine the amount to be repaid to the NRA between --
17 MS. KOZLOWSKI: Objection, asked and
18 answered.
19 Q. (BY MR. SHEEHAN) -- between Mr. LaPierre and
20 anyone else at the NRA?
21 MS. KOZLOWSKI: Objection, asked and
22 answered.
23 Q. (BY MR. SHEEHAN) Ms. Rowling?
24 A. I already indicated that I am unaware if there
25 was a negotiation.

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1 Q. Is the NRA confident that the amended return
2 with respect to Mr. LaPierre is complete, that is, it
3 includes all the payments which could be considered
4 excess benefits payments to disqualified persons for
5 2019?
6 MS. KOZLOWSKI: Objection, form,
7 foundation, calls for legal conclusion.
8 And again, to the extent that it seeks
9 attorney/client communications, I ask you not to
10 disclose those.
11 A. The NRA is confident in that, you know, what
12 we have -- what has been reviewed is accurate.
13 Q. (BY MR. SHEEHAN) What about what has not been
14 reviewed?
15 MS. KOZLOWSKI: Same objection.
16 A. What we -- there is no evidence at this time
17 that there is anything that hasn't been reviewed.
18 Q. (BY MR. SHEEHAN) Okay. And how do you know
19 that?
20 A. That would involve legal counsel.
21 Q. Okay. With respect to the Exhibit 2 which is
22 in front of you, starting at that amended return
23 documents, it says there's other transactions in 2019 in
24 prior calendar years that are still under review by the
25 NRA.

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1 And could you tell me what those -- what those
2 other transactions are that -- I'm sorry.
3 There are other transactions in 2019 and prior
4 calendar years that are still under review by the NRA.
5 Can you tell me what other transactions are under
6 review, please?
7 MS. KOZLOWSKI: Counsel, can you advise
8 where you're reading from within the document so that we
9 can see it?
10 MR. SHEEHAN: I apologize. Okay. So
11 it's paragraph 3. It's like the third sentence from the
12 top.
13 MS. KOZLOWSKI: On page 1?
14 MR. SHEEHAN: Correct.
15 A. What page of the --
16 MR. SHEEHAN: I'm sorry. Stephen, it's
17 page 31?
18 MR. THOMPSON: Yeah, it's page 31, third
19 paragraph down, last sentence.
20 A. Okay. So I'm sorry, repeat the question.
21 Q. (BY MR. SHEEHAN) What are the other
22 transactions in 2019 and prior calendar years that are
23 still under review by the NRA?
24 MS. KOZLOWSKI: Objection to the extent
25 that it seeks attorney/client communications.

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1 A. I guess I don't -- considering that they're
2 all listed here, I'm not sure what your question is.
3 Q. (BY MR. SHEEHAN) It says -- so what it says
4 is there are other transactions in 2019 in prior
5 calendar years that are still under review by the NRA.
6 So what are the transactions from 2019 and
7 prior calendar years that are still under review by the
8 NRA?
9 A. The ones listed here.
10 Q. Any others besides the stuff that is in
11 these -- in these litigations?
12 MS. KOZLOWSKI: Objection to the extent
13 it it's seeking attorney/client communications and
14 investigations being undertaken by legal counsel.
15 Q. (BY MR. SHEEHAN) Ms. Rowling?
16 MS. KOZLOWSKI: If you have knowledge
17 outside of that, you can answer. If not, I would
18 instruct you not to answer.
19 A. These -- to the best of my knowledge, these
20 are what is currently under investigation. There --
21 through counsel there could be --
22 MS. KOZLOWSKI: Again, I would instruct
23 you --
24 THE WITNESS: Okay. Yeah.
25 MS. KOZLOWSKI: -- not to disclose any

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1 attorney/client communications.
2 A. I am having difficulty answering on behalf of
3 NRA versus personal knowledge, so I apologize for that.
4 Q. (BY MR. SHEEHAN) No, that's understandable.
5 So tell me -- what I'm looking for here is
6 forget whatever the Brewer firm is doing with this
7 stuff. What effort is the NRA as an organization making
8 to make sure that the transactions in 2019 and prior
9 calendar years, the review is completed and action is
10 taken? Does that make sense?
11 A. It does. It's hard to separate when you say
12 forget what the Brewer firm is doing because there is a
13 role that they play in this process.
14 Q. So let me try this. If you look at the
15 current transactions for 2020, right, the current
16 transactions, the NRA is currently evaluating those,
17 correct, in its ordinary course of business to determine
18 whether they are excess benefits paid to disqualified
19 persons. Correct?
20 A. Correct.
21 Q. And is Portia Padilla still in charge of that
22 process?
23 A. Portia is part of that process.
24 Q. Who else is part of that process?
25 A. Anyone in AP, in accounts payable department.

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<p>1 Anyone in -- across the organization is part of that 2 process. 3 Q. But the process of evaluating transactions for 4 2020 to determine whether they are excess benefit 5 transactions, is that primarily Ms. Padilla's 6 responsibility? 7 MS. KOZLOWSKI: Objection as to form and 8 to the extent it calls for a legal conclusion. 9 A. No, it would not primarily be her 10 responsibility as the transactions are also reviewed at 11 legal counsel level. 12 Q. (BY MR. SHEEHAN) And who does that review? 13 MS. KOZLOWSKI: Objection to the extent 14 it's seeking attorney/client communications. 15 I instruct you not to answer. 16 Q. (BY MR. SHEEHAN) Now if you look at the 17 bottom of page 1 and the top of page 2, it walks through 18 the calculation of payments due -- let me go back to 19 Mr. LaPierre for a second. 20 Did Mr. LaPierre pay the excise tax due on the 21 amounts disclosed in amended return 2019 in this 22 Exhibit 2? 23 MS. KOZLOWSKI: Objection, form, 24 foundation and to the extent it calls for speculation as 25 to what Mr. LaPierre did.</p> <p style="text-align: right;">Page 42</p>	<p>1 record, this question exceeds -- far exceeds the scope 2 of the topics for which -- for this 30(b)(6) that was 3 noticed. 4 Q. (BY MR. SHEEHAN) Did the NRA calculate the 5 excise tax due from Mr. LaPierre for the 2019 excess 6 benefits to disqualified persons? 7 MS. KOZLOWSKI: Objection, scope, 8 foundation. Again, this far exceeds the topics for 9 which this deposition has been -- has been noticed. It 10 is also seeking information with respect to 11 Mr. LaPierre's personal actions with respect to his 12 taxes and is not appropriate. 13 Q. (BY MR. SHEEHAN) Does the NRA undertake any 14 effort to determine whether its senior executives as 15 disqualified persons honor their tax obligations to the 16 United States? 17 MS. KOZLOWSKI: Objection as to form, 18 foundation. Again, this far exceeds the scope of the 19 topics for which this deposition has been noticed. 20 Q. (BY MR. SHEEHAN) Okay. Let's go then to 21 Mr. Powell. 22 Sorry, has the NRA identified excess benefits 23 to disqualified persons from Mr. LaPierre during 2020, 24 that were incurred during calendar year 2020? 25 A. That is currently being evaluated.</p> <p style="text-align: right;">Page 44</p>
<p>1 A. Yeah, I can't speak to what Mr. LaPierre has 2 done. 3 Q. (BY MR. SHEEHAN) Okay. So the document in 4 front of you that the NRA represents that Mr. LaPierre 5 repaid the NRA the entire aggregate amount plus 6 interest. It says nothing about whether he paid the 7 excise tax. Does the NRA know whether he paid the 8 excise tax? 9 MS. KOZLOWSKI: Objection to form, 10 foundation and to the extent it calls for speculation. 11 A. Again, I cannot speak to what Mr. LaPierre has 12 done for his personal taxes. 13 Q. (BY MR. SHEEHAN) Okay. Did -- does the NRA 14 know if he paid the excise tax? 15 MS. KOZLOWSKI: Same objection. 16 A. Same response. 17 Q. (BY MR. SHEEHAN) That the NRA does not know 18 whether he paid the excise tax? 19 MS. KOZLOWSKI: Objection, misstates 20 testimony. 21 Q. (BY MR. SHEEHAN) Ms. Rowling? 22 A. I do not know. I know I'm speaking for the 23 NRA, but I do not know the answer to that question. 24 Q. Okay. That's fair. 25 MS. KOZLOWSKI: For clarity of the</p> <p style="text-align: right;">Page 43</p>	<p>1 Q. And are there -- is anyone involved in that 2 except for the lawyers? 3 A. Yes. 4 Q. Who? 5 A. I have been involved. 6 Q. And what has been your involvement? 7 A. Providing information surrounding 8 transactions. 9 Q. What transactions? 10 A. Are you asking from a personal perspective or 11 NRA perspective? 12 Q. NRA perspective. 13 A. Repeat the question, please. 14 Q. You said -- well, what transactions that were 15 engaged in in 2020 is the NRA currently reviewing to 16 determine whether they involve excess benefits to 17 disqualified persons for Mr. LaPierre? 18 MS. KOZLOWSKI: Objection to form, 19 foundation, to the extent it calls for a legal 20 conclusion and to the extent that it invades the 21 attorney/client privilege. 22 To the extent you have knowledge outside 23 discussions with counsel, you can answer. 24 A. Flight details. 25 Q. (BY MR. SHEEHAN) What kind of flight details?</p> <p style="text-align: right;">Page 45</p>

1 MS. KOZLOWSKI: Same objection.
 2 A. Travel. I mean, what other flights are there?
 3 I'm not sure where that's coming from.
 4 Q. (BY MR. SHEEHAN) Where -- flights to where?
 5 Flights from where?
 6 MS. KOZLOWSKI: Same objections.
 7 A. Business travel.
 8 Q. (BY MR. SHEEHAN) What about expenses apart
 9 from flights for Mr. LaPierre?
 10 MS. KOZLOWSKI: Same objection.
 11 A. I testified earlier that no expenses had been
 12 paid for Mr. LaPierre relating to 2019 or 2020.
 13 Q. (BY MR. SHEEHAN) I'm sorry, no expenses have
 14 been paid for Mr. LaPierre by the NRA for 2019 or 2020?
 15 Did I hear that right?
 16 A. That is correct.
 17 Q. So when he incurred expenses for -- when he
 18 incurred expenses in order to travel or do other things
 19 for the NRA, who paid for them?
 20 MS. KOZLOWSKI: Objection, form,
 21 foundation, calls for speculation.
 22 A. Mr. LaPierre has expense reports that he has
 23 not submitted that are -- that he has maintained but has
 24 not submitted.
 25 Q. (BY MR. SHEEHAN) How do you know that?
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1 A. Because he incurred those expenses.
 2 Q. How do you know that?
 3 A. I have seen a few in order to accrue expenses
 4 into the proper period.
 5 Q. And so just so I understand, no expense which
 6 Mr. LaPierre incurred for travel was charged to the --
 7 was ever paid by the NRA in either 2019 or 2020. Is
 8 that correct?
 9 A. No, that's not correct.
 10 Q. Okay. So what expenses were paid for
 11 Mr. LaPierre for travel during 2019 and 2020 by the NRA?
 12 A. Flights.
 13 Q. Flights. And no other expenses beyond that.
 14 Is that correct?
 15 A. I -- that would -- that would have -- none of
 16 his personal expense reports have been submitted.
 17 Q. Okay. And has he received any advances, any
 18 travel advances from the NRA for those expenses?
 19 A. No, he has not.
 20 Q. Okay. With respect to Mr. Powell the --
 21 actually, let's go to Mr. Cox.
 22 How was -- how did the NRA determine the
 23 amounts set forth on page 32 of Exhibit 2 for Mr. Cox?
 24 MS. KOZLOWSKI: Objection, form,
 25 foundation.
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1 Additionally, to the extent that your
 2 knowledge is informed by conversations with counsel, I
 3 instruct you not to disclose those communications.
 4 A. The review of those expenses came through a
 5 litigation process, which I cannot speak to.
 6 Q. (BY MR. SHEEHAN) Okay. On page 32, it says
 7 it's in excess of 1 million. Is that accurate?
 8 MS. KOZLOWSKI: Objection, form,
 9 foundation.
 10 A. That is what the page says.
 11 Q. (BY MR. SHEEHAN) Is it true?
 12 A. Again, that is legal.
 13 Q. Well, it says the NRA determined to be
 14 provided to Mr. Cox. Right?
 15 MS. KOZLOWSKI: Can you restate the
 16 question, Counsel?
 17 MR. SHEEHAN: Sure.
 18 Q. (BY MR. SHEEHAN) It says that to date the
 19 aggregate excess benefit from 2015 to June 26, 2019
 20 determined to be provided to Mr. Cox is in excess of
 21 \$1 million. Who at the NRA made that determination?
 22 MS. KOZLOWSKI: Objection, asked and
 23 answered.
 24 Additionally, to the extent that it calls for
 25 communications with legal counsel, I would instruct you
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1 not to disclose those.
 2 A. Again, those are litigation matters at this
 3 point.
 4 Q. (BY MR. SHEEHAN) Who made the determination
 5 that he owed that much money at the NRA?
 6 MS. KOZLOWSKI: Same objection.
 7 A. And same response.
 8 Q. (BY MR. SHEEHAN) What, that -- the person who
 9 made the determination -- there's no employee of the NRA
 10 who made the determination that Mr. Cox owed in excess
 11 of \$1 million?
 12 MS. KOZLOWSKI: Objection, misstates
 13 testimony.
 14 Q. (BY MR. SHEEHAN) Am I correct?
 15 A. There are internal and external counsel
 16 involved in these proceedings.
 17 Q. Understood. But did anyone who is an employee
 18 of the NRA, not a lawyer, make a determination that
 19 Mr. Cox owed in excess of \$1 million?
 20 A. Internal counsel is an employee of the NRA.
 21 Q. Did he make that determination?
 22 MS. KOZLOWSKI: Objection. No, that is
 23 unequivocally asking for attorney/client communication.
 24 I instruct the witness not to answer.
 25 MR. SHEEHAN: We disagree on that.
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1 Q. (BY MR. SHEEHAN) So what does it say about
 2 the effectiveness of the process that you had that
 3 between 2015 and 2019 the NRA failed to capture in
 4 its -- any of its returns until November of 2020 the
 5 excess payments to Mr. Cox?
 6 MS. KOZLOWSKI: Objection, argumentative,
 7 foundation, exceeds the scope.
 8 Q. (BY MR. SHEEHAN) Let me ask you this. Did
 9 anyone -- anyone involved in reviewing or preparing
 10 4720s identify these excess payments to Mr. Cox between
 11 2015 and 2019?
 12 MS. KOZLOWSKI: Objection to the extent
 13 it calls for speculation.
 14 A. Yeah, I do not know.
 15 Q. (BY MR. SHEEHAN) You don't know if anybody
 16 ever looked at the expenses incurred by Mr. Cox in
 17 preparing IRS Form 4720 for 2015, 2016, 2017, 2018,
 18 2019?
 19 MS. KOZLOWSKI: Counsel, this far exceeds
 20 the scope of the topics. The deposition topics refer to
 21 the 4720s for 2019, 2020 and 2021. That's an improper
 22 question.
 23 Q. (BY MR. SHEEHAN) Would you agree with me that
 24 to the extent -- well, let's move on from that.
 25 We talked about --

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1 MR. SHEEHAN: Do you need a break at this
 2 point? Would you like a break at this point?
 3 MS. KOZLOWSKI: Sure, that would be great
 4 here.
 5 MR. SHEEHAN: Okay. Why don't we take
 6 ten minutes.
 7 THE VIDEOGRAPHER: We're going off the
 8 record. The time on the video is 10:09 a.m.
 9 (Break from 10:09 a.m. to 10:33 a.m.)
 10 THE VIDEOGRAPHER: This begins media unit
 11 number 2. The time on the video is 10:33 a.m. We are
 12 on the record.
 13 Q. (BY MR. SHEEHAN) Ms. Rowling, when the 2018
 14 4720 document was prepared, were the individuals
 15 involved in the preparation of that document aware of
 16 American Express credit cards which were issued for
 17 Ackerman McQueen but given to disqualified persons at
 18 the NRA?
 19 MS. KOZLOWSKI: Objection. This exceeds
 20 the scope of the topics for which this deposition was
 21 sought. The topic includes the Form 4720 for 2019,
 22 2020, and 2021.
 23 MR. SHEEHAN: And that were drafted,
 24 reviewed, or filed in 2019.
 25 Q. (BY MR. SHEEHAN) Ms. Rowling, was the 2018

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1 4720 filed in 2019?
 2 A. Was the form filed in 2019?
 3 Q. Yes.
 4 A. Yes.
 5 Q. Okay. Do you know whether that form for 2018,
 6 which is part of Exhibit 2, filed in 2019 captured or
 7 reflected the American Express credit card charges for
 8 disqualified persons that were issued by Ackerman
 9 McQueen?
 10 MS. KOZLOWSKI: Objection to form and
 11 foundation.
 12 A. No, it did not.
 13 Q. (BY MR. SHEEHAN) What, if any, effort has
 14 been made since the filing of the 2018 4720 to capture
 15 those Ackerman McQueen American Express charges for
 16 disqualified persons at the NRA?
 17 A. That involves ongoing litigation, so it's part
 18 of that process.
 19 Q. Okay. With respect to -- is there any
 20 determination that has been made subsequent -- all I see
 21 now is a phone. Okay.
 22 With respect -- has there been any
 23 determination of payments to disqualified persons
 24 subsequent to the filing of the 2019 amended return in
 25 2020?

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1 MS. KOZLOWSKI: Object to form.
 2 A. I don't know.
 3 Q. (BY MR. SHEEHAN) Okay. All right. Let's
 4 move on to the topic 6, which is the accountable plan.
 5 MR. SHEEHAN: Court Reporter, I guess
 6 when the witness doesn't speak, it just goes back to the
 7 phone, is what it looks like.
 8 MR. THOMPSON: This is Stephen. If you
 9 right click on Ms. Rowling's video, there should be a
 10 pin option which will make it so that she is there even
 11 if somebody else speaks.
 12 MR. SHEEHAN: Okay. Not -- not letting
 13 me do that. Okay.
 14 Q. (BY MR. SHEEHAN) Ms. Rowling, can you tell me
 15 what the NRA believed -- well, does the NRA maintain an
 16 accountable plan for payment of expenses of employees --
 17 (audio unclear.)
 18 (Reporter clarification.)
 19 MR. SHEEHAN: Okay. Let me try again.
 20 Q. (BY MR. SHEEHAN) Ms. Rowling, between 2016
 21 and the present has the NRA maintained and accountable
 22 plan for payment of the employee expenses?
 23 A. The NRA maintains an accountable plan.
 24 Q. And who is responsible for maintaining that
 25 plan?

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<p>1 MS. KOZLOWSKI: Objection to form. 2 A. It is part of the policy manual of the NRA. 3 Q. (BY MR. SHEEHAN) Right. But who is the human 4 who is in charge of maintaining the accountable plan? 5 A. That would fall under the treasurer's office. 6 Q. And so is there a person who has that 7 responsibility? 8 A. Ultimately, the treasurer. 9 Q. Is there anyone below the treasurer meaning -- 10 who has that responsibility for maintaining the 11 accountable plan? 12 A. Specifically one person? 13 Q. Yeah. 14 A. No. A policy and procedures manual is for 15 everyone to follow, so not one person. 16 Q. Who makes sure that people follow it, the 17 accountable plan? 18 A. As expense reports are submitted to accounts 19 payable, they're reviewed. 20 Q. And who is -- 21 A. They're also part of the entire process of 22 review by each individual who submits an expense report. 23 They are held accountable for that by their -- for 24 whoever approves their expense report. 25 Q. Is that process that you just described</p> <p style="text-align: right;">Page 54</p>	<p>1 incidences that I can't recall off the top of my head. 2 Q. Okay. Can the NRA recall? 3 A. No. 4 Q. Okay. With respect to pass-through expenses 5 to the Ackerman McQueen, were those pass-through 6 expenses captured in the accountable plan enforcement or 7 direction? 8 MS. KOZLOWSKI: Objection as to form. 9 A. I don't -- I do not know. I know I have to 10 speak for the NRA, but in this regard I cannot -- I do 11 not know. 12 Q. (BY MR. SHEEHAN) One of the requirements of 13 an accountable -- what is your understanding of the 14 requirements of an accountable plan? 15 A. They are -- an accountable plan is following 16 IRS guidelines with respect to employee expense 17 reimbursement for business purpose. 18 Q. Okay. And what specific things do they 19 require? 20 A. I don't know off the top of my head. 21 Q. Would you agree that the -- under an 22 accountable plan if you have a business expense, you 23 have to have a written justification for the business 24 expense? 25 MS. KOZLOWSKI: Objection as to form, and</p> <p style="text-align: right;">Page 56</p>
<p>1 applicable also to directors and officers of the NRA? 2 A. Yes. 3 Q. And has that been the case since between 2016 4 and the present? 5 MS. KOZLOWSKI: Objection to form. 6 A. The process -- sorry, I'm losing my voice -- 7 has always been in place, you know, and the plan has 8 been in place. 9 Q. (BY MR. SHEEHAN) Has it been enforced since 10 2016? 11 MS. KOZLOWSKI: Objection to form. 12 A. There were areas in which there was lacking 13 enforcement of that plan by the treasurer himself who is 14 no longer with the organization. 15 Q. (BY MR. SHEEHAN) All right. And what were 16 those failures by the former treasurer? 17 MS. KOZLOWSKI: Objection, misstates 18 testimony, form. 19 A. I didn't say there were failures. There were 20 areas in which proper review might not have taken place 21 and -- or enforcement. 22 Q. (BY MR. SHEEHAN) All right. What areas were 23 those that were -- proper review may not have taken 24 place or enforcement? 25 A. That would be -- those are very specific</p> <p style="text-align: right;">Page 55</p>	<p>1 objection to the extent it calls for a legal conclusion. 2 A. Business purpose is required as part of our 3 policy. 4 Q. (BY MR. SHEEHAN) Okay. And does that -- and 5 how is that -- how is the business purpose documented 6 under your policy for your accountable plan? 7 A. I don't understand your question. 8 Q. In other words, how -- when a person submits 9 their expenses, how do they document the business 10 purpose under the terms of the NRA accountable plan? 11 How are they expected to or required to? 12 MS. KOZLOWSKI: Objection as to form. 13 A. There is an area on an expense report which 14 they are to fill that out. 15 Q. (BY MR. SHEEHAN) All right. And if they 16 don't fill out an expense report or they use an American 17 Express card, for example, what is the obligation to 18 document the business purpose of the expenditure under 19 the accountable plan? 20 A. There is -- an Excel spreadsheet is created 21 from a download directly from an American Express 22 statement, and the individuals are required to fill out 23 next to each line item a business purpose. 24 Q. And how recent is that requirement? 25 A. That has been in place.</p> <p style="text-align: right;">Page 57</p>

1 Q. For how long?
2 A. As far as I know, it's always been in place.
3 Q. Did Mr. Phillips follow that policy?
4 MS. KOZLOWSKI: Objection as to form and
5 to the extent it calls for the advice of counsel.
6 A. I would have to look at each individual
7 expense report of Mr. Phillips and/or credit card
8 statement to verify that.
9 (Audio interference.)
10 MR. SHEEHAN: Jason, we can hear you.
11 MR. KATHMAN: Sorry.
12 Q. (BY MR. SHEEHAN) With respect to Mr. Powell,
13 did he comply with the requirements for documentation of
14 the business purpose of expenses he incurred?
15 MS. KOZLOWSKI: Objection to form.
16 And to the extent that it calls for
17 attorney/client communications, I instruct you not to
18 disclose them.
19 A. Mr. Powell -- the Excel spreadsheets were
20 completed. To the extent that the business purpose was
21 full and complete is part of ongoing litigation.
22 Q. (BY MR. SHEEHAN) With respect to Mr. Cox, did
23 he complete the spreadsheet with the business purpose
24 for each transaction?
25 MS. KOZLOWSKI: Same objection.

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1 A. I do not know, and -- yeah, I don't know.
2 Q. (BY MR. SHEEHAN) Okay. With respect to
3 Mr. LaPierre, did he complete the spreadsheet with the
4 business purpose of each transaction?
5 MS. KOZLOWSKI: What period of time,
6 Counsel?
7 Q. (BY MR. SHEEHAN) At any time between 2016 and
8 the present.
9 A. Again, I recognize I speak for the NRA, but I
10 do not know given those expense reports were never
11 processed through the division for which I was
12 personally in.
13 Q. You were personally in. I'm sorry. So
14 speaking on behalf of the NRA --
15 A. I understand that, but I don't know.
16 Q. Okay. Fair enough.
17 If there was an improper expenditure under the
18 accountable plan, how does the NRA recover that
19 expenditure?
20 MS. KOZLOWSKI: Objection.
21 To the extent it calls for communications with
22 counsel, I would instruct you not to disclose them.
23 A. Well, that's -- that's a vague hypothetical
24 question with respect to -- the assumption there is kind
25 of all over the place with respect to that, so I can't

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1 really answer that question.
2 Q. (BY MR. SHEEHAN) Are there -- under the
3 accountable plan between 2016 and the present, under the
4 expense reimbursement policy of the NRA, have there ever
5 been situations, other than those listed in the 4720, in
6 which an employee received payment for what was later to
7 be determined a personal expense?
8 A. Through the expense report process, those
9 would generally be not ever reimbursed. Through the
10 credit card process, yes, employees have had to pay
11 back.
12 Q. And whose job is it to chase them down and
13 make sure they pay it back under the accountable plan?
14 MS. KOZLOWSKI: Objection to form.
15 A. Not one particular person. It would be
16 identified and then pursued by their -- I guess their
17 superior, depending on who it is.
18 Q. (BY MR. SHEEHAN) So with respect to
19 Mr. Powell, it would be pursued by Mr. LaPierre at the
20 time he was -- that Mr. Powell worked for the NRA?
21 A. That would have been pursued by Craig Spray as
22 treasurer.
23 Q. Okay. With respect to Mr. DeBergalis, if he
24 received improper reimbursement, who would pursue it
25 with him?

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1 A. You're speculating on, you know, if that
2 actually occurred.
3 Q. Your 4720, Exhibit 2, says Mr. DeBergalis may
4 have received business class travel without
5 authorization, right. If that amount is determined to
6 be due, whose job would it be to pursue the recovery of
7 that money?
8 MS. KOZLOWSKI: Objection to form and
9 seeks -- and it calls for the advice of counsel.
10 I would instruct you not to disclose those
11 communications.
12 A. That would either be through counsel's office,
13 internal, or the treasurer --
14 Q. (BY MR. SHEEHAN) Okay.
15 A. -- or probably both.
16 Q. With respect to indirect payments for expenses
17 of the NRA employees -- let me go back.
18 For the indirect payment of expenses for NRA
19 employees, for example, dinner at Landini's that was
20 reimbursed to Ackerman McQueen or its affiliates, how
21 would the process -- the accountable plan process
22 address those charges in terms of obtaining
23 documentation for business purpose?
24 MS. KOZLOWSKI: Objection as to form.
25 A. The NRA no longer would allow the way it was

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1 billed in the past, which was hidden in other invoices;
 2 and due to the NRA instituting proper backup behind an
 3 invoice, that would not occur.
 4 Q. (BY MR. SHEEHAN) All right. How many
 5 years -- between 2016 and 2019, how often did it occur?
 6 How often did it occur that Landini's bills were sent
 7 through and paid on behalf of disqualified persons
 8 through the Ackerman account?
 9 MS. KOZLOWSKI: Objection to form.
 10 Additionally, objection to the extent that it's seeking
 11 work product due to the ongoing investigation.
 12 A. That is subject to ongoing litigation.
 13 Q. (BY MR. SHEEHAN) Okay. Is it fair to say
 14 that the accountable plan in place between 2016 and 2019
 15 had no system for capturing expenses paid indirectly
 16 through the Ackerman account at the NRA?
 17 MS. KOZLOWSKI: Objection as to form.
 18 A. The systems in place at that time would have
 19 difficulty in seeing that sort of transaction.
 20 Q. (BY MR. SHEEHAN) Would have difficulty. Was
 21 there any -- was there any regular reporting of those
 22 transactions to the system in place at the time?
 23 MS. KOZLOWSKI: Objection, vague.
 24 A. Given the lack of support behind certain
 25 invoices, those would not have been identified.

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1 Q. Prior to May -- prior to April of 2019, did
 2 the NRA ever make any request to the Ackerman McQueen
 3 people as a part of its accountable plan to identify
 4 payments for travel or other expenses for disqualified
 5 persons?
 6 MS. KOZLOWSKI: Objection to the extent
 7 it's seeking attorney/client communications --
 8 MR. SHEEHAN: I am asking about --
 9 Q. (BY MR. SHEEHAN) Did you make -- what efforts
 10 did the NRA make between 2016 and 2019 pursuant to its
 11 accountable plan to identify expenses that were passed
 12 through the Ackerman account?
 13 A. The -- those individuals responsible for that
 14 were not informed that that was taking place by the CFO.
 15 So it was the treasurer and CFO who neglected his duties
 16 to identify that those transactions existed.
 17 Q. And have all those transactions been addressed
 18 since then to make sure there are no -- let that go.
 19 Let's move on to the IRS 990, which is topic
 20 2.
 21 (Reporter clarification.)
 22 Q. (BY MR. SHEEHAN) Let's start off with the
 23 2019 IRS 990.
 24 MR. SHEEHAN: Stephen, could you pull
 25 that up on the screen?

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1 MR. THOMPSON: Yes. It will just take a
 2 minute for it to load.
 3 THE REPORTER: While we're waiting, could
 4 the 202 number who just joined please identify?
 5 MR. THOMPSON: Jim, you said 2019?
 6 MR. SHEEHAN: Correct.
 7 MS. KOZLOWSKI: Ms. Brandt, before we
 8 move into the 990, we do need to track down the 202
 9 number.
 10 MR. SHEEHAN: Could we go off the record
 11 for that so we're not burning time?
 12 THE VIDEOGRAPHER: We're going off the
 13 record. The time is 10:53 a.m.
 14 (Break from 10:53 a.m. to 10:54 a.m.)
 15 THE VIDEOGRAPHER: We're back on the
 16 record. The time on the video is 10:54 a.m.
 17 (Exhibit 3 marked.)
 18 Q. (BY MR. SHEEHAN) Ms. Rowling, is it the NRA's
 19 belief that the 2019 IRS 990 and supporting schedules
 20 that were submitted in November of 2020 and identified
 21 as Exhibit 3, is it the NRA's view that that IRS 990 is
 22 accurate, correct and complete?
 23 A. To the extent of the knowledge at the time
 24 that it was filed, which is what it says in the
 25 signature line, yes.

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1 Q. And whose responsibility was it to prepare the
 2 2019 990?
 3 A. There are multiple parts of this form, but the
 4 preparer was Arifur Rahman.
 5 Q. And you told me Arif's title before, but I've
 6 forgotten it. What was his title?
 7 A. Manager of tax and accounting analysis.
 8 Q. And when Mr. Rahman prepared Exhibit 3, did he
 9 have workpapers to support that preparation?
 10 A. Yes.
 11 Q. How did he go about obtaining the information
 12 necessary to prepare the 2019 990?
 13 A. The main source of the 990 from the dollar
 14 figure amount is the audited financial statement.
 15 Q. With respect --
 16 A. Other --
 17 Q. I'm sorry. Go ahead.
 18 A. Other -- other information is obtained through
 19 the secretary's office and legal -- internal legal
 20 counsel.
 21 Q. Any other sources?
 22 A. Internal policies, manuals.
 23 Q. Okay. Now with respect to -- if you take a
 24 look at the first page, line F, of the 2019 990, it
 25 represents that the principal officer of the NRA is

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1 Wayne LaPierre. Is that correct, that he is the
 2 principal officer?
 3 A. Yes.
 4 Q. Does that represent any change from 2018 or
 5 2017?
 6 A. I would have to look at those two other
 7 documents.
 8 Q. They both represent that Mr. Spray is the
 9 principal officer. Was Mr. Spray the principal officer
 10 during 2018 -- I'm sorry -- during 2018 and 2017?
 11 A. I believe both could be interchanged in those
 12 forms.
 13 Q. As principal officer?
 14 A. Correct.
 15 Q. Why is the document signed by Mr. LaPierre in
 16 2019?
 17 MS. KOZLOWSKI: Objection to form.
 18 And to the extent that it involves
 19 conversations with legal counsel, I would instruct you
 20 not to disclose those.
 21 A. Yeah, those were legal decisions that were
 22 made with respect to that signature.
 23 Q. (BY MR. SHEEHAN) Okay. What review did
 24 Mr. LaPierre undertake prior to signing off on the -- on
 25 Exhibit 3?

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1 A. Mr. LaPierre reviewed this form with John
 2 Frazer.
 3 Q. When you say reviewed it, how did he assure
 4 himself that the information contained in the form was
 5 correct before he signed?
 6 A. I do not know.
 7 Q. Okay.
 8 A. Those were conversations with John Frazer.
 9 Q. All right. If you turn to part IV, question
 10 25a and b, and that's -- on the 990 form, it's on page
 11 4.
 12 MS. KOZLOWSKI: Can you give a page of
 13 the PDF, please?
 14 MR. SHEEHAN: Stephen, can you give a
 15 page of the PDF?
 16 MR. THOMPSON: Yes. It is also PDF page
 17 4.
 18 MS. KOZLOWSKI: Thank you.
 19 Mr. Sheehan, can we have you adjust your
 20 camera? It's difficult to -- it's easier to hear you
 21 when we can also see your lips. Thank you.
 22 MR. SHEEHAN: Okay. It's because it
 23 doesn't show on my screen for some reason. I will do my
 24 best here.
 25 Q. (BY MR. SHEEHAN) Let's go with --

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1 MS. KOZLOWSKI: Thank you.
 2 Q. (BY MR. SHEEHAN) -- 25a and b, do you know
 3 what the -- how did the organization determine they
 4 engaged in an excess benefit transaction with a
 5 disqualified person?
 6 A. I'm sorry. Can you repeat that question?
 7 Q. Sure.
 8 How did the NRA determine that the correct
 9 answer to question 25a was yes?
 10 MS. KOZLOWSKI: Objection.
 11 To the extent it calls for communications with
 12 legal counsel, I would instruct you not to disclose
 13 those communications.
 14 A. The disclosure was part of review due to
 15 ongoing litigation and discussions with counsel to
 16 determine whether there were excess benefit
 17 transactions.
 18 Q. (BY MR. SHEEHAN) And would you give me the
 19 same answer as to question 25b?
 20 A. That is correct.
 21 Q. All right. With respect to -- let's move on
 22 to part -- by the way, have you ever seen before the
 23 2019 return the NRA checking the box yes as to 25a or
 24 25b in part IV?
 25 A. I don't recall, and I'd have to look at the

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1 document.
 2 Q. All right. Let's move on to part VI. Part
 3 VI, line 5, which is --
 4 MS. KOZLOWSKI: Can you provide the page
 5 again, please?
 6 MR. THOMPSON: Yes. Two pages down, PDF
 7 page 6.
 8 MS. KOZLOWSKI: Thank you. That's
 9 helpful.
 10 Q. (BY MR. SHEEHAN) Look at question 5. Did the
 11 organization become aware during the year of a
 12 significant diversion of the organization's assets? And
 13 the box is check yes.
 14 What was the basis for the preparation, review
 15 of that answer?
 16 MS. KOZLOWSKI: Objection.
 17 To the extent that it calls for communications
 18 with counsel, I would instruct you not to disclose
 19 those.
 20 A. That was checked yes due to the discovery of
 21 the incidences that are under review or, I guess, in
 22 litigation regarding Josh Powell.
 23 Q. (BY MR. SHEEHAN) Apart from the Josh Powell
 24 payment, were there any other payments which were
 25 perceived as a significant diversion supporting that

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1 question 5?
2 (Audio interference.)
3 MR. THOMPSON: You are unmuted.
4 MS. KOZLOWSKI: Counsel, can you repeat
5 the question after that?
6 MR. SHEEHAN: And I have forgotten my
7 question.
8 Court reporter, can you just read back the
9 question?
10 (Requested testimony read.)
11 MS. KOZLOWSKI: The same objection with
12 respect to attorney/client communication.
13 A. There is -- as disclosed in the notes, there
14 are ongoing litigations with respect to any other
15 diversion of assets that would have --
16 Q. (BY MR. SHEEHAN) Wasn't the -- I'm sorry.
17 Wasn't the payment for Wayne LaPierre's
18 expenses one of the diversions referenced for question 5
19 of part IV -- part VI.
20 MS. KOZLOWSKI: Objection.
21 To the extent it calls for attorney/client
22 communications, please don't disclose those.
23 A. Mr. LaPierre repaid any assets that were
24 deemed to have not been supported by a business purpose.
25 And you know -- and I am not -- I don't know, given the
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1 legal advice surrounding it, if it's caused that
2 particular yes in that --
3 Q. (BY MR. SHEEHAN) How about with respect to
4 Millie Hallow, the payments -- the moneys that Millie
5 Hallow owed for her son's wedding, was that part of the
6 answer to question 5, part VI?
7 MS. KOZLOWSKI: Objection.
8 Again, to the extent that the answer to
9 question 5 was derived from advice of counsel, I would
10 instruct you not to disclose those communications.
11 A. Ms. Powell also repaid those assets, and
12 again, that goes to legal advice on the -- answering
13 those yes for that question.
14 Q. (BY MR. SHEEHAN) With respect to part VI,
15 line 11a, you'll see the question asked, Has the
16 organization provided a complete copy of this Form 990
17 to all members of its governing body before filing the
18 form? And the answer is no. Is that answer correct?
19 A. Yes.
20 Q. Why did the NRA not provide a copy of this
21 form to all members of its governing body before filing
22 for Exhibit 3?
23 MS. KOZLOWSKI: To the extent that was
24 actually taken on the advice of counsel, I would
25 instruct you not to disclose those communications.
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1 A. A draft form was provided at the board
2 meeting, but due to what was deemed material changes to
3 the form, we chose to mark that no because they had not
4 seen the final version.
5 Q. (BY MR. SHEEHAN) Were the material changes of
6 the form related to the disclosure of the improper
7 payments of the excess benefits to disqualified persons?
8 MS. KOZLOWSKI: Objection to form.
9 A. There were multiple changes to the document.
10 That was one of them.
11 Q. (BY MR. SHEEHAN) Okay. So when did the board
12 see the earlier draft of the 990, the earlier draft
13 Exhibit 3?
14 A. That would have been at the October -- sorry
15 with the dates in COVID. I believe we had an October
16 board meeting that that draft would have been made
17 available.
18 Q. But that draft, as I understand it, did not
19 include the payments of disqualified persons and did not
20 include the yes answer to question 5 on part VI?
21 A. I would have to go back and look at that
22 draft.
23 Q. All right. How do I -- where would that draft
24 be today?
25 A. I don't know.
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1 Q. Does the NRA give hard copies or electronic
2 copies of the draft 990s to board members? Let me
3 rephrase that.
4 Did the NRA give hard copies or electronic
5 copies of the draft 990 to the board members in 20 --
6 A. Which year?
7 Q. The form for 2019 and reviewed in 2020.
8 A. The finance committee was provided an
9 electronic copy due to COVID.
10 Q. And that -- was that of the draft --
11 A. Through a --
12 Q. I apologize, Ms. Rowling. Go ahead and finish
13 your answer.
14 A. Through a secure email system.
15 Q. So was that the draft or the final that the
16 finance committee received?
17 A. I'm sorry. Let me -- it's the audit committee
18 that receives the 990, so it was not the finance
19 committee. I apologize.
20 Q. And did the audit committee receive the draft
21 990 that we talked about for October?
22 A. They -- they received one at their audit
23 committee meeting. I do not recall the exact date of
24 that meeting.
25 Q. Did the audit committee receive a copy of the
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1 final 990 prior to filing?
 2 A. I do not know.
 3 Q. All right. Has the 990, the final 990,
 4 Exhibit 3, been distributed to members of the board
 5 since the filing in November of 2020?
 6 A. I do not know.
 7 Q. Does the NRA know?
 8 A. Again, I do not know.
 9 Q. Okay.
 10 A. I mean --
 11 Q. Fair enough. That's fair.
 12 MR. SHEEHAN: It is a question I would
 13 like the answer to, Counsel.
 14 Q. (BY MR. SHEEHAN) Let's walk through it. If
 15 you look at part VI, lines --
 16 (Reporter clarification.)
 17 Q. (BY MR. SHEEHAN) Take a look at Exhibit 3,
 18 part VI, lines 12a to c. If you look at the answer to
 19 question c, it says did the organization regularly and
 20 consistently monitor and enforce compliance with the
 21 conflict of interest policy? And the answer is checked
 22 yes. Is that -- does the NRA believe that answer is
 23 true?
 24 MS. KOZLOWSKI: Objection to the extent
 25 that -- that it invades the attorney/client privilege

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1 and communications with respect to the position on the
 2 form.
 3 A. The NRA checked yes in that -- in that box.
 4 Q. (BY MR. SHEEHAN) It says yes in that box. As
 5 of today, does the NRA believe that answer to be
 6 correct?
 7 A. Yes.
 8 Q. Has the NRA enforced its conflict of interest
 9 policy with respect to board member Karl Malone?
 10 MS. KOZLOWSKI: Objection to the extent
 11 it calls for a legal conclusion or communications with
 12 counsel.
 13 A. Yeah, I do not know.
 14 Q. (BY MR. SHEEHAN) Okay. If you look at part
 15 7 -- I'm sorry. No, that's a different one. Part X --
 16 part X, part X, lines 5, 6 and 22, and part X is on page
 17 11. Do you see that?
 18 A. Part X? I'm sorry.
 19 Q. Part X. Let's look first at line 5. And you
 20 see that line 5 says loans and other receivables from
 21 any current or former officer, director, trustee, key
 22 employee, et cetera. And the entry there is zero. Is
 23 that answer correct?
 24 MS. KOZLOWSKI: Objection to the extent
 25 it calls for a legal conclusion.

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1 A. The form was filled out this way and reviewed
 2 by all parties, legal included. To the best of our
 3 knowledge at the time, that was -- that is the answer.
 4 Q. (BY MR. SHEEHAN) Even though on schedule L
 5 you mention amounts that are due and not yet repaid.
 6 Correct?
 7 MS. KOZLOWSKI: Objection, argumentative
 8 and to form.
 9 Q. (BY MR. SHEEHAN) Okay. Let me try this.
 10 Ms. Rowling, you're an accountant. Right?
 11 A. Yes.
 12 Q. (BY MR. SHEEHAN) Does Mr. Powell owe the NRA
 13 money as of the time --
 14 A. Those -- those are legal matters of which
 15 recording of receivable for something at a legal
 16 proceeding is not going to take place.
 17 Q. Is that your accounting -- is that the
 18 accountant in you saying this, that the recognition of a
 19 receivable, even though reported somewhere else in the
 20 form, should not be entered in answer to question 5?
 21 A. They were not on our audited financial
 22 statements, which means they are not on this 990.
 23 Q. Okay. But your audited financial statements,
 24 when were they completed for 2019?
 25 A. They were finalized in March.

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1 Q. Were the accountants -- the accountants who
 2 did the independent audit of your books and records told
 3 about the amounts due from disqualified persons at the
 4 time they completed their audit and submitted their
 5 audit?
 6 A. The information regarding Josh Powell was
 7 known at the time.
 8 Q. And not -- was it reflected in the audited
 9 financial report that was provided by the accounting
 10 firm?
 11 A. No, it was not.
 12 Q. Why not?
 13 A. It's not a material receivable to have
 14 reported and, given it's litigated, there was no
 15 guarantee the money would be returned.
 16 Q. Okay. So do you have to have a guaranteed
 17 return in order to enter on line 5 loans or other
 18 receivables due?
 19 MS. KOZLOWSKI: Objection, form,
 20 misstates testimony.
 21 Q. (BY MR. SHEEHAN) Ms. Rowling?
 22 A. There's accounting with respect to reporting
 23 of receivables, and you would not want to report a
 24 receivable that would be an unknown at that time. That
 25 would be inflating your balance sheet.

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1 Q. Okay. And with respect to line 22 -- no, not
2 line 22, okay.
3 All right. Schedule D, part V.
4 MR. SHEEHAN: I will need your help on
5 this, Stephen, because the hard copy does not reflect
6 the number on it.
7 MR. THOMPSON: You said schedule D, as in
8 David, Jim?
9 MR. SHEEHAN: D as in David, right. Is
10 there a page number, Stephen?
11 MR. THOMPSON: Just one minute.
12 MR. DRAKE: It's going to be 59.
13 MR. THOMPSON: Yes. Beat me to the
14 punch.
15 Q. (BY MR. SHEEHAN) If you look at part V of
16 schedule D which lists out endowment funds, do you know
17 what the source of the endowment funds figure is for the
18 NRA? Do you see where we are?
19 MS. KOZLOWSKI: No, we don't.
20 A. No.
21 MR. THOMPSON: This is PDF page 60.
22 A. Yes.
23 Q. (BY MR. SHEEHAN) Who was responsible for
24 making sure that the number shown in current year under
25 part V, line 1g is correct?

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1 A. Arifur Rahman.
2 Q. And does the -- do you know if these endowment
3 funds include only NRA endowment funds or also include
4 endowment funds for the benefit of the Institute for
5 Legislative Affairs (sic)?
6 A. The Institute for Legislative Action is part
7 of the NRA. They're not a separate entity. So they do
8 include ILA's endowment.
9 Q. Okay. And so whose job is it within the NRA
10 to make sure that endowment funds or restricted funds
11 are properly spent?
12 A. Depending on which group is doing it. So ILA
13 has their accounting department, and Bob Owens is
14 responsible for that.
15 Q. And how about for the rest of the NRA?
16 A. The NRA, it's multiple people depending on
17 where those -- but Arifur Rahman is -- would follow
18 through with the receiving of the support behind those.
19 Q. Okay. With respect to the restrictions
20 themselves, who maintains the record of the existing
21 restrictions within the NRA?
22 A. Arifur Rahman has some, as well as the Office
23 of Advancement from where the donation was made through.
24 Q. So that would be Tyler Schropp?
25 A. His group.

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1 Q. Is there a person within his group who is
2 responsible for tracking restricted gifts and
3 endowments?
4 A. Melissa Coder within that group.
5 Q. How do you spell Coder?
6 A. C-O-D-E-R.
7 Q. Let's go to schedule J.
8 MR. SHEEHAN: And Stephen, can you pull
9 up schedule J, page 1.
10 MR. THOMPSON: So that is PDF page 77.
11 MR. SHEEHAN: All right.
12 Q. (BY MR. SHEEHAN) So Ms. Rowling, if you look
13 at page 1 of Exhibit 3, you'll see that the box is
14 checked for first-class or charter travel, travel for
15 companions and health or social club dues, among other
16 things. And 1b recites, if any of the boxes on 1, 1a
17 are checked, did the organization follow written policy
18 regarding payments or reimbursements or provision of all
19 the expenses described above? If no, complete box 3 to
20 explain. The box is checked no. Was that answer
21 correct at the time this document was submitted to the
22 IRS?
23 A. Yes.
24 Q. Does that remain -- does the NRA still provide
25 first-class or charter travel, travel for companions and

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1 health or social club dues to disqualified persons?
2 MS. KOZLOWSKI: Objection to form and to
3 the extent it calls for a legal conclusion.
4 A. The two questions are different.
5 Q. (BY MR. SHEEHAN) Okay.
6 A. Does it provide and do its policies --
7 Q. So let's go with the -- does the NRA still
8 provide to any employees first-class or charter travel,
9 travel for companions or health or social club dues as
10 of today?
11 MS. KOZLOWSKI: Objection as to form.
12 A. There -- yes, the NRA has provided some of
13 those on a case by case basis depending on a particular
14 situation.
15 Q. (BY MR. SHEEHAN) How do they do it? How does
16 the NRA do it?
17 A. I don't -- how do we do what?
18 Q. How do you do -- you say based upon a
19 particular situation. So how does the NRA determine
20 whether a particular situation warrants first-class or
21 charter travel, travel for companions or health or
22 social club dues?
23 A. Each case is evaluated individually.
24 Discussions are with internal counsel as well.
25 Q. Who does the evaluation?

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1 A. Counsel would do evaluation, internal counsel.
2 Q. Okay. It says in b, did the organization
3 follow written policy regarding payment or
4 reimbursements? And the box is checked no. Is that
5 correct as of when this was filed?
6 MS. KOZLOWSKI: Objection, asked and
7 answered.
8 A. I already answered that question.
9 Q. (BY MR. SHEEHAN) Okay. Is it true today that
10 it does not follow written policy regarding payment of
11 reimbursement of the expenses described in 1a?
12 MS. KOZLOWSKI: Objection, form.
13 A. The evaluation still needs to be done on
14 whether all of those boxes would be checked. The NRA is
15 in the process or actually was in the process of
16 updating a travel policy to reflect all of these areas
17 to make them within the policy. However, given COVID,
18 they have not been presented to the board for approval.
19 Q. (BY MR. SHEEHAN) Where are those -- where are
20 those draft policies now? Who has custody or ownership
21 of them?
22 A. Those are with multiple people. Craig Spray
23 was the originator of the request.
24 Q. Request for new travel policy?
25 A. Correct.

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1 Q. Okay. Did Craig Spray or members of his staff
2 draft the initial travel policy?
3 A. The initial? I'm sorry, which policy are you
4 referring to?
5 Q. So there apparently is a draft out there.
6 Somebody had to do the first cut on the draft. Who did
7 the initial draft that you described?
8 A. Rick Tedrick.
9 Q. Okay. Let's go to part II of schedule J.
10 MR. SHEEHAN: Which, Stephen, is what
11 page?
12 MR. THOMPSON: Just the next page, PDF
13 page 78.
14 MR. SHEEHAN: Okay.
15 Q. (BY MR. SHEEHAN) Ms. Rowling, does part II of
16 schedule J on Exhibit 3 accurately reflect the payments
17 to each of the people listed on schedule J, part II?
18 MS. KOZLOWSKI: Objection as to form.
19 A. To my knowledge, yes.
20 Q. (BY MR. SHEEHAN) Okay. How did the NRA treat
21 the excess payments and disqualified persons on
22 reporting part II, schedule J, the compensation these
23 people received?
24 MS. KOZLOWSKI: Objection as to form.
25 Do you understand the question?

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1 A. Can you repeat the question?
2 Q. (BY MR. SHEEHAN) Sure.
3 Why don't we pick an example. So Josh Powell
4 is listed here with his base compensation, other
5 reportable compensation and a variety of other things
6 going across. In the 990, you recite that he received
7 \$40,000 in payments which were excess compensation. Is
8 that amount reflected in the schedule J, part II, for
9 Mr. Powell?
10 MS. KOZLOWSKI: Objection to form. You
11 don't have the other document in front of you to clarify
12 or to confirm.
13 A. I mean, I could say what I think, but I
14 don't --
15 MS. KOZLOWSKI: Don't.
16 A. I don't want to speak to that, so I don't know
17 for sure.
18 Q. (BY MR. SHEEHAN) Okay. Who would know at the
19 NRA whether that amount was included?
20 A. Arifur would have the details surrounding the
21 input into the schedule.
22 Q. Okay. With respect to Mr. DeBergalis, does
23 that amount which is set forth on schedule J, part II,
24 reflect the additional amounts he may have received or
25 got reimbursed?

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1 A. There were no specific amounts reflected at
2 that time, so they could not have been put into those
3 numbers.
4 Q. Okay. With respect to Mr. LaPierre, do the
5 amounts shown for him reflect the amounts he received in
6 improper reimbursement for -- for expenses?
7 MS. KOZLOWSKI: Objection, form.
8 A. Same answer as your -- the request on Josh
9 Powell.
10 Q. (BY MR. SHEEHAN) Okay. Thank you.
11 All right. Then we go to part II with
12 Mr. Phillips. You know what? I am going to pass on
13 that.
14 If you look at schedule L, part I --
15 MR. THOMPSON: And that's starts on PDF
16 page 82.
17 Q. (BY MR. SHEEHAN) It reflects five specific
18 officers and directors who received -- were parties to
19 excess benefit transactions. Do you believe as of the
20 time that the 990 was filed through the NRA that that
21 schedule was correct?
22 A. At the time that this was filed, to the best
23 of our knowledge, yes.
24 Q. Are there any additional persons who you now
25 discovered received excess benefit transactions in 2019

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1 and before --
2 MS. KOZLOWSKI: Objection, scope.
3 Q. (BY MR. SHEEHAN) -- in the NRA?
4 MS. KOZLOWSKI: Objection, scope. The
5 topics request information with respect to the 2017,
6 2018 and 2019 990s.
7 Q. (BY MR. SHEEHAN) And so this goes to the
8 question of accuracy, Ms. Rowling. Do you now believe
9 that this statement in part I of schedule L is accurate
10 and complete.
11 MS. KOZLOWSKI: I am also going to
12 instruct you not to answer to the extent that you would
13 be disclosing information learned in conjunction with
14 your counsel either in-house or external.
15 A. I don't know.
16 Q. Okay. So let's go to schedule O.
17 MR. SHEEHAN: And Stephen, what's the
18 number on that?
19 Q. (BY MR. SHEEHAN) I'm sorry. Before you get
20 there, let's go back to part V on schedule L, which has
21 the discussion of the excess benefit transactions. Was
22 this part of the IRS 990 shared with the finance
23 committee before it was filed with the IRS?
24 A. I had corrected that. It would have been the
25 audit committee.

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1 Q. I apologize, right.
2 Was this portion that is part V of the IRS
3 990, which is Exhibit 3, shown to the audit committee
4 before it was filed with the IRS?
5 A. I do not know.
6 Q. Okay. Who would know?
7 A. Probably John Frazer. I wasn't part of those
8 at the time. I was not in this role or was not part of
9 the discussion.
10 Q. Would Craig Spray know?
11 MS. KOZLOWSKI: Objection, calls for
12 speculation.
13 Q. (BY MR. SHEEHAN) Do you know if Craig Spray
14 knows whether this part of the preparation was shared
15 with the finance committee?
16 MS. KOZLOWSKI: Same objection.
17 A. The audit committee --
18 Q. (BY MR. SHEEHAN) I apologize. Okay.
19 A. I do not know. I can't speculate as to what
20 he knows.
21 Q. All right. Then we go to part -- to schedule
22 O.
23 MR. THOMPSON: PDF page 91, Counsel.
24 Q. (BY MR. SHEEHAN) You will see on schedule O
25 under the section that is -- it says part VI, line 5.

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1 Can you see that at the bottom of the first page of
2 schedule O?
3 A. Yes.
4 Q. And the reference to the staff employee in
5 that section, is that Millie Hallow?
6 A. I believe so, yes.
7 Q. And is it true that she has fully repaid the
8 organization, including interest?
9 A. I don't know.
10 Q. With respect to both -- with respect to
11 Ms. Hallow, what form did her repayment take?
12 A. A wire transfer.
13 Q. And do you know when that happened?
14 A. I do not.
15 Q. Okay. Now let's look at the second page of
16 schedule O, and you will see on the second box -- and
17 that's the question about review of the Form 990 by the
18 governing body. It states drafts of Form 990 are
19 reviewed by the external accounting firm. Is that
20 correct per the 2019 990?
21 A. That is correct.
22 Q. When did they -- when did the external -- is
23 that Aronson?
24 A. That is Aronson.
25 Q. When did the Aronson firm review the draft of

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1 the Form 990 for 2019?
2 A. It was an ongoing process with Aronson, so
3 it's not just one particular draft they looked at.
4 Q. Who was the partner at Aronson who did the
5 review?
6 A. I cannot remember her name.
7 Q. Did she --
8 A. Sorry.
9 Q. That's all right.
10 Did she have any comments about the 990s when
11 she reviewed them?
12 A. Yes.
13 Q. That is the two 990s.
14 Did she put those comments in writing?
15 A. There were probably some in writing and some
16 in -- over the phone.
17 Q. Who did she communicate the comments in
18 writing to?
19 A. Those would have gone to Arifur Rahman.
20 Q. And her oral comments, where would they have
21 gone to?
22 A. Same.
23 Q. Did Arifur Rahman make any notes of her oral
24 comments?
25 A. I don't know.

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<p>1 Q. Did -- did anyone share the partner at 2 Aronson's comments about the 990 with the board or 3 with -- with you individually? 4 MS. KOZLOWSKI: Objection, form and 5 scope. 6 A. I don't know. 7 Q. (BY MR. SHEEHAN) Did the 990 change as a 8 result of the comments from the Aronson firm? The 9 drafts, I mean. 10 A. I think your misunderstanding is of directing 11 this line of questioning in a way that it doesn't apply. 12 There is not one draft. Aronson has a -- has a system, 13 electronic system of what information is input. As 14 input is done, they can review along the way. So it's 15 not at the end of, you know, we submit something 16 process. So comments are made throughout the entire 17 process relating to our interpretation of where 18 accounting data should go versus -- so changes are made 19 all the time. 20 Q. In the draft 990s -- in the draft 990s -- 21 A. Again, there is not one draft of the 990. It 22 is a fluid document. 23 Q. So what was the last time that this partner 24 from Aronson reviewed a draft of the IRS 990 for -- 25 MS. KOZLOWSKI: Objection, form.</p> <p style="text-align: right;">Page 90</p>	<p>1 where the question -- 2 Q. (BY MR. SHEEHAN) Did they -- why didn't they 3 sign the 990? 4 MS. KOZLOWSKI: Same objection. The 5 witness has already testified that those communications 6 were in conjunction with counsel. 7 And to the extent that your knowledge is based 8 on counsel's communications and advice, I would instruct 9 you not to answer. 10 Q. (BY MR. SHEEHAN) Let's go back. Did the NRA 11 hear from the accounting firm saying we decline and 12 refuse to sign the 990 as currently drafted? 13 MS. KOZLOWSKI: Same objection. 14 A. Aronson's decisions were based on legal 15 matters as to signing those returns. 16 Q. (BY MR. SHEEHAN) How do you know that? 17 A. Discussions with counsel. 18 Q. Okay. So let's go on. Then it says, 19 presented the NRA board of directors audit committee and 20 made available to board members attending the board of 21 directors meeting. Is that accurate with respect to 22 2019 990 as finally filed? 23 A. Draft is what it says, yes. 24 Q. Okay. Then it says the NRA's elected officers 25 and audit committee leadership review a final draft</p> <p style="text-align: right;">Page 92</p>
<p>1 A. They were reviewing up until the point it was 2 filed. 3 Q. (BY MR. SHEEHAN) Okay. Did you ask -- was 4 Aronson -- was there a discussion with Aronson of 5 signing off as the professional preparer for the 990? 6 MS. KOZLOWSKI: Objection as to form. 7 A. There was a discussion regarding that. 8 Q. (BY MR. SHEEHAN) And what was the -- what 9 position did Aronson take on that subject? 10 A. That involved legal discussions due to the 11 litigation that was listed within the 990. 12 Q. Did Aronson refuse to sign off on the 990 as a 13 professional preparer? 14 A. I can't speak for Aronson. 15 Q. Well, did they say to the NRA, we decline to 16 sign off on the 990? 17 MS. KOZLOWSKI: Objection as to form, and 18 the witness has already testified that those 19 communications were in conjunction with counsel. 20 Q. (BY MR. SHEEHAN) So there's a communication 21 by Aronson, not privileged, an outside organization. 22 Did they say to the NRA or any representative of the NRA 23 that we decline to sign the 990 as currently drafted? 24 MS. KOZLOWSKI: Same objections. 25 A. They did not sign the 990s. So I don't know</p> <p style="text-align: right;">Page 91</p>	<p>1 before filing. 2 So the NRA's elected officers are the three, 3 right, the general counsel, the CFO/treasurer and 4 Mr. LaPierre. Is that correct? 5 A. That is correct. 6 Q. And the audit committee leadership, what does 7 that mean? 8 A. That would be the chair of the committee. 9 Q. Just the chair of the committee? 10 A. That would be the leader of the audit 11 committee. 12 Q. Okay. And who was that at the time that this 13 990 was filed? 14 A. Charles Cotton. 15 Q. Okay. Do you know whether -- did Mr. Cotton 16 have any -- when -- I'm sorry. When did Mr. Cotton 17 actually get to see the final draft? 18 A. I do not know that. 19 Q. Okay. When did Mr. Spray get to see the final 20 draft? 21 A. Mr. Spray was part of the ongoing process, and 22 he reviewed multiple revisions of this 990 as 23 adjustments were made. 24 Q. Okay. 25 MR. THOMPSON: Jim, can I recommend that</p> <p style="text-align: right;">Page 93</p>

<p>1 we take a short break? 2 MR. SHEEHAN: Sure, absolutely. 3 THE VIDEOGRAPHER: We are going off the 4 record. The time on the video is 11:39 a.m. 5 (Break from 11:39 a.m. to 11:49 a.m.) 6 THE VIDEOGRAPHER: We're back on the 7 record. The time on the video is 11:49 a.m. 8 Q. (BY MR. SHEEHAN) All right. Ms. Rowling, can 9 you take a look at the part of schedule O that says Form 10 990, part VII, section A, line 5, compensation to 11 unrelated organizations? Do you see that section? 12 MS. KOZLOWSKI: Provide me a page number, 13 please, of the PDF. 14 MR. SHEEHAN: Stephen, could you give the 15 PDF number? 16 MR. THOMPSON: Yes. This is PDF page 92, 17 and I believe it is the second box from the bottom. 18 Q. (BY MR. SHEEHAN) Do you see that? 19 All right. So if you look at that box, it 20 recites that Colonel North reported compensation of 21 \$986,015 from unrelated organization Ackerman McQueen 22 for professional services. Do you know where that 23 number came from? 24 MS. KOZLOWSKI: Objection as to form. 25 A. It was provided through counsel, as far as I</p> <p style="text-align: right;">Page 94</p>	<p>1 Q. (BY MR. SHEEHAN) Well, if I look for the 2 workpapers that support the information and belief that 3 the self-reported is only a fraction of the amount due, 4 where would I look to for those workpapers? 5 A. Again, those are part of legal documents. 6 Q. What does that mean? 7 A. Those would be with legal counsel. 8 Q. But are they created by legal counsel? 9 A. I do not know. 10 Q. How did the NRA decide that this statement was 11 accurate that's contained on the part VI, question a, 12 line 5? 13 MS. KOZLOWSKI: Objection, asked and 14 answered. The witness has testified that this was based 15 on advice of counsel. 16 Q. (BY MR. SHEEHAN) Apart from the advice of 17 counsel, did the NRA undertake any other effort to 18 determine how much was actually due -- I'm sorry -- how 19 much was actually charged the NRA for Colonel North's 20 services? 21 MS. KOZLOWSKI: Objection, form. 22 A. I do not know what other action would have 23 been taken outside of legal counsel given the ongoing 24 litigation. 25 Q. (BY MR. SHEEHAN) With respect to IRS Form</p> <p style="text-align: right;">Page 96</p>
<p>1 know. 2 MS. KOZLOWSKI: I instruct you not to 3 disclose attorney/client communications. 4 Q. (BY MR. SHEEHAN) Apart from whatever counsel 5 did, did the NRA receive from Colonel North a dollar 6 figure for the compensation he received from Ackerman 7 McQueen? 8 MS. KOZLOWSKI: Objection, form. 9 A. Yeah, I don't know. 10 Q. (BY MR. SHEEHAN) Okay. It says that upon 11 information and belief, the NRA estimates that the 12 self-reported amount was only a fraction of the actual 13 amount paid by the NRA to Ackerman McQueen for Colonel 14 North's services and that the total paid exceeds the 15 value received. 16 What was the information and belief for the 17 statement that the self-reported amount is only a 18 fraction of the actual amount paid by the NRA? 19 MS. KOZLOWSKI: Objection. 20 I would caution you to the extent that it is 21 based on analysis of legal counsel, I would instruct you 22 not to disclose those communications. 23 A. Yeah, those are part of ongoing legal 24 litigation at this point, and those were calculated as 25 part of that ongoing litigation.</p> <p style="text-align: right;">Page 95</p>	<p>1 941, you're familiar with IRS Form 941? 2 A. Yes. 3 Q. Who within the NRA has the responsibility of 4 completing IRS 941s during 2020? 5 A. In 2020? 6 Q. Yes. 7 A. Those are forms that are outsourced to the 8 payroll processing company. 9 Q. What payroll processing company do you use? 10 A. UKG. It used to be Ultimate. 11 Q. That was their former name, or it used to be 12 Ultimate was a different contractor? 13 A. No, that's the same contract but different 14 name when they merged. 15 Q. Okay. How long -- how long have they been 16 doing payroll for you? 17 A. Three -- three or four years at this point. 18 Q. And who has the responsibility of 19 communicating to go UKG the information necessary to 20 prepare the 941? 21 MS. KOZLOWSKI: Objection, form. 22 A. The human resources department. 23 Q. (BY MR. SHEEHAN) And so who would that -- 24 what person would that be? 25 A. Payroll specialist.</p> <p style="text-align: right;">Page 97</p>

1 Q. What's her name or his name?
2 A. Lindsay McGee.
3 Q. And how long has she been at the NRA?
4 A. I do not know.
5 Q. More than a year?
6 A. Yes.
7 Q. When -- when UKG prepares the 941s, is there
8 any review conducted of the NRA to make sure they're
9 accurate?
10 A. Lindsay McGee does an audit of those forms.
11 Q. Okay.
12 MR. SHEEHAN: All right. With that, that
13 concludes this portion of the 30(b)(6) examination of
14 Ms. Rowling, and I will pass the witness.
15 Thank you very much, Ms. Rowling.
16 MR. ACOSTA: So I guess Ackerman McQueen
17 is up, Mr. Sheehan?
18 MR. SHEEHAN: Yes. Well, we're done, so,
19 yes, you're up.
20 MR. ACOSTA: Okay. Are we ready?
21 MS. KOZLOWSKI: To be clear, you are
22 asking questions in Ms. Rowling's 30(b)(6) capacity.
23 Correct?
24 MR. ACOSTA: Most of it's going to be in
25 her individual capacity.

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1 MR. THOMPSON: Yeah, so just to clarify,
2 Mr. Acosta, we are prepared to still continue on with
3 questions in her individual capacity; and if you would
4 like us to do that portion of our deposition first as
5 well, we're happy to do that.
6 MR. ACOSTA: Yes. Yes, sir, please.
7 MR. THOMPSON: Okay.
8 MR. SHEEHAN: Thank you, Stephen.
9 MS. KOZLOWSKI: I apologize. I didn't
10 follow that. Are we concluding the 30(b)(6) in its
11 entirety and moving on to the individual? Is that
12 correct?
13 MR. SHEEHAN: No. As I understand it, we
14 are concluding the Attorney General's portion of the
15 30(b)(6). Mr. Acosta, representing Ackerman, has
16 postponed his portion of the 30(b)(6) until after the
17 conclusion or some other agreed upon term of the
18 individual examination of Ms. Rowling.
19 MS. KOZLOWSKI: We don't agree to that.
20 The 30(b)(6) is moving -- is currently proceeding, and
21 questions with respect to the 30(b)(6) need to continue,
22 and then we can transition into the individual capacity.
23 MR. SHEEHAN: And what's your basis for
24 that? Where in the Rules does it say that's how it
25 works?

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1 MS. KOZLOWSKI: It is appropriate. You
2 have noticed up the 30(b)(6). She is sitting for the
3 30(b)(6). We have started with the 30(b)(6). It is
4 appropriate to continue that. We don't get to move into
5 individual, back to 30(b)(6), back to individual. It's
6 not appropriate.
7 MR. SHEEHAN: So you're refusing to let
8 her respond to the questions as an individual witness?
9 MS. KOZLOWSKI: I am not. I am -- if we
10 are concluding the 30(b)(6), she is prepared to testify
11 in her individual capacity.
12 MR. ACOSTA: Ms. Rogers, we appreciate
13 your objection, and I am going to let Mr. Sheehan
14 proceed unless you want to close down the deposition.
15 MS. ROGERS: This is Ms. Rogers. I
16 didn't make any objections, but I think you might be
17 referring to other counsel.
18 MR. ACOSTA: So who is defending this
19 deposition? I'm sorry.
20 MS. KOZLOWSKI: Talitha Gray Kozlowski.
21 MR. ACOSTA: Okay. Well, we noted your
22 objection.
23 Mr. Sheehan, could you please proceed?
24 MR. SHEEHAN: And, Stephen, I will turn
25 it over to you at this point for the individual exam.

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1 MR. THOMPSON: Sure. And of course,
2 Counsel, please let me know when the food arrives and we
3 can take a break.
4 EXAMINATION
5 BY MR. THOMPSON:
6 Q. So Ms. Rowling, my name is Stephen Thompson.
7 I am also an assistant attorney general in the New York
8 State Office of the Attorney General, and I am going to
9 be asking questions of you in your individual capacities
10 now. So, of course, you know, please don't speculate,
11 and then let me know if you don't know the answer to any
12 of my questions. Is that okay?
13 A. Yes.
14 Q. And in this horrible Zoom world that we all
15 now live in, I will try to be extra careful not to speak
16 over you, if you could also just let me make sure I
17 finish my question before answering. Is that all right?
18 A. Yes.
19 Q. Okay. Can you tell me what you did to prepare
20 for this deposition in your individual capacity?
21 A. I -- I spoke with counsel from the Garman firm
22 as well as the Brewer firm.
23 Q. Did you speak with any of your colleagues in
24 the NRA?
25 A. With respect to my individual capacity?

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1 Q. Yes, that's right.
 2 A. No.
 3 Q. Okay. So you are currently the chief
 4 financial officer of the NRA. Is that correct?
 5 A. Acting chief financial officer.
 6 Q. Acting chief financial officer.
 7 Who -- so the chief financial officer is not
 8 an elected position at the NRA. Is that correct?
 9 A. That is correct.
 10 Q. The treasurer is the elected officer elected
 11 by the board. Is that correct?
 12 A. That is correct.
 13 Q. Who appoints the CFO?
 14 A. It's not an appointment.
 15 Q. Sorry. Who -- who hires, who selects the CFO?
 16 A. That was Wayne LaPierre.
 17 Q. And was it Mr. LaPierre who selected you for
 18 the interim CFO position?
 19 A. Mr. LaPierre asked me, didn't select me.
 20 Q. Okay. And when did Mr. LaPierre ask you?
 21 A. It was late February -- or I'm sorry, late
 22 January. Sorry.
 23 Q. And prior to being CFO, you were the director
 24 of accounting operations and financial reporting. Is
 25 that right?

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1 A. That is correct.
 2 Q. And you held that position since the mid
 3 2000s. Is that correct?
 4 A. No, that is -- oh, mid 2000s? Yes, 2006.
 5 Q. Okay. Great.
 6 And in your prior position as director of
 7 accounting operations and financial reporting, did you
 8 report to Mr. Tedrick? Was he your direct report or the
 9 person you reported directly to?
 10 A. That's correct.
 11 Q. And then Mr. Tedrick, in turn, reported
 12 directly to the treasurer and CFO. Is that correct?
 13 A. That is correct.
 14 Q. And was that the reporting structure for the
 15 entire time that you held that position?
 16 A. Yes.
 17 Q. In your current role as -- I'm sorry. It was
 18 interim CFO. Is that correct?
 19 A. Acting interim.
 20 Q. Acting, okay. In your current role as acting
 21 CFO, does Mr. Tedrick now report to you?
 22 A. Yes.
 23 Q. Who are your other direct reports in your
 24 current role?
 25 A. Bob Owens, Mike Erstling, Lisa George, Jim

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1 Purtell.
 2 Q. Mr. Owens is the CFO of ILA. Is that correct?
 3 A. The fiscal officer of ILA.
 4 Q. Fiscal officer.
 5 Mr. Erstling is the director of budgeting. Is
 6 that correct?
 7 A. That's correct, and financial analysis.
 8 Q. And financial analysis.
 9 And Ms. George is director of purchasing. Is
 10 that correct?
 11 A. That is correct.
 12 Q. And who was the last person that you
 13 mentioned?
 14 A. Jim Purtell. He's the director of information
 15 services.
 16 Q. In your previous role as a director, let's say
 17 since -- between 2018 and when you were -- when you
 18 became the acting CFO, who were your direct reports in
 19 your previous role?
 20 A. Arifur Rahman, Portia Padilla, Angela St. Ann
 21 and Evan Knight.
 22 Q. Do you know when Mr. Rahman joined the NRA?
 23 A. He joined in 2019.
 24 Q. Okay.
 25 A. So in 2018, that position was held by Svetlana

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1 Olchevski.
 2 Q. What is Mr. Tedrick's current position? Am I
 3 correct that -- is he the managing director of financial
 4 services? Is that correct?
 5 A. He's the managing director of finance.
 6 Q. Of finance. Thank you.
 7 In your current role as acting CFO, do you
 8 report directly to Mr. LaPierre?
 9 A. That's correct.
 10 Q. Do you currently have any direct reporting --
 11 let me rephrase that question.
 12 In your current role as acting CFO, do you
 13 have a direct reporting line to anyone on the board of
 14 directors?
 15 A. Through the communications with the audit and
 16 finance committee, yes.
 17 Q. Okay. Would you please just describe in broad
 18 terms for me your current duties as acting CFO?
 19 A. Well, currently my focus has been on these
 20 proceedings with respect to the bankruptcy. I am also
 21 managing cash flow, budgeting processes, accounting
 22 reporting.
 23 Q. Okay. When was the last time that you spoke
 24 to Mr. Spray?
 25 A. Prior to his departure.

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1 Q. And his departure was towards the end of
2 January of this year. Is that correct?
3 A. That's correct.
4 Q. Can you -- what was the context of your last
5 conversation with Mr. Spray? Was it a phone call? Was
6 it in person -- or I'm sorry. I assume it wasn't in
7 person. Was it a phone call?
8 A. We were part of a joint call that he was on.
9 Q. Okay. Who else was on that call, if you
10 remember?
11 A. I believe it was the -- I don't recall. I
12 don't recall which.
13 Q. Was that call -- did that call take place
14 after the NRA filed its petition for bankruptcy in this
15 case?
16 A. Yes.
17 Q. Do you recall whether legal counsel was on
18 that call?
19 A. I believe the call was with the Neligan firm,
20 actually.
21 Q. Okay. Have you had -- when was the last time
22 you had a one on one conversation with Mr. Spray, if you
23 remember?
24 A. Maybe a week prior to that. It was after the
25 15th filing, but before that call.

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1 Q. Okay. And do you remember anything about the
2 substance of that call which you spoke about with
3 Mr. Spray?
4 A. No. We were discussing requirements that were
5 needed with respect to the reporting for bankruptcy.
6 Q. Did Mr. Spray ever speak with you about or
7 communicate to you his feelings about the NRA filing for
8 bankruptcy?
9 A. Not in specific terms.
10 Q. In general terms or in any other terms?
11 A. He -- I mean, we spoke about the fact that we
12 filed and the requirements that were being put upon us
13 with respect to that filing.
14 Q. Did Mr. Spray ever express any surprise to you
15 about the filing of the bankruptcy?
16 A. He indicated he -- while he knew the
17 bankruptcy was going to happen, he did not know it was
18 happening that day.
19 Q. Do you remember when he told you that or when
20 that conversation took place?
21 A. I believe that was on a conference call with
22 staff after the filing.
23 Q. So you recall Mr. Spray saying that he was
24 aware generally that a bankruptcy was in the pipeline,
25 so to speak, but not that it would be filed on that

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1 specific day. Is that right?
2 A. That was the impression that I was left
3 with --
4 Q. Okay.
5 A. -- from that conversation.
6 Q. And you said that was a conversation with
7 other financial services staff, is that correct, or
8 other treasury staff?
9 A. Treasury staff. It was not the financial
10 services staff.
11 Q. Do you recall who else was on that phone call,
12 or are there typically people that would be on that
13 phone call?
14 A. It would have been his direct reports.
15 Q. So that would have been Mr. Tedrick,
16 Mr. Owens, Mr. Erstling, Ms. George, Mr. Purtell, and
17 then yourself. Is that correct?
18 A. If there were others, I don't recall, but
19 those people were on that call.
20 Q. Okay. Have you communicated with Mr. Spray at
21 all about any transition related matters from him
22 transitioning the CFO role or the treasurer role to you?
23 A. No.
24 Q. Have you reached out to Mr. Spray about any
25 matters related to the transition?

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1 A. No.
2 Q. Is there a reason that you have not done so?
3 A. Been kind of busy.
4 Q. In your current role as acting CFO, are you
5 performing the duties that would be expected of the
6 treasurer until a new treasurer is appointed?
7 A. No. I can't. I'm not elected as treasurer.
8 Q. Right. So then I guess my question is, is
9 there anyone who is performing the duties expected of
10 the treasurer until such time that a new treasurer can
11 be appointed by the board?
12 MS. KOZLOWSKI: Objection, form.
13 And I would caution you in speculating. To
14 the extent you know, you can answer.
15 A. Yeah, I mean, to the extent as acting CFO, I'm
16 performing duties. To the extent of the full duties of
17 the treasurer, I can't speak to that at this point.
18 Q. (BY MR. THOMPSON) To the best of your
19 knowledge, are there any duties you are -- strike that.
20 Okay. So turning back to your direct reports.
21 One of your direct reports is Mr. Owens, the fiscal
22 officer of ILA. Is that correct?
23 A. That's correct.
24 MR. THOMPSON: And just for the court
25 reporter, ILA is an acronym, I-L-A.

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1 Q. (BY MR. THOMPSON) That reporting is a recent
2 change in the organization structure for the NRA. Is
3 that correct? And by recent, I mean the past two years.
4 A. That is correct.
5 Q. Prior to that change, what was the
6 relationship between the ILA fiscal officer and the
7 officer of the treasurer?
8 MS. KOZLOWSKI: Objection, form.
9 A. I can't speak to what communications were held
10 between the treasurer at that time and the ILA fiscal
11 officer.
12 Q. (BY MR. THOMPSON) Do you know before the
13 change to where Mr. Owens or the fiscal officer would
14 report directly to the treasurer, who did the ILA fiscal
15 officer report to, if anyone?
16 A. He reported directly to the executive director
17 of ILA.
18 Q. Okay. That is currently Mr. Ouimet. Is that
19 correct?
20 A. That's correct.
21 MR. THOMPSON: And again for the court
22 reporter, that is O-U-I-M-E-T, Ouimet.
23 Q. (BY MR. THOMPSON) Ms. Rowling, you yourself
24 learned about the filing for bankruptcy after it
25 occurred. Is that correct?

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1 A. I learned of the filing of the bankruptcy on
2 the 15th of January.
3 Q. Did you learn after it had actually been filed
4 or just before it was filed?
5 A. I'm -- the email that was sent to all
6 employees said we had just filed --
7 Q. Right.
8 A. -- so it would have been after.
9 Q. So you learned in an NRA-wide email. Is that
10 correct?
11 A. That is correct.
12 Q. Where did that email come from, if you
13 remember?
14 A. I believe it came from the human resources
15 area, I think. I don't know. I don't recall. I don't
16 want to say for sure.
17 Q. Okay. Fair enough.
18 Can you tell me what your reaction to that
19 email was when you received it?
20 A. I found it interesting.
21 Q. Were you surprised?
22 A. It wasn't something I had heard of before, so
23 in that regard, sure.
24 Q. Did you speak with any of your colleagues,
25 excluding any internal legal counsel, about the filing

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1 for the bankruptcy right after you found out about it?
2 A. For those that might have been physically in
3 the office. Yeah, I probably spoke with Mike Erstling
4 and Lisa George.
5 Q. That's actually a sort of -- leads me to
6 another question. Are you currently working physically
7 in the office, or are you still remote?
8 A. Me personally?
9 Q. Yes, you personally.
10 A. I have been mostly in the office the entire
11 time.
12 Q. Okay. Is the same thing true for
13 Mr. Erstling?
14 A. That's correct.
15 Q. And Ms. George?
16 A. That's correct.
17 Q. And so you were -- you were physically in the
18 office when the email was circulated informing staff
19 about the bankruptcy. Is that right?
20 A. Yes.
21 Q. Okay.
22 MR. THOMPSON: Sharon, are you -- if you
23 are on the line, could we go ahead and mark tab 1 as an
24 exhibit?
25 Q. (BY MR. THOMPSON) And while that is

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1 happening, I will just ask. So Ms. Rowling, going back
2 a few years now, in 2018 you, along with some other
3 members of financial services and other departments as
4 part of the office of the treasurer, prepared a memo for
5 the audit committee listing some concerns that you
6 collectively had about compliance and financial issues
7 in the NRA. Is that correct?
8 A. Yes.
9 Q. And in fact, you would go on to be a
10 whistleblower to the audit committee, is that correct,
11 in 2018?
12 A. Yes.
13 Q. Can you tell me about -- and I've asked my
14 colleague to mark the list of top concerns, so we'll get
15 to that in a minute. But can you tell me in broad
16 strokes about what led you personally to participate in
17 the preparation of that list?
18 A. Events leading up to the actual meeting caused
19 us some concern individually. Those events consisted of
20 a rollout of a program that was very costly to the
21 organization. We were in financial strains due to it.
22 There was a hiring of an individual who -- at an
23 executive level that was -- was, for lack of better
24 words, trying to take over every aspect of the
25 organization.

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1 There were -- we were asked as an accounting
2 department to do some things outside of our practices
3 that we were not comfortable with at all. And as
4 individuals, we kind of started talking to each other
5 about compliance issues, which -- which kind of
6 clarified a broader issue on an individual basis. There
7 were pieces of a puzzle, but as -- as a group, that
8 puzzle became more clear.

9 And then with Craig Spray coming in at that
10 time as well, we expressed some of those concerns to him
11 in our course of discussions and bringing him up to
12 speed so that he could do his job as effectively as
13 treasurer and CFO.

14 Q. Great. So I am definitely going to break that
15 down. That was very helpful. Thank you.

16 MR. THOMPSON: But before I do so, I
17 believe Mr. Acosta had a question. We have somebody on
18 the phone for 917-355-7693.

19 If the person on that line could identify
20 themselves, and if you are muted, we cannot hear you.

21 MR. ACOSTA: We don't really need to be
22 taking up a lot of deposition time. The 917 number
23 really needs to identify themselves immediately or else
24 we're going to ask for them to be removed from the
25 deposition.

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1 MS. FUCHS: This is Yael Fuchs. I'm on
2 from 917-572-9763. Is that the number in question?

3 MR. THOMPSON: No. You're showing up as
4 a real person with a name.

5 MR. MacGREEVEY: This is David MacGreevey
6 from Alix Partners. I have a 917 number as well.

7 MR. THOMPSON: Yes. Thank you. I think
8 that's it.

9 MR. MacGREEVEY: Okay. Thank you.

10 The reporter: Could you spell your last
11 name, please, David?

12 MR. MacGREEVEY: Yeah, of course. It's
13 M-A-C capital G-R-E-E-V-E-Y.

14 THE REPORTER: Thank you.

15 Q. (BY MR. THOMPSON) All right. So turning back
16 to what we were just discussing about, Ms. Rowling. So
17 you mentioned a program that was proving to be somewhat
18 costly to the NRA, is that correct, as one of the issues
19 that you were discussing?

20 A. That's true.

21 Q. Was that program, was that Carry Guard?

22 A. Yes, that was.

23 Q. And you mentioned a person who I believe you
24 said in your opinion was effectively trying to take over
25 the NRA. Is that correct? Is that accurate?

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1 A. Take over in various areas that were not under
2 his responsibility.

3 Q. And was that person Josh Powell?

4 A. Go ahead. Yes.

5 Q. Okay. You mentioned having been asked to do
6 things that were outside of the typical practices for
7 the NRA. Am I stating that correctly?

8 A. That's correct.

9 Q. Who asked you or the other members of the
10 staff that were part of these discussions to do those
11 things outside of policy?

12 A. That was Woody Phillips.

13 Q. Anyone else?

14 A. Not specifically. I mean, no.

15 Q. And then you said that Mr. Spray came in and
16 you and the other members of the staff that were a part
17 of these discussions used that as an opportunity to
18 express some of these concerns to him. Is that correct?

19 A. Yes.

20 Q. Is it fair to say that Mr. Spray coming in was
21 something of a catalyst for you and the other members of
22 the staff to start voicing some of these concerns?

23 A. No, the catalyst was prior to him coming in.
24 He provided a platform.

25 Q. Okay. So Mr. Spray provided a platform for

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1 the airing of some of these concerns. Is that correct?

2 A. He did, and then along with the internal
3 investigations by the Brewer firm.

4 Q. Were any -- without giving me any details or
5 specifics, were any counsel, other than internal counsel
6 and the Brewer firm, involved in any investigations
7 related to the concerns that you raised to the audit
8 committee in 2018?

9 A. I don't know. I couldn't answer that.

10 Q. You -- did you -- you personally did not have
11 any involvement with any counsel other than internal
12 counsel and the Brewer firm. Is that fair to say?

13 A. Personally? As far as I can recall, that was
14 all that my discussions were with.

15 Q. Okay. What, if any, role did Mr. Tedrick play
16 in the preparation of the top concerns memo or any of
17 your discussions about the issues therein?

18 A. He -- we provided the list to him, basically.
19 I mean, he was supposed to consolidate it. We chose to
20 consolidate it ourselves between the group and provided
21 that to him.

22 Q. Why did you decide to consolidate it
23 yourselves instead of allowing Mr. Tedrick to do so?

24 A. Mr. Tedrick had a personal problem at the time
25 that I don't feel is appropriate discussion for this.

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<p>1 Q. Okay. Without providing me any details, do 2 you believe that this personal issue that was affecting 3 Mr. Tedrick continues to affect him? 4 MS. KOZLOWSKI: Objection as to form. 5 A. Yeah, I couldn't -- 6 MS. KOZLOWSKI: To the extent it's not in 7 your personal knowledge. 8 A. Well, the assumption is an -- there's -- I 9 can't say without revealing what his personal issue is. 10 Q. (BY MR. THOMPSON) Okay. 11 A. And these types of things are ongoing. 12 Q. So let me try and ask or get at this from a 13 different angle. 14 In your current role as acting CFO, you manage 15 Mr. Tedrick. Is that correct? 16 A. Yes. 17 Q. How confident are you in Mr. Tedrick as an 18 employee currently? 19 A. Mr. Tedrick performs the job duties that he's 20 been provided. 21 Q. Okay. And are you satisfied with his job 22 performance? 23 A. Currently, yes. 24 Q. Currently, yes. 25 Let's say before you took on your current</p> <p style="text-align: right;">Page 118</p>	<p>1 have the in-depth knowledge of the division of which I 2 was responsible for, so he -- even though requests were 3 maybe given to him, he could not do them without 4 basically getting support for having us do all the 5 work -- 6 Q. I understand. 7 And was that true -- so just to make sure that 8 we've got the timeframe correct here, was that true in 9 2019, to the best of your recollection? 10 A. In 2019? 11 Q. Yes. 12 A. Sure. Yes, to the best of my recollection. 13 Q. Okay. You mentioned that Mr. Tedrick was not 14 in the office. Is that since COVID-19 development, or 15 was that the case beforehand as well? 16 A. I couldn't speak to prior to COVID because we 17 were never on the same floor in the building. I know 18 there were occasions when he wasn't here, but during 19 COVID -- sorry, I am losing my voice. 20 Q. No, of course. 21 A. During COVID he could not -- for medical 22 reasons needed to isolate. 23 Q. I understand. 24 Am I remembering correctly, is financial 25 services located on the second floor of headquarters,</p> <p style="text-align: right;">Page 120</p>
<p>1 position, so in your previous life, during 2019 do you 2 recall ever being -- let me strike that and see if I can 3 rephrase it. 4 Previously you reported to Mr. Tedrick in your 5 prior position, if I'm remembering correctly. Is that 6 right? 7 A. Yes. 8 Q. Was that -- so I understand that that was the 9 formal reporting structure. Was that the actual 10 reporting that you would do in your prior position? 11 Would you, in fact, report directly to Mr. Tedrick or, 12 for example, instead did you report more so directly to 13 Mr. Spray when he was the CFO and treasurer? 14 MS. KOZLOWSKI: Objection, form. 15 A. I had communications with both, but my -- but 16 my reporting structure was through Rick. 17 Q. (BY MR. THOMPSON) Okay. And let's say in 18 2019, what was your opinion of Mr. Tedrick as a 19 supervisor? 20 MS. KOZLOWSKI: Objection, form. 21 A. Mr. -- he -- in certain ways it was difficult 22 to be his employee. 23 Q. (BY MR. THOMPSON) Can you expand on that any? 24 A. He's not in the office right now. So direct 25 lines of communication were difficult. He didn't always</p> <p style="text-align: right;">Page 119</p>	<p>1 NRA headquarters? 2 A. That's correct. 3 Q. And was Mr. Tedrick with the executive staff 4 on the sixth floor? Is that right? 5 A. Yes. 6 Q. Do any other members -- other than the 7 treasurer and CFO and Mr. Tedrick, do any other members 8 of the treasurer staff sit on the sixth floor? 9 MS. KOZLOWSKI: Objection as to 10 timeframe. 11 MR. THOMPSON: That's fair. Let me 12 think. 13 Q. (BY MR. THOMPSON) Immediately prior to the 14 COVID shutdown. 15 A. Yeah, and that reminds me of an individual 16 that I did not list as a reporting person. David Warren 17 was also on the sixth floor. My apologies for excluding 18 him. 19 Q. No, that is completely fair. And Mr. Warren, 20 his official title is the CFO of the for-profit 21 entities. Is that correct? 22 A. That is correct. 23 Q. Can you tell me what Mr. -- so strike that. 24 Prior to the filing of the bankruptcy, so 25 let's say in 2020, do you know what Mr. Warren's job</p> <p style="text-align: right;">Page 121</p>

1 responsibilities were?
2 A. I know the areas that he worked on. It was
3 not my place to know exactly what his responsibilities
4 were.
5 Q. Understood, but can you tell me what those
6 general categories were?
7 A. He was an overall kind of financial analyst
8 for Craig --
9 Q. I apologize. I don't mean to cut you off, but
10 there's some feedback that we're getting.
11 MR. THOMPSON: If I could ask everyone
12 just to mute themselves.
13 Okay. I think we're good.
14 Q. (BY MR. THOMPSON) I'm sorry. I did not mean
15 to interrupt.
16 A. He performed a lot of financial analysis work
17 for Mr. Spray directly.
18 Q. Do you -- if you are able to, can you tell me
19 any more specificity as to what sorts of financial
20 analysis Mr. Warren was engaged in?
21 A. I can't speak to exactly what he was working
22 on for Mr. Spray.
23 Q. Did Mr. Warren ever provide you with any
24 financial analysis in your prior position?
25 A. Excel spreadsheets on legal expenses. Yeah, I
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1 can't recall off the top of my head what he might have
2 helped with.
3 Q. So just sticking with the spreadsheets on
4 legal expenses, what was the analysis that Mr. Warren
5 was doing if you remember?
6 A. It was just a comparison to where we were with
7 budget.
8 Q. Do you recall what you needed those
9 spreadsheets for?
10 A. No.
11 Q. Going back to talking about Mr. Tedrick, do
12 you know whether or not Mr. Tedrick's job
13 responsibilities have changed at all, let's say, in the
14 past two years, so since the beginning of 2019?
15 A. It wouldn't have been my place to know what
16 his exact job responsibilities were at those times other
17 than being the managing director of finance.
18 Q. So -- let's see. So always in only from what
19 you know and in your personal capacity, did -- were
20 there any changes in what you yourself reported to
21 Mr. Tedrick from 2019 until your new position as acting
22 CFO?
23 MS. KOZLOWSKI: Objection, form, and it's
24 vague.
25 A. I don't recall any specific changes, but, you
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1 know, I don't -- I can't -- I don't know. I don't
2 recall any.
3 Q. (BY MR. THOMPSON) So in your current role as
4 acting CFO, do you know what Mr. Tedrick's job
5 responsibilities are currently?
6 A. I have not specifically looked at his -- at
7 his, I guess, position description, but I know we have
8 staff meetings to know exactly what people are working
9 on.
10 Q. Can you tell me what Mr. Tedrick -- without
11 getting into any legal advice or any assistance that
12 Mr. Tedrick may be providing to counsel, can you tell me
13 what Mr. Tedrick is currently working on, what his
14 current duties are?
15 A. Insurance renewals that are due coming up
16 soon, audit work, reviewing monthly financial reporting.
17 And he has dual roles, so he has responsibilities
18 associated with the Foundation?
19 Q. He is the -- is he the treasurer of the
20 Foundation or is he the CFO of the Foundation?
21 A. He's the CFO of the Foundation.
22 Q. Do you know whether or not Mr. Tedrick's --
23 Mr. Tedrick has been the subject of a vote of no
24 confidence in his role as CFO of the Foundation?
25 A. I am not familiar with that.
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1 Q. Have you -- in your current role as acting
2 CFO, have you reviewed any of Mr. Tedrick's work, any
3 reports that he has prepared?
4 MS. KOZLOWSKI: Objection, vague.
5 A. He's not prepared any specific reports. He
6 reviews reports prepared by others. We are going
7 through an insurance renewal process that requires a lot
8 of reporting back to the insurance renewals. We had an
9 update the other day from the insurance, so I know those
10 are being done.
11 Q. (BY MR. THOMPSON) Okay. So let me try and --
12 I promise that I am not intending to be vague. If I am
13 being vague, please feel free to let me know.
14 Earlier you spoke about -- we were talking
15 about Mr. Tedrick's job performance, and I believe you
16 said -- and please correct me if this is wrong -- that
17 in your current role you have been satisfied with
18 Mr. Tedrick's job performance so far. Is that correct?
19 A. As far as I can tell at this point, yes.
20 Q. Okay. And so my question, what I'm trying to
21 get at, I guess, is what is the basis for that or sort
22 of what is -- what are you basing your evaluation of
23 Mr. Tedrick's job performance on?
24 MS. KOZLOWSKI: Object as to form.
25 A. He's answering questions when I've asked him.
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1 He is responsive to the emails that exchange. He has
2 coordinated requests that have been asked of him. He's
3 performing the duties that have been asked of him.
4 That's how I was making that determination.
5 Q. (BY MR. THOMPSON) Okay. Thank you.
6 MS. KOZLOWSKI: Counsel, we did have
7 lunch arrive. So when you get to a breaking point, if
8 we could take a lunch break, that would be nice.
9 MR. THOMPSON: Yeah, I think this is
10 actually a great spot. So we can go ahead and take a
11 break. And is -- would coming back at 1:30 be
12 acceptable?
13 MS. KOZLOWSKI: Yeah, I think that's
14 fine.
15 THE VIDEOGRAPHER: We are going off the
16 record. The time on the video is 12:42 p.m.
17 (Break from 12:42 p.m. to 1:31 p.m.)
18 THE VIDEOGRAPHER: We are back on the
19 record. The time on the video is 1:31 p.m.
20 Q. (BY MR. THOMPSON) Welcome back, Ms. Rowling,
21 in what I'm sure is a very exciting day.
22 If you could please open, there should be a
23 new exhibit in the Marked Exhibit folder, Exhibit No. 4.
24 (Exhibit 4 marked.)
25 Q. (BY MR. THOMPSON) And after you have a chance

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1 to take a look at it, I will ask if you recognize the
2 document.
3 A. I do recognize the document.
4 Q. Can you tell me what it is?
5 A. The list of top concerns for the audit
6 committee.
7 Q. Is this the list of top concerns that we were
8 discussing earlier that was prepared in anticipation of
9 presenting it to the audit committee in 2018?
10 A. Yes.
11 Q. Going through this memo -- well, let me step
12 back for a second.
13 So there were multiple people involved in
14 preparing this memo. Is that correct?
15 A. That is correct.
16 Q. And am I correct that the other people who
17 were involved in preparing the memo were Mr. Erstling,
18 Ms. George, Ms. Emily Cummins and Portia Padilla. Is
19 that correct?
20 A. Portia had input but not into this exact
21 document.
22 Q. Okay.
23 A. So I wouldn't say she had direct input --
24 direct -- she wasn't directly involved, let's put it
25 that way.

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1 Q. Is it fair to say that she was a contributor,
2 but not a preparer?
3 A. Correct.
4 Q. Okay. And was I correct with respect to the
5 other individuals involved, Mr. George -- I'm sorry --
6 Ms. George, Mr. Erstling and Ms. Cummins?
7 A. That's correct.
8 Q. Were there -- was there anyone else involved?
9 A. Rick Tedrick received it, but he did not add
10 input into what was on here.
11 Q. Okay. So looking at Exhibit No. 4, this list
12 of top concerns, were there particular items on this
13 list that were your additions to the list?
14 A. Yes.
15 Q. Can you identify those for me?
16 A. Woody Phillips payments made to significant
17 other. Josh Powell's wife recently hired at a top
18 vendor. The forced payments to WBB Investments for
19 \$70,000 without a W-9. I was involved in discussions
20 surrounding Lance Olson's invoice for purchases. I was
21 not the only contributor of that. Yeah, those were my
22 specifics.
23 Q. Okay. Thank you.
24 Going back up to paragraph 1 and looking down
25 at sub d, as in David, board member compensation

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1 arrangements not being disclosed, impairing independence
2 and arranged behind the scenes with vendors such as
3 Ackerman McQueen, Associated TV and Warpspeed. Do you
4 recall was the person who added this item to the top
5 concerns memo?
6 A. I believe that was Emily Cummins, to the best
7 of my recollection.
8 Q. Do you recall if there were -- let me
9 rephrase.
10 Do you recall which board member's
11 compensation was intended to be included in this item?
12 MS. KOZLOWSKI: Objection, form.
13 A. I believe -- I believe it related to -- to
14 Oliver North.
15 Q. (BY MR. THOMPSON) Was that with respect to
16 Ackerman McQueen specifically, if you recall?
17 A. Oliver North would have been with respect to
18 Ackerman McQueen.
19 Q. Do you recall which, if any, board member was
20 associated with Associated TV?
21 A. I don't recall, huh-uh.
22 Q. What about with respect to Warpspeed?
23 A. I don't recall.
24 Q. So a version of this memo was ultimately
25 presented to the audit committee in July of 2018. Is

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1 that correct?
 2 A. That's correct.
 3 Q. Do you recall -- so I am going to be asking
 4 you as much as you can remember about this audit
 5 committee meeting that happened coming up on three years
 6 ago.
 7 Do you recall whether or not a hard copy of
 8 this memo or another version of this memo was provided
 9 to the members of the audit committee at that meeting?
 10 A. My recollection was they were provided a
 11 version, and then we brought this version that we're
 12 looking at to the meeting.
 13 Q. There was a version that was edited by Rick
 14 Tedrick to exclude certain of these items that was sent
 15 to the audit committee. Is that correct?
 16 MS. KOZLOWSKI: Objection as to form.
 17 A. The version that was sent to the audit
 18 committee had been edited by Rick Tedrick.
 19 Q. (BY MR. THOMPSON) Do you recall whether
 20 anyone other than Rick Tedrick edited the memo that went
 21 to the audit committee?
 22 A. I don't recall.
 23 Q. Can you walk me through, to the best of your
 24 recollection, let's start with who was present at the
 25 audit committee meeting in July 2018?

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1 A. Initially Charles Cotton, Carolyn Meadows,
 2 David Coy. It was Emily Cummins, myself, Rick Tedrick,
 3 John Frazer, Mike Erstling. And I know there were other
 4 audit committee members. I believe Herb Lanford. And I
 5 think there's one other, but I cannot remember the name.
 6 And then Steve Hart was there initially as well.
 7 Q. Was there anyone present from the Brewer law
 8 firm?
 9 A. No.
 10 Q. So you said initially. Did the persons
 11 present change during the course of the meeting?
 12 A. Yes. When we first got there, we requested
 13 that Steve Hart leave the room; and then Charles Cotton
 14 and Carolyn Meadows, due to the lateness of the meeting,
 15 had to leave for flights.
 16 Q. Was there a -- did the audit committee members
 17 meet with anyone prior to -- that's vague. Let me
 18 rephrase.
 19 Was there a pre-meeting to your meeting, I
 20 guess, with the audit committee that you were not
 21 present for?
 22 MS. KOZLOWSKI: Objection, calls for
 23 speculation.
 24 A. The meeting did not start with us, so there --
 25 there were other matters being addressed prior to what

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1 we were called in for.
 2 Q. (BY MR. THOMPSON) Did you -- based on your
 3 personal knowledge, do you know what those matters were
 4 that were being addressed?
 5 A. No, I don't.
 6 Q. Do you know was the -- was any representative
 7 of the Brewer law firm in that meeting?
 8 A. I would be speculating on the attendance of
 9 that meeting.
 10 Q. Do you have any personal knowledge of the
 11 attendance of that meeting?
 12 A. I do not. I wasn't there.
 13 Q. Okay. So you mentioned that you requested
 14 that Steve Hart leave the room, is that correct, when
 15 the meeting started?
 16 A. That's correct.
 17 Q. Steve Hart at the time was counsel to the NRA
 18 on board related matters. Is that correct?
 19 A. That is my understanding. I don't have
 20 personal knowledge into all of his exact role, but he
 21 was counsel to the board. That's part of what he was
 22 doing.
 23 Q. Okay. Why -- so when you say that you
 24 requested that Steve Hart to leave the room, was that
 25 you personally or was that you as a group, both?

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1 A. As a -- as a group.
 2 Q. And why did you as a group request that
 3 Mr. Hart leave the room?
 4 A. There were comments made by Steve Hart that
 5 alluded to wanting to blame the CPAs for whatever these
 6 issues were instead of -- so we did not want him to be a
 7 part of these discussions with that thought in his head.
 8 Q. Okay. Do you remember who these comments were
 9 made to?
 10 A. I was informed by Emily Cummins of the
 11 comments. Other than that, I don't know who they were
 12 addressed to.
 13 MR. THOMPSON: Sharon, could you go ahead
 14 and mark tab 3?
 15 Q. (BY MR. THOMPSON) And while that is
 16 happening, I believe you said that Ms. Meadows and
 17 Mr. Coy left the meeting early in order to catch a
 18 flight. Is that correct?
 19 A. No, Mr. Cotton.
 20 Q. I'm sorry. Mr. Cotton and Ms. Meadows. Is
 21 that correct?
 22 A. Yes.
 23 Q. Do you recall -- well, first, do you remember
 24 approximately how long the entire meeting lasted?
 25 A. I don't recall. It was more than an hour.

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1 Q. More than an hour. Okay.
2 Do you recall approximately how long into the
3 meeting Mr. Cotton and Ms. Meadows left?
4 A. Very early on, probably within the first five,
5 ten minutes.
6 Q. So the remaining members of the audit
7 committee -- and that was Mr. Coy and Mr. Lanford and
8 one other person, whose name you can't recall -- did
9 they stay the entire time?
10 A. Yes.
11 Q. Okay. Can you tell me, generally speaking --
12 so, well, let me -- let me rephrase.
13 Did you feel during the meeting as if the
14 audit committee was taking the concerns that you and
15 your colleagues were presenting seriously?
16 A. Yes.
17 Q. Do you recall what, if any, written materials
18 were present for the audit committee members to review
19 during that meeting?
20 A. I had a -- personally, I had a spreadsheet
21 that detailed the billing of McKenna, which was a vendor
22 at the time. Mike Erstling had some items as well, but
23 I really can't speak to exactly what those were that
24 were -- that were handed out.
25 Q. Sorry. I am just checking to see whether we

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1 have -- yes, the new exhibit should be available. It
2 should be Exhibit 5.
3 (Exhibit 5 marked.)
4 Q. (BY MR. THOMPSON) I ask that you open that
5 and take a moment to look at it and let me know whether
6 you recognize it.
7 MS. KOZLOWSKI: Sorry, Counsel. It's
8 taking a moment to refresh here.
9 A. It's up.
10 Q. (BY MR. THOMPSON) Do you recognize this
11 document?
12 A. I do.
13 Q. Can you tell me what it is?
14 A. It is a personal statement that I wrote, did
15 not present to the committee.
16 Q. You wrote, but you did not present this to the
17 committee?
18 A. That is correct.
19 Q. Is there a particular reason that you did not
20 present it to the committee?
21 A. It was -- no, I just chose not to at the time.
22 To fully read that statement, I did not.
23 Q. Okay. So if I could take you down to the
24 third paragraph where it says, I fully believe this
25 meeting is being manipulated in a way as to try to

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1 explain away our issues or try to claim the items on the
2 list are fixed before we can present them as
3 whistleblowing. Do you see that?
4 A. I do.
5 Q. Can you tell me at the time what you meant by
6 that sentence?
7 A. There was concern that -- that -- we were
8 afraid the list would be viewed as single items that
9 were an issue versus a more bigger picture issue with
10 respect to certain individuals, and we did not want this
11 to be let's fix these items. These were issues as an
12 individual issue, so that was where that came from.
13 Q. Were there particular persons that you had in
14 mind when you wrote this sentence as the -- as persons
15 who were manipulating the meeting?
16 A. Not being fully aware of all of the legal
17 ongoings of what was being discussed, we were concerned
18 at the time that with individual issues being cleaned
19 up, that it was by at the advice of counsel that these
20 items were kind of being seen as individual items
21 instead of a bigger picture. So these are -- it was
22 more in terms of what legal counsel was doing, internal
23 and external.
24 Q. Which counsel in particular?
25 A. That would have included John Frazer and the

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1 Brewer firm.
2 Q. Do you recall whether or not you relayed the
3 sentiment in this sentence, in whole or in part, to the
4 audit committee at the meeting in July 2018?
5 A. I do not believe that I did. I don't recall
6 specifically, but I don't believe that I voiced that
7 during the meeting.
8 Q. Okay. Did either you or, to the best of your
9 knowledge, any of your colleagues ever relay that
10 concern or sentiment to anyone in the NRA?
11 A. I don't -- I don't know that. I --
12 Q. For you personally, do you remember doing so?
13 A. I don't recall doing so.
14 Q. I will ask you sort of generally about this
15 statement just to the best of your recollection. Do you
16 recall relaying any part of this statement in sum or
17 substance to the audit committee at that meeting in
18 July 2018?
19 A. At that meeting? I don't recall, but I don't
20 think so. I just -- I don't recall. I know I didn't
21 present the statement, so, you know, if there was any
22 specific thing discussed, I just -- I don't recall doing
23 so.
24 Q. Do you recall whether you or any of your
25 colleagues at that meeting asked to be considered

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1 whistleblowers under the then existing whistleblower
2 policy for the NRA?
3 A. I don't recall. I don't believe we did.
4 Q. To the best of your recollection, was there
5 any reason that you didn't do so?
6 A. No.
7 Q. With respect to the last paragraph in your
8 personal statement, I also want to officially file a
9 complaint that the NRA violated our whistleblowing
10 protection by placing Josh Powell in a direct chain of
11 command over those who spoke out against him and others
12 when Craig Spray was hospitalized and on medical leave.
13 Do you see that?
14 A. I do.
15 Q. Did you ever make a complaint of this nature
16 to anyone at the NRA?
17 A. I did not personally. There were complaints
18 made by others of the group to HR at the time.
19 Q. Do you remember who --
20 A. And I believe -- and I believe John Frazer as
21 well was made aware that that was an issue for us.
22 Q. Do you recall who made those complaints?
23 A. I believe Mike Erstling did. I -- I can't say
24 if anyone else specifically did.
25 Q. And am I correct that -- so when Mr. Spray was

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1 hospitalized or when he was out on medical leave from
2 the organization, that Mr. Powell was appointed as
3 acting CFO? Is that correct?
4 MS. KOZLOWSKI: Objection as to form.
5 A. Yeah, I can't recall the exact title, but we
6 were to report through him.
7 Q. (BY MR. THOMPSON) Okay. Do you know whether
8 or not any action was taken by anyone at the NRA in
9 response to the complaint that Mr. Erstling made?
10 A. I do not know.
11 Q. Do you recall having any conversations with
12 Mr. Erstling about the outcome of or any follow-up to
13 the complaint that he made regarding Mr. Powell?
14 A. No. Mr. Spray came back fairly quickly on
15 limited capacity, so we just did not report to Josh.
16 Q. Okay.
17 A. We chose not to.
18 Q. Do you remember who -- who was it that
19 communicated to you that while Mr. Spray was out, you
20 were to report to Mr. Powell?
21 A. I -- I believe it was an email from Wayne
22 LaPierre's office.
23 Q. So it was a -- it was an email that came from
24 the office of the executive vice president. Is that
25 right?

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1 A. Correct.
2 Q. Or did it come from Mr. -- let me -- sorry,
3 let me rephrase.
4 So it's my understanding that Mr. LaPierre
5 does not personally send out very many, if any, emails.
6 Is that correct?
7 A. That is correct.
8 Q. Okay.
9 A. But to kind of rephrase that, that it was his
10 office.
11 Q. Okay. Is it -- is it fair to say that this is
12 an email that came from Mr. LaPierre's email address at
13 the NRA?
14 MS. KOZLOWSKI: Objection as to form and
15 calls for speculation.
16 A. Yeah, I don't -- I don't recall exactly where
17 that email came from. You know -- yeah, I just don't
18 recall exactly where that came from, what email address.
19 Q. (BY MR. THOMPSON) Okay. Other than
20 communications with counsel, internal or external, do
21 you recall having any communications with anyone in the
22 NRA between this July 2018 audit committee meeting and
23 the September meeting of the board that year about the
24 issues that were addressed in the top concerns memo?
25 A. With anybody?

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1 Q. Anybody outside of the group that presented
2 the memo.
3 A. There were big conversations because the rumor
4 mills got started around the building, but specifics
5 were tried to be avoided with respect to what was
6 discussed.
7 Q. Were you personally -- I am going to be --
8 let's see how best to phrase this question.
9 Were you personally involved in any efforts to
10 remediate or correct or identify any of the issues that
11 you raised -- that your group raised in the top concerns
12 memo immediately following the July meeting with the
13 audit committee?
14 MS. KOZLOWSKI: Objection, form.
15 A. I'm not sure I understand exactly what you're
16 asking.
17 Q. (BY MR. THOMPSON) I'm asking whether you were
18 involved in any corrective measures that were taken in
19 response to the top concerns memo immediately after
20 presenting it to the audit committee in 2018?
21 A. We were asked for a vendor list so that
22 letters could be sent for procedures that were going to
23 be enforced with respect to vendor invoicing. We were
24 told with the support of Craig Spray to enforce the
25 policies and that he would support us in those efforts

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1 if anyone tried to circumvent, I guess, our controls.
2 Q. Do you recall who asked you, other than
3 counsel, for the vendor list?
4 A. That came through Craig Spray.
5 Q. Okay. Do you remember approximately how long
6 after the July 2018 meeting Craig came back in his -- I
7 understand he started -- he came back -- what's the
8 word -- partially to begin due to his health. Is that
9 correct?
10 A. That is correct.
11 Q. And do you remember approximately how long
12 after the July 2018 audit committee meeting that was?
13 A. I don't recall when that was.
14 Q. Okay. So if I could take you back to the top
15 concerns memo, which has been marked as Exhibit 4, and
16 let me know when you have that back.
17 MS. KOZLOWSKI: It's back.
18 Q. (BY MR. THOMPSON) So Ms. Rowling, are you
19 aware that the NRA has been paying a law firm for the
20 purpose of representing Marion Hammer in connection with
21 litigation that she is a plaintiff in regarding some
22 cyber harassment that she endured?
23 A. Yes, I'm aware.
24 Q. Can you tell me when you became aware of that?
25 A. I don't recall.

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1 Q. Was it --
2 A. I believe I saw a contract when it came
3 through my office.
4 Q. I'm sorry. Say that one more time.
5 A. I believe I saw the contract for those
6 services when they came through my office, but I
7 couldn't tell you the timeframe.
8 Q. Were you aware of it prior to the filing of
9 the bankruptcy?
10 A. Yes.
11 Q. Do you know whether or not that arrangement
12 has been disclosed to the board of directors?
13 A. I believe it was in the audit committee
14 minutes relating to her indemnification for that.
15 Q. Okay. I think we can -- we can try and find
16 those minutes, but it was my understanding -- no, we'll
17 come back to that.
18 If I could take you down in the top concerns
19 memo to paragraph 2c where it says Josh Powell
20 purchasing computer assets via company credit card. Do
21 you recall who added that item to the top concerns memo?
22 A. Mike Erstling.
23 Q. Okay. Am I correct that you were involved
24 into an investigation into Mr. Powell's expenses
25 starting in -- in or around October of 2019?

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1 A. That's correct.
2 Q. Were you the person who brought potentially --
3 potentially wrongful charges to the attention of Craig
4 Spray?
5 MS. KOZLOWSKI: Objection, form.
6 A. Craig brought some issues up to me and asked
7 me to -- to do the research.
8 Q. (BY MR. THOMPSON) Do you recall what the
9 issues were that he brought to you?
10 A. He had access to the details -- the actual
11 statements for American Express and American Express
12 provides a lot of detail on their statements, and I
13 believe he noticed on those within that detail the
14 actual person on -- a plane ticket was bought for, and
15 he had concerns with what he was seeing with respect to
16 that.
17 Q. Was that with respect to -- did you say plane
18 tickets in particular, or was it expenses more broadly?
19 A. His initial concern was with what he was
20 seeing with respect to the purchase of flights --
21 Q. Okay.
22 A. -- on those --
23 Q. And that was -- was that on -- did you say
24 that that was on the Amex card that had been given to
25 Mr. Powell?

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1 A. That's correct.
2 Q. Okay. And am I correct that -- currently,
3 does the NRA have two lines of credit with respect to
4 Amex cards, one under the treasurer and one under
5 Mr. Tedrick?
6 MS. KOZLOWSKI: Objection, form.
7 A. Currently, the NRA has no credit cards.
8 Q. (BY MR. THOMPSON) Okay. Is that true for
9 Visa as well?
10 A. That's correct.
11 Q. Right, because -- I forgot what proceeding we
12 were in for a minute.
13 Prior to the filing of the bankruptcy, did
14 the -- immediately prior to the filing of the
15 bankruptcy, did the NRA still have -- did the NRA have
16 the two lines of Amex credit cards, one under Mr. Spray
17 and one under Mr. Tedrick?
18 MS. KOZLOWSKI: Objection to form.
19 A. Yes, there were two lines of credit cards.
20 Q. (BY MR. THOMPSON) Can you tell me immediately
21 prior to the filing of the bankruptcy who had been
22 provided -- who at the NRA had Amex cards?
23 A. I couldn't provide you a complete list off the
24 top of my head because the programs were not underneath
25 me as -- you know, to be able to monitor.

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1 Q. Who were they underneath?
2 A. Craig and Rick monitored those --
3 Q. Okay.
4 A. -- specific activities.
5 Q. To the extent that you know, can you provide
6 me with the names of anyone that you know to have had
7 Amex cards immediately prior to the filing of the
8 bankruptcy?
9 A. Craig, Rick, Carolyn Meadows and Charles
10 Cotton, Joe -- Joe DeBergalis. Yeah, I don't want to
11 speculate on -- yeah, I just don't want to --
12 Q. No, I understand. Just to the extent that you
13 know.
14 So other than this review of Mr. Powell's Amex
15 expenses that occurred in 2019, have you had any
16 responsibility for reviewing Amex expenses full stop?
17 A. I'm sorry. Prior to that review, is that
18 what -- I'm sorry. I missed the beginning of that.
19 Q. Let's say since that review, actually. So,
20 you know, other than the review in 2019 of Mr. Powell's
21 expenses on the Amex and since then, have you had any
22 role in reviewing Amex expenses at the NRA?
23 A. Upon becoming acting CFO and given COVID, I
24 was asked to look at some Amex that had occurred during
25 the year last year, but that was because Craig was not

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1 physically in the office, and that only happened after I
2 became acting. Prior to that, no, I had no visibility
3 into those.
4 Q. Okay. Can you tell me what the Amex -- excuse
5 me -- what the Amex expenses that you've looked at
6 recently or what -- when you referred to the Amex
7 expenses that you reviewed since becoming acting CFO,
8 what those were?
9 A. I looked at Rick Tedrick's card, which has
10 actually not really any of his personal -- he didn't
11 really use that for personal business. It's more as a
12 corporate card when we have business expenses that must
13 be charged that way, such as there being -- Facebook
14 requires you to if you're utilizing any of their
15 services. Things like that that are required to
16 utilized a credit card, that's what's generally on
17 those, as well as corporate rentals, car charge goes on
18 there. So those types of things.
19 Q. Okay. Can you tell me why you were asked to
20 review Mr. Tedrick's Amex expenses?
21 MS. KOZLOWSKI: Objection, asked and
22 answered.
23 A. Yeah, I already said because Craig was not
24 physically in the office due to the COVID situation.
25 Q. (BY MR. THOMPSON) Were you reviewing them

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1 for a -- strike that.
2 So turning back to the -- going back to your
3 review of Mr. Powell's expenses in 2019, did you also
4 determine that Mr. Powell had inappropriately purchased
5 computer assets for himself?
6 A. That was added to this by Mike Erstling, the
7 other -- the top concern, but that charge was listed in
8 that part of that review. It was there.
9 Q. Okay. So I think the question that I have is
10 why did it take until October of 2019 for this review of
11 Mr. Powell's expenses to take place when one of the
12 issues that you and your colleagues raised in the top
13 concerns memo related to Mr. Powell's expenses?
14 MS. KOZLOWSKI: Objection to the extent
15 it calls for speculation or advice of counsel.
16 A. Yeah, so this was one item on a credit card
17 that was noticed because it was considered a fixed
18 asset. That was why it was noticed. Other than that,
19 we had no visibility into his credit card to know that
20 there was anything else to consider as an issue.
21 Q. (BY MR. THOMPSON) Understood. And I don't
22 mean to imply that you did have visibility into his Amex
23 expenses. I am just trying to understand from your own
24 personal knowledge if you know why no investigation into
25 Mr. Powell's expenses was done until you were asked by

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1 Mr. Spray to look into some of his expenses in 2019.
2 A. I don't know.
3 Q. Okay. Do you have any personal knowledge of
4 any investigation that was done into -- well, let me
5 step back.
6 Is it fair to say that several of the items on
7 the top concerns memo related to Mr. Powell?
8 A. Yes.
9 Q. Do you know personally whether any
10 investigation into the Powell related items on this memo
11 were conducted between the July 2018 audit committee
12 meeting and when you began reviewing his Amex expenses
13 in 2019?
14 MS. KOZLOWSKI: I would object to the
15 extent that that is seeking communications you've had
16 with counsel with respect to any investigation.
17 A. I would have to make assumptions to -- to
18 answer that, and --
19 Q. (BY MR. THOMPSON) That's fine. No reason to
20 speculate. Thank you.
21 So going down on the top concerns memo to
22 paragraph 4, and we'll start with little a. So first,
23 this relates to vague and deceptive billing by preferred
24 vendors/contractors. And starting with little a,
25 Associated TV, billing of 1.8 million for rental of a

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1 house that belongs to Stanton/McKenzie, an owner of
 2 Associated TV.
 3 First, do you remember who added that item to
 4 the top concerns memo?
 5 A. Mike Erstling.
 6 Q. Am I correct that in late 2018 or early 2019,
 7 Mr. Spray undertook a review of the invoices submitted
 8 by Associated Television, to the best of your knowledge?
 9 MS. KOZLOWSKI: Objection to the extent
 10 it calls for speculation.
 11 A. Well, conversations I had regarding that were
 12 with counsel.
 13 Q. (BY MR. THOMPSON) Which counsel?
 14 A. The Garman firm, as well as the Brewer firm.
 15 Q. At the time that the review -- well, okay, let
 16 me start over.
 17 Are you personally aware of a review into
 18 Associated Television?
 19 A. I was not.
 20 Q. Okay. So at the time that the review was
 21 going on, you were not involved. Is that fair?
 22 A. That's correct.
 23 Q. Okay. As you sit here today, do you have any
 24 personal knowledge of what goods or services Associated
 25 Television provided to the NRA?

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1 A. I believe they provided a TV series called
 2 Crime Strike.
 3 Q. And again, only from your personal knowledge,
 4 do you know when the last airing of -- excuse me -- let
 5 me restart.
 6 To the best of your personal knowledge, do you
 7 know when the last airing of a Crime Strike episode was?
 8 A. No, I do not.
 9 Q. And then skipping down a few bullets in the
 10 memo to sub d, as in David, MMP bills violate the
 11 contract stipulations. Do you know who added that item
 12 to the memo?
 13 A. Mike Erstling.
 14 Q. And do you have any personal knowledge of what
 15 this is referring to, this item?
 16 A. My knowledge was of an increase in the bills
 17 outside of what escalation clauses were within the
 18 contract.
 19 Q. And do you have any personal knowledge as to
 20 a -- let me restart.
 21 Do you know whether or not the NRA spoke with
 22 MMP about this issue?
 23 A. Yes.
 24 Q. What is the basis of your knowledge? I'm
 25 sorry --

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1 A. I received --
 2 Q. I'm sorry. I was just going to say it was a
 3 very lawyerly question, so I apologize; but if you
 4 understood, please go ahead and answer.
 5 A. I received a memo prepared by MMP explaining
 6 their reasons behind each individual increase with
 7 respect to the bills.
 8 Q. When did you receive that memo?
 9 A. I don't recall.
 10 Q. Do you recall if it was in 2019?
 11 A. I really don't. I don't --
 12 Q. Okay.
 13 A. -- recall exactly when I got it.
 14 Q. Do you know if you still have that memo in
 15 your possession?
 16 A. I don't know. I really don't.
 17 Q. And so did you personally receive that memo?
 18 A. Yes.
 19 Q. Did anyone -- was that memo provided to anyone
 20 else in financial services or the office of the
 21 treasurer?
 22 A. I couldn't speak to that. I don't know.
 23 Q. Do you recall whether or not you provided the
 24 memo to Mr. Spray?
 25 A. I did not provide the memo to anybody.

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1 Q. Okay. Do you recall what the justification in
 2 the memo was for the increase in their billing?
 3 MS. KOZLOWSKI: Objection, form.
 4 A. It was a long memo. And it wasn't provided to
 5 me from MMP, by the way. It was -- as I recall, they
 6 discussed certain added responsibilities that they were
 7 given and the costs associated with those, the specific
 8 hires they had to make in order to fulfill those
 9 requests. It was pretty specific as to each individual
 10 increase. You know, I couldn't talk to exactly what was
 11 said. It was a long time ago.
 12 Q. (BY MR. THOMPSON) Who was the memo provided
 13 to you by?
 14 A. I don't recall if -- it was Rick or Craig,
 15 either one. I just don't recall which one it was.
 16 Q. So was the memo -- was the memo prepared
 17 internally at the NRA?
 18 A. No, I don't believe it was. It was prepared
 19 by MMP.
 20 Q. Okay. All right. So yeah, let me just -- I'm
 21 just trying to figure out where the memo came from and
 22 who it went to. So you believe that MMP prepared the
 23 memo. Is that correct?
 24 A. That is my understanding, that it was prepared
 25 by MMP.

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1 Q. Okay. And so the memo was not provided by MMP
2 to you directly. Is that correct?
3 A. That is correct.
4 Q. And do you recall who MMP provided the memo to
5 at the NRA?
6 A. No. I was not involved in any of that part of
7 their process.
8 Q. Okay. But to the best of your recollection,
9 you were provided with the memo by either Rick Tedrick
10 or Mr. Spray. Is that correct?
11 A. That would have been the normal course of who
12 would have provided me that type of information.
13 Q. MMP is still a vendor for the NRA. Is that
14 correct?
15 A. Yes.
16 Q. Can you walk me through currently what the
17 normal practice is when an invoice comes in for services
18 at the NRA?
19 A. The invoice, depending on where it comes in
20 to -- if it comes in directly to accounts payable, it is
21 routed to the division responsible for the services that
22 were provided. They review, code to a proper general
23 ledger account according to their budget, and route it
24 back after it's approved back to our accounts payable
25 department. Accounts payable will verify whether

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1 there's a contract associated with that, whether there
2 is a -- or is it a purchase order, if either of those
3 are needed. And then depending on the dollar amount,
4 routes for further approval.
5 Q. Do you happen -- as you sit here today, do you
6 know what the, sort of, levels of approval are for
7 different levels of amounts?
8 A. Anything over 50,000 on one invoice must be
9 approved by two officers.
10 Q. And officers, is that elected officers or
11 officers according to the bylaws?
12 A. I believe it's as officers, but we utilize
13 internal -- the internal elected officers.
14 Q. Would that be --
15 A. Employees versus board of directors.
16 (Reporter clarification.)
17 A. Employees versus our board of directors.
18 There have been recent changes to that relating to
19 certain legal matters that must go through board
20 approval.
21 Q. (BY MR. THOMPSON) So other than those recent
22 changes, am I correct that the general practice would be
23 to get approval on invoices over \$50,000 from one of the
24 treasurer, the general counsel or the executive vice
25 president?

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1 A. It would not be general counsel. It would be
2 the secretary.
3 Q. I'm sorry. Thank you. The secretary.
4 But otherwise is that correct, the secretary,
5 the executive vice president or the treasurer?
6 A. That's correct.
7 Q. What about, are the managing director of
8 general operations or the -- I'm sorry. That's not the
9 correct title.
10 Executive director of general operations, is
11 he another officer who can sign off on invoices \$50,000
12 or more?
13 A. No, he is not.
14 Q. And then digging down a little bit more into
15 the invoice approval process, I believe you said that
16 financial services division or the accounts payable will
17 determine whether or not there is a contract in place
18 for an invoice. Is that correct?
19 A. They will -- they will look to see if we have
20 one on file, if it is required. It depends on the
21 invoice if a contract is required. If we have a water
22 bill, it's not a contract.
23 Q. Right, understood.
24 So let's take -- well, for those invoices
25 where there is a contract or a contract is required,

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1 does accounts payable also determine whether or not the
2 invoice meets whatever payment terms are in the
3 contract?
4 A. Accounts payable cannot be held responsible
5 for determining if the actual services behind an invoice
6 were rendered. We can compare to a contract. We can --
7 but the signature of approval on those invoices signal
8 to the accounts payable department that those services
9 were rendered and were appropriate.
10 Q. Understood.
11 So not with respect to whether or not services
12 were rendered, but -- so, for example, if a contract is
13 for a monthly fee of some kind, does accounts payable
14 check the monthly fee as stated in the contract against
15 the invoice that was received?
16 A. With their best effort, that's what they do.
17 Q. Okay. So if we take the MMP, Membership
18 Marketing Partners, as an example --
19 MR. THOMPSON: And actually, Sharon, if
20 we could go ahead and mark -- let me find the tab
21 number. If we could go ahead and mark tab 6 and 7,
22 please.
23 (Exhibit 6 marked.)
24 (Exhibit 7 marked.)
25 Q. (BY MR. THOMPSON) While Sharon is taking care

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1 of that, can you tell me in general terms about what
 2 efforts the NRA has taken to centralize contracts in the
 3 NRA?
 4 MS. KOZLOWSKI: Can you be more specific
 5 as to what time period?
 6 Q. (BY MR. THOMPSON) Let's say in the two years
 7 prior to the filing of this petition.
 8 A. There has been compliance training with
 9 managers and above to remind them of the rules
 10 surrounding contracts, as well as other areas, but
 11 specifically the contracts. The -- a concerted effort
 12 between legal and financial services has been done to
 13 try to help ensure completeness and -- of the files.
 14 And, yeah, so those things have taken place. We are --
 15 we are actively seeking out contracts if we receive an
 16 invoice that should have had one that we might not have
 17 in our possession.
 18 Q. Okay. So taking a few parts of that answer,
 19 you mentioned that there was some compliance training
 20 for managers. Is that right?
 21 A. That's correct.
 22 Q. And is that compliance training the training
 23 that occurred in 2018 and in early 2019?
 24 A. I know training occurred, and I don't know the
 25 exact date, but that sounds reasonable.

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1 Q. Do you know whether or not -- so do you recall
 2 attending a compliance training given by Mr. Frazer
 3 either in 2018 or 2019?
 4 A. I have attended two of those trainings.
 5 Q. Okay.
 6 A. I believe there was a third one, but I could
 7 not attend.
 8 Q. It's my understanding -- and let me ask you if
 9 this is correct -- that there were three trainings
 10 total: one in July of 2018, one in October of 2018 and
 11 one in February of 2019. Does that sound correct?
 12 A. It sounds reasonable.
 13 Q. Okay. Are there any other compliance
 14 trainings that you are aware of that have occurred since
 15 that training in February of 2019?
 16 A. No. The one for 2020 for obvious reasons did
 17 not occur, and it says it is currently being discussed
 18 with --
 19 Q. Currently being discussed --
 20 A. Yeah, with John Frazer to hold another one.
 21 Q. Okay. Is there -- is there a person in the
 22 treasurer's office who has the primary responsibility to
 23 be the keeper of the contracts?
 24 MS. KOZLOWSKI: Objection as to form.
 25 A. The -- the financial services division has

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1 always maintained that we keep contracts for which we
 2 are aware of. I know legal also keeps contracts. They
 3 are supposed to have -- have the original and -- well,
 4 let me back that up.
 5 The originals are provided at some times to
 6 financial services or to general counsel's office and --
 7 where copies are maintained. And there's an ongoing
 8 effort to make sure that any contract that comes through
 9 to financial services, that general counsel has and vice
 10 versa.
 11 Q. (BY MR. THOMPSON) And then is there a
 12 particular person in financial services or the broader
 13 office of the treasurer whose job it is to -- well, let
 14 me step back.
 15 Is there a file of contracts that is
 16 maintained by the office of the treasurer?
 17 A. Yes, there is a file of contracts.
 18 Q. Does that file also include, where available,
 19 business case analyses for contracts?
 20 A. Where available, yes.
 21 Q. And is there a particular person in financial
 22 services who is responsible for maintaining that file?
 23 A. During COVID, it was actually me because we
 24 were -- had staff that were furloughed. And prior to
 25 that, it was with a financial representative within

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1 financial services.
 2 Q. Do you remember who that person was prior to
 3 the furloughs?
 4 A. Evan Knight did it. But, again, I don't want
 5 to put on a lower level staff that it was their
 6 responsibility to know about contracts that he wasn't
 7 given a copy of, so I don't want to say that.
 8 Q. No, I understand.
 9 So my question is only whether or not there
 10 was a -- if there was a point person in financial
 11 services to whom other departments of the NRA were
 12 supposed to provide copies of contracts or copies of
 13 business case analyses where available?
 14 A. That was me.
 15 Q. Okay. So --
 16 MR. THOMPSON: Well, actually, we've been
 17 going for about an hour. So counsel, this would be a
 18 good time to take a break if you would like to take a
 19 break.
 20 THE VIDEOGRAPHER: We're going off the
 21 record. The time on the video is 2:35 p.m.
 22 (Break from 2:35 p.m. to 2:48 p.m.)
 23 THE VIDEOGRAPHER: We are back on the
 24 record. The time on the video is 2:48 p.m.
 25 Q. (BY MR. THOMPSON) Okay. So Ms. Rowling,

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1 there should be two new exhibits in the Exhibit Share
 2 folder, the first one marked Exhibit 6 and the next one
 3 marked Exhibit 7. If you could open Exhibit 6, please,
 4 and let me know when you're there.
 5 A. Okay.
 6 Q. Do you recognize the document that has been
 7 marked as Exhibit 6?
 8 A. I have seen that document, I believe, before.
 9 Q. Do you know whether or not this is a contract
 10 that financial services has in its collection of
 11 contracts?
 12 A. I believe we do.
 13 Q. And then if you click on the next file button
 14 at the bottom, it should take you to Exhibit 7.
 15 MS. KOZLOWSKI: Okay. We have Exhibit 7
 16 open.
 17 Q. (BY MR. THOMPSON) Do you recognize this
 18 document?
 19 A. Yes.
 20 Q. So is it fair to say -- well, first, both
 21 Exhibit 6 and Exhibit 7 are the NRA's agreements with
 22 Membership Marketing Partners. Is that correct?
 23 A. That is my understanding.
 24 Q. And do you also -- does financial services
 25 also have a copy of Exhibit 7 in its collection of

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1 contracts?
 2 A. I believe we do.
 3 Q. And to the best of your knowledge, are there
 4 any other contracts or amendments between the NRA and
 5 Membership Marketing Partners excluding other related
 6 entities like Allegiance Creative Group and Concord?
 7 A. Oh, financial services isn't in possession of
 8 any others --
 9 Q. Okay.
 10 A. -- I don't --
 11 Q. Do you know whether or not a business case
 12 analysis was prepared with respect to this second
 13 amendment to the Membership Marketing Partners
 14 agreement?
 15 A. I don't know.
 16 Q. To the best of your knowledge, does financial
 17 services have a copy of any such agreement or, I'm
 18 sorry, of any such business case analysis?
 19 MS. KOZLOWSKI: Objection. The testimony
 20 was that she didn't know of its existence.
 21 Q. (BY MR. THOMPSON) To the best of your
 22 knowledge, does financial services have a copy of any
 23 contract review sheet that was prepared in connection
 24 with this second amendment to the Membership Marketing
 25 Partners contract?

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1 A. I do not know.
 2 Q. Okay. So using the previous file button to go
 3 back to the -- what has been marked as Exhibit 6, let me
 4 know when you're there.
 5 MS. KOZLOWSKI: We're there.
 6 Q. (BY MR. THOMPSON) Is this the agreement that
 7 somebody in the accounts payable department at the NRA
 8 would use to determine whether or not an MMP invoice is
 9 compliant with the MMP contract?
 10 MS. KOZLOWSKI: Objection as to form.
 11 A. Yeah, the -- the process to -- to review with
 12 respect to the contract was not in place originally.
 13 That was something that Craig Spray had, you know, tried
 14 to implement. MMP is a -- is one in which Craig himself
 15 was working with. So I'm not sure that --
 16 MS. KOZLOWSKI: Don't speculate.
 17 A. Yeah, I don't know.
 18 Q. (BY MR. THOMPSON) So we were talking a little
 19 bit earlier about -- and I understand that -- am I
 20 correct, it's a recently implemented -- and by recently,
 21 I mean the last two years -- process where invoices
 22 involving a contract are checked against the contract
 23 before a payment is made. Is that correct?
 24 A. That's been -- yes, that's a more recent
 25 process.

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1 Q. Okay. Instituted by Craig Spray. Is that
 2 correct?
 3 A. That's correct.
 4 Q. Okay. Are invoices for Membership
 5 Marketing -- let me rephrase.
 6 Do invoices for Membership Marketing --
 7 Membership Marketing Partners go through that process?
 8 A. I don't know for sure. MMP is one in which
 9 Craig Spray, you know, was looking at. So I don't know
 10 if accounts payable is directly tying those two to a
 11 contract.
 12 Q. Okay. Invoices are coming -- invoices for MMP
 13 are coming through accounts payable, though. Is that
 14 correct?
 15 A. Yes.
 16 Q. Okay. How do the staff in accounts payable
 17 know whether or not to tie any particular invoice to a
 18 contract?
 19 MS. KOZLOWSKI: Objection to form to the
 20 extent it calls for speculation.
 21 A. I don't know their exact thought process in
 22 that. I don't know.
 23 Q. (BY MR. THOMPSON) So in your previous role as
 24 a director at the NRA, were you -- did you supervise
 25 accounts payable?

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1 A. I did.
2 Q. Okay. In that role, did you take any steps to
3 implement this new invoice checking process that
4 Mr. Spray implemented?
5 A. I spoke with the accounts payable manager
6 about -- about looking for, yes, contracts associated
7 with invoices.
8 Q. Who is the accounts payable manager -- or let
9 me rephrase that.
10 Who was the accounts payable manager at the
11 time that this process was first implemented?
12 A. Portia Padilla.
13 Q. Is she still the accounts payable manager?
14 A. Yes.
15 Q. Okay. Do you have any personal knowledge of
16 what, if anything, Ms. Padilla did to implement that new
17 procedure?
18 A. She -- I know she would ask me at times, you
19 know, does this fall under a contract review? So I know
20 she was looking into it. Or if she had my permission to
21 reach out to a particular department asking for a
22 contract, if we did not have one.
23 Q. Okay. And did Ms. Padilla ever approach you
24 about how to handle invoices from Membership Marketing
25 Partners?

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1 A. Not that I'm aware of.
2 Q. Do you know --
3 A. Not that I recall.
4 Q. Okay. Do you have any personal knowledge of
5 whether or not she reached out to Mr. Spray about how to
6 handle invoices from Membership Marketing Partners?
7 A. I do not know.
8 Q. Okay. Do you know in -- prior to filing of
9 the bankruptcy, let's say in the last six months prior
10 to the filing of the bankruptcy, how much Membership
11 Marketing Partners was invoicing the NRA for on a
12 monthly basis?
13 A. Not off the top of my head, I don't.
14 Q. If I told you that it was approximately
15 \$960,000 per month, would that sound correct?
16 MS. KOZLOWSKI: Objection, form, calls
17 for speculation.
18 A. Yeah, I don't -- I don't know off the top of
19 my head what -- what their invoices are for.
20 Q. (BY MR. THOMPSON) Sorry. Bear with me one
21 minute.
22 MR. THOMPSON: Sharon, I have uploaded a
23 new document to the private folder called NRA SOFA
24 90-day payments. Would you please mark that as the next
25 exhibit?

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1 Q. (BY MR. THOMPSON) While Sharon is handling
2 that, are you familiar with Allegiance Creative Group?
3 A. Yes.
4 Q. And are you familiar with Concord Social and
5 Public Relations?
6 A. Yes.
7 Q. I hope I have that right.
8 Do you know whether or not the NRA has ever
9 done business with any of those entities under different
10 names?
11 MS. KOZLOWSKI: Objection, form --
12 A. They have --
13 MS. KOZLOWSKI: -- foundation.
14 A. They have doing -- DBAs. I'm not -- I
15 couldn't name them off the top of my head, but they do
16 have DBAs.
17 Q. (BY MR. THOMPSON) Okay. Let me just see if
18 this exhibit is available yet.
19 (Exhibit 8 marked.)
20 Q. (BY MR. THOMPSON) Yes. So there should be a
21 new exhibit in the folder after you refresh, Exhibit 8.
22 Let me know when you have that.
23 A. I have that.
24 Q. Okay. So I will represent to you that this is
25 an extract from one of the documents that the debtor

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1 filed in connection with this case, and you can see the
2 docket number at the top of the exhibit. But if I could
3 direct you -- once I find it myself. If I could direct
4 you to page 10 of this PDF. And I apologize that you
5 may have to rotate your head a bit. Please let me know
6 when you are there.
7 A. Oh, that's small. Okay.
8 Q. So towards the top right-hand side of this
9 page in the -- what would be the left most column if
10 this was properly rotated -- oh, you can rotate it
11 actually. If you hover over the bottom, there is a
12 rotate symbol, which at least --
13 A. Yeah. We've done that.
14 Q. Okay. So towards the top, there is Membership
15 Advisors Fundraising. Do you see that?
16 A. We must be on the wrong page. I'm sorry.
17 Q. Oh, I'm sorry. This is page 11 of the PDF,
18 not page 10.
19 A. Yes.
20 Q. Who is membership -- or what is Membership
21 Advisors Fundraising?
22 A. An entity that performs fundraising activity
23 for the NRA.
24 Q. Do you know whether or not that is a DBA of
25 either Allegiance Creative Group or Concord?

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1 A. It is -- I believe it is one of those.
 2 Q. Okay. And is the same thing true for
 3 Membership Advisers Public Relations?
 4 A. That's correct.
 5 Q. Okay. And then going down to Membership
 6 Marketing Partners, do you see that?
 7 A. Yes.
 8 Q. And then if you go all the way across the
 9 page, you will see that there are three payments
 10 corresponding to October, November and December of last
 11 year, each for \$961,850. Do you see that?
 12 A. That's correct, I do.
 13 Q. Okay. So does this refresh your recollection
 14 as to whether or not -- or as to the amount of
 15 Membership Marketing Partners' monthly invoices, period?
 16 MS. KOZLOWSKI: I guess I would object as
 17 to scope. This reflects the payments for three months.
 18 It certainly doesn't reflect the payments in perpetuity.
 19 A. Yeah, this reflects the three months that
 20 we -- of payments to them.
 21 Q. (BY MR. THOMPSON) Sure. So in that case, I
 22 am comfortable representing to you that, as of at least
 23 mid 2018, the monthly invoices for Membership Marketing
 24 Partners have been \$961,850.
 25 So if I could take you back to Exhibit 6,

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1 which is the original Membership Marketing Partners
 2 agreement. Please let me know when you are there.
 3 A. Uh-huh.
 4 Q. And then if you could please go all the way to
 5 the very last page, schedule A.
 6 A. I'm there.
 7 Q. Do you see where it says effective December 1,
 8 2011, the management fee payable to MMP under this
 9 agreement shall be \$400,000 per month? Do you see that?
 10 A. Yes.
 11 Q. Are you aware of any agreement between the NRA
 12 and Membership Marketing Partners to increase the
 13 monthly management fee that is referenced in this
 14 schedule A to Exhibit 6?
 15 MS. KOZLOWSKI: Objection to form and to
 16 the extent it calls for speculation.
 17 A. Yeah, I don't know.
 18 Q. (BY MR. THOMPSON) Okay. The memorandum that
 19 you mentioned that was prepared by Membership Marketing
 20 Partners, did that include, to the best of your
 21 recollection, any reference to the NRA's agreement to
 22 pay the increased fees that were described in that
 23 memorandum?
 24 MS. KOZLOWSKI: Objection to form.
 25 A. My understanding was they were verbal

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1 agreements with the treasurer at the time when they
 2 originally started their increases.
 3 Q. (BY MR. THOMPSON) What is the basis for that
 4 understanding?
 5 A. Whenever --
 6 MS. KOZLOWSKI: I would caution you,
 7 again, with conversations with counsel.
 8 THE WITNESS: I know. I am trying to
 9 recall the conversations.
 10 A. Yeah, I can't answer as to the exact -- who
 11 the conversations were with, with the potential of
 12 revealing privileged conversations.
 13 Q. (BY MR. THOMPSON) Okay. So outside of your
 14 conversations with counsel, you cannot recall what else
 15 would -- okay. All right. I understand.
 16 And with respect to the person who would have
 17 authorized these verbal agreements, is it your
 18 understanding that that was Mr. Phillips?
 19 MS. KOZLOWSKI: Again, I will object to
 20 the extent it seeks information that you have learned
 21 from your counsel.
 22 To the extent that you know outside of
 23 conversations with counsel, you can answer.
 24 A. And, again, I don't recall if -- I would
 25 rather not say, given I can't recall if any of those

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1 conversations were had outside of counsel.
 2 Q. (BY MR. THOMPSON) Okay. Other than these
 3 verbal agreements, are you aware of -- let me step back.
 4 Since Mr. Phillips left the NRA and since
 5 Mr. Spray became the treasurer of the NRA -- those are
 6 not two exactly lined-up dates.
 7 Since Mr. Spray became the treasurer of the
 8 NRA, are you aware of any agreement by the NRA to pay an
 9 increased monthly fee to Membership Marketing Partners?
 10 MS. KOZLOWSKI: Object to the extent it
 11 calls for speculation.
 12 A. Yeah, I don't know.
 13 Q. (BY MR. THOMPSON) Are you aware of any other
 14 contracts that do not go through the new invoice
 15 matching to contract process that we were discussing
 16 earlier, other than this Membership Marketing Partners
 17 agreement?
 18 MS. KOZLOWSKI: Object to form and that
 19 it misstates testimony.
 20 Q. (BY MR. THOMPSON) Okay. Let's -- let's try
 21 and lock this down.
 22 This contract does not go through the invoice
 23 matching to contract process that we were discussing
 24 earlier. Is that correct?
 25 MS. KOZLOWSKI: Objection to form.

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1 A. This contract, yeah, comes down fully approved
2 for -- the invoices come fully approved to the AP
3 department. And other than that, that's to the extent
4 of how -- of what they are doing with respect to this
5 contract.
6 Q. (BY MR. THOMPSON) Okay. Are you aware of any
7 other invoices that are -- that come to accounts payable
8 fully approved in the same way as these Membership
9 Marketing Partners invoices?
10 A. Well, all invoices come approved.
11 Q. Let me back up and just make sure that I
12 understand. My understanding of your answer a moment
13 ago was that the invoices for Membership Marketing
14 Partners come to accounts payable fully approved and
15 that then no further investigation into the propriety of
16 those payments is performed by accounts payable. Is
17 that accurate?
18 MS. KOZLOWSKI: Objection to form,
19 misstates testimony, calls for speculation.
20 A. Yeah, I can't speak to what else Portia might
21 be doing with respect to those invoices.
22 Q. (BY MR. THOMPSON) As the acting CFO of -- I'm
23 sorry?
24 A. I do not know specifically what Portia does
25 with respect to those invoices.

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1 Q. But you would agree with me that, other than
2 the say-so of those approving the invoices submitted by
3 Membership Marketing Partners to accounts payable,
4 accounts payable does not have access to information
5 that would allow them to test the accuracy of the
6 invoices submitted by Membership Marketing Partners
7 against any existing agreements the NRA has with
8 Membership Marketing Partners?
9 MS. KOZLOWSKI: Objection, form, calls
10 for speculation, misstates testimony.
11 A. Yeah, I can't speak to if there are any other
12 contracts. I mean, you're implying I know that what all
13 contracts exist with respect to MMP and what other
14 discussions have been had of which I know nothing about.
15 Q. (BY MR. THOMPSON) How comfortable are you
16 that you have all contracts that exist between the NRA
17 and MMP?
18 A. I don't know. I'm not sure. There have been
19 conversations that I have had with counsel regarding MMP
20 and their contracts.
21 Q. Without providing me -- without going into the
22 substance of your conversations with counsel, do you
23 have any concerns about the contract that the NRA has
24 with MMP?
25 A. I would not say they were concerned. I would

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1 say that the contracts are -- and should be reviewed at
2 particular points in time and potentially renegotiated.
3 Q. Do you know whether or not the NRA
4 evaluates -- evaluates MMP's performance?
5 MS. KOZLOWSKI: Objection, form, vague.
6 A. As -- as acting CFO, I know that I receive
7 monthly performance parameters internally, as well as --
8 well, the internal ones that are weekly, based on actual
9 cash received relating to membership, which would be
10 their activities, as well as a monthly report from MMP
11 that breaks down all of their activity for the month and
12 the revenue that has been generated from all of their
13 activity.
14 Q. (BY MR. THOMPSON) You receive that report
15 currently as acting CFO?
16 A. Yes.
17 Q. And I believe you said that report provides
18 revenue generated by MMP as a result of their work for
19 the NRA. Is that correct?
20 A. That's correct.
21 Q. Do you recall, with respect to the most recent
22 such report that you received, how much revenue MMP
23 generated for the NRA? Just a ballpark figure.
24 A. It's -- I am trying to think of -- there's at
25 least probably 20 million in January, another 12 to 15

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1 in February, approximately.
2 Q. Can you tell me approximately -- well, let me
3 ask this. I believe you also said that you receive
4 performance metrics for the membership division. Is
5 that correct?
6 A. No. That -- well, it's generated from
7 membership reports out of the membership system, but it
8 is created by David Warren.
9 Q. Okay. And do the reports generated by
10 Mr. Warren provide any breakdown as to membership
11 related revenue generated by MMP versus membership
12 revenue generated by nonMMP sources?
13 A. We have that reporting available, because any
14 type of revenue that's generated through membership is
15 entered with a code that identifies the exact source.
16 So we know if it's related to a particular mailer that
17 was from MMP. We know if it was related to someone
18 joining online or through a telephone call.
19 Q. Okay. And going back to you did not call them
20 concerns, but you said that you thought that -- correct
21 me if this is wrong -- that the Membership Marketing
22 Partners contract should be looked at and potentially
23 renegotiated. Is that correct?
24 MS. KOZLOWSKI: I believe that misstates
25 testimony.

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1 A. In normal course, contracts should always be
2 reviewed. It is probably time that this one be
3 reviewed.
4 Q. (BY MR. THOMPSON) Okay.
5 A. And whether it's reviewed and renegotiated
6 with MMP or it's decided that the value we receive from
7 them is adequate with respect to the fees, that's to be
8 determined. And --
9 Q. Have you -- sorry, I did not mean to cut you
10 off.
11 Have you -- other than counsel, have you
12 communicated that sentiment to anyone in the NRA?
13 A. These were discussions we had, including Mike
14 Erstling and I had, with Craig Spray early on and when
15 he started.
16 Q. To the best of your knowledge, have there been
17 any such reviews or potential renegotiations with MMP
18 since that time?
19 MS. KOZLOWSKI: Objection to the extent
20 it calls for speculation.
21 A. The -- what I have been told was told to me by
22 counsel with respect to the MMP process.
23 Q. (BY MR. THOMPSON) Okay. Are there any other
24 contracts or relationships that the NRA has that you had
25 a similar discussion with Craig Spray about reviewing or
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1 renegotiating or anything of that nature?
2 MS. KOZLOWSKI: Objection to form and
3 vague as to time.
4 Q. (BY MR. THOMPSON) Since Craig Spray --
5 between the time that Craig Spray became the treasurer
6 and when he left the NRA, or when he was put on
7 administrative leave or took administrative leave.
8 A. McKenna was looked at. Looking Glass.
9 Ackerman McQueen. Associated Television.
10 I'm sure there are others, but, you know, it's
11 hard to recall off the top of my head. Oh, Josh
12 Powell's dad's contract with respect to photography
13 services.
14 Q. So thinking back to the top concerns memo --
15 and we can open it and take a look at it again, but
16 there was the item about Associated Television and the
17 \$1.8 million payment and the reference to Mr. McKenzie
18 and Stanton. Are you aware that Membership Marketing
19 Partners, Allegiance Creative Group and Concord are also
20 owned in whole or in part by Mr. McKenzie?
21 MS. KOZLOWSKI: Objection to form,
22 foundation.
23 A. I have been made aware of that by counsel.
24 Q. (BY MR. THOMPSON) But other than through
25 counsel, you had no knowledge of that ownership?
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1 A. I don't recall if I had any knowledge of that
2 prior to a counsel discussion.
3 Q. Going back to your time as a director before
4 your current position and let's say since Mr. Spray
5 became the treasurer, what has been done to identify
6 contractual relationships that the NRA has that do not
7 comply with the NRA's \$100,000 contract policy?
8 MS. KOZLOWSKI: Objection, form,
9 foundation.
10 A. Those were discussions that were held with
11 respect to the compliance seminars. As contracts are
12 brought up to counsel for review, they are advising of
13 those rules as well. I mean, that's the extent of my
14 knowledge as to what has been done.
15 Q. (BY MR. THOMPSON) Let's say in your last year
16 as a director, so for 2020, did Ms. Padilla or anyone
17 else in accounts payable reach out to you with concerns
18 about whether or not any contracts complied with the
19 NRA's \$100,000 contract policy?
20 MS. KOZLOWSKI: Objection, form.
21 A. I don't recall.
22 Q. (BY MR. THOMPSON) Do you recall any such
23 conversations for 2019?
24 MS. KOZLOWSKI: Objection, form.
25 A. I'm sorry, a notice popped up on the screen so
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1 it distracted me from your question.
2 Q. (BY MR. THOMPSON) No, of course.
3 For -- in 2019, do you recall Ms. Padilla or
4 anyone else in accounts payable approaching you with
5 concerns about any contracts that did not appear to
6 comply with the NRA's \$100,000 contract policy?
7 MS. KOZLOWSKI: Objection, form,
8 foundation.
9 A. The \$100,000 contract policy, is that -- I
10 don't recall. I don't recall.
11 Q. (BY MR. THOMPSON) Okay. And just to make
12 sure, do you know what I mean when I say the \$100,000
13 contract policy?
14 A. Yes.
15 Q. Okay. Did you -- let me step back.
16 Are you aware of, other than your
17 conversations with counsel, any investigation into
18 expenses incurred by Millie Hallow?
19 MS. KOZLOWSKI: Objection to the extent
20 it calls for communications with counsel.
21 A. Yeah, I can't -- those were -- any of my
22 knowledge is through counsel.
23 Q. (BY MR. THOMPSON) Were you personally
24 involved in any such an investigation?
25 A. No.
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1 Q. Do you know who was involved in any such
2 investigation?
3 A. No.
4 MR. THOMPSON: Sharon, could we go ahead
5 and mark tabs 11 and 12, please?
6 Q. (BY MR. THOMPSON) While that is happening,
7 Ms. Rowling, during your 30(b)(6) testimony earlier this
8 morning, I believe you said that Mr. LaPierre has not
9 been reimbursed for any expenses for 2019 or 2020. Is
10 that correct?
11 A. That's -- to the best of my knowledge, that is
12 correct as to that he has not --
13 Q. Okay.
14 A. -- submitted expenses for those time periods.
15 Q. Oh, so it's -- just so I understand, it's not
16 only that he hasn't been reimbursed, but he has also not
17 submitted his expenses for that time period?
18 A. That is correct.
19 Q. Okay. So to the best of your knowledge --
20 well, let me step back.
21 Is there a procedure in place for reviewing
22 and approving expenses that Mr. LaPierre submits to the
23 NRA for reimbursement?
24 A. For what time period?
25 Q. Good question. Let's say before Mr. Spray

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1 became treasurer, to start with.
2 A. I would have no knowledge of what that was.
3 His expenses were processed through ILA, which is a --
4 would have been a separate department, financial
5 department from where I was.
6 Q. And historically, before the, sort of,
7 reorganization of the ILA to fall under the office of
8 the treasurer, am I correct that Mr. LaPierre's expenses
9 were reviewed and submitted by Andra Fischer?
10 MS. KOZLOWSKI: Objection to the extent
11 it calls for speculation.
12 A. Yeah, I don't know what the process was with
13 respect to his expenses.
14 Q. (BY MR. THOMPSON) Okay. Is there -- is there
15 a new process for reviewing Mr. LaPierre's expenses
16 other than that historical process through ILA?
17 A. My understanding right now is that process was
18 being -- was being reviewed. As far as who would be the
19 approver, John Frazer and I have been discussing that.
20 And that's the extent of what I could say with --
21 MS. KOZLOWSKI: I would caution you not
22 to disclose any communications with counsel.
23 Q. (BY MR. THOMPSON) Okay. So I -- I do want to
24 probe this a little bit because it's hard for me to --
25 this seems more like a finance process point rather than

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1 a legal point, so I want to see if I can work around
2 privilege issues that may exist.
3 When was -- to the best of your knowledge,
4 when was the last time that Mr. LaPierre submitted
5 expenses for review and potential reimbursement to the
6 NRA?
7 A. To the best of my knowledge, 2017. Maybe some
8 in 2018, but I am not 100 percent sure.
9 Q. Okay. So did you ever have any conversations
10 with Mr. Spray about the process for reviewing
11 Mr. LaPierre's expenses?
12 A. Yes, I did.
13 Q. Can you -- when was that conversation or
14 conversations?
15 A. Bob Owens was -- was here. So I am trying to
16 figure out timeframe. We were having a discussion as to
17 what the process was through his office, but he hadn't
18 seen any at that point, because of -- the individual who
19 worked through these issues with -- or expense reports
20 with Wayne had a medical emergency and no longer worked
21 at the organization. Bob indicated he had not seen any
22 expense reports at that point, and -- and we were trying
23 -- he was trying to come up with a plan of -- at that
24 point of how they should be processed and who should
25 process them, which division.

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1 Q. Okay. Did that result -- did those
2 conversations or that conversation result in a new
3 process for reviewing Mr. LaPierre's expenses?
4 A. It resulted in a -- because I believe they
5 happened sometime in 2019, this conversation. And I say
6 that because Bob Owens was going to still process the
7 2019 expense reports as they came in, which they never
8 did, because it was already in their budget. For 2020,
9 those expense reports were going to come through the
10 financial services division for payment.
11 Q. Okay. But that has not occurred yet.
12 Correct?
13 A. That is correct.
14 Q. Okay. Oh, I just remembered. I knew I had
15 one more question.
16 I believe also earlier today you said that --
17 and please correct me if this is wrong -- that you had
18 at least looked at some of Mr. LaPierre's expenses for
19 purposes of a potential accrual. Is that correct?
20 MS. KOZLOWSKI: Objection, misstates
21 testimony.
22 A. Yes, I had looked at, not reviewed, his
23 expenses so that we could accurately reflect expenses
24 into the proper period.
25 Q. (BY MR. THOMPSON) Okay.

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1 A. It would have been for 2020.
2 Q. And is that the -- I don't know that I have
3 the exact language in front of me -- the \$180,000
4 LaPierre expense reserve that is listed in the statement
5 of financial assets that the NRA submitted?
6 A. Not exactly. A portion of that is going to be
7 what ILA had accrued for previous years. That had not
8 been submitted either, and those were based on
9 estimates. The portion that relates to the 2020 accrual
10 was somewhere around \$12,000 --
11 Q. Okay.
12 A. -- for the entire year.
13 Q. So the 12,000 was for 2020, and then the
14 remainder was an estimate of expenses incurred by
15 Mr. LaPierre through the ILA budget. Is that correct?
16 A. Yes. They were estimates that were approved,
17 and I don't know for how many years that would
18 represent.
19 Q. Okay. For the \$12,000 that are in connection
20 with 2020, how did you -- how did you reach that number?
21 MS. KOZLOWSKI: Objection. The testimony
22 is it was approximately 12,000. I don't think that was
23 a specific amount.
24 MR. THOMPSON: Sure.
25 MS. KOZLOWSKI: So just for clarity of

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1 the record.
2 Q. (BY MR. THOMPSON) Approximately 12,000.
3 A. I was provided the expense reports for the
4 purpose of accrual only. They had not been approved by
5 anyone at that point.
6 Q. Who provided them to you?
7 A. They were all in a box that was, I believe,
8 sent to me from -- because they ended up in Texas. So
9 they were shipped to me from Texas.
10 Q. When, approximately, did you conduct this --
11 let me -- I don't want to put words in your mouth.
12 When did you look at these documents?
13 A. In January of 2021.
14 Q. Before or after the filing of the bankruptcy?
15 A. Before.
16 Q. Do you recall who asked you to do this
17 accrual?
18 A. I asked myself to do it.
19 Q. Okay.
20 A. We knew that we were supposed to record
21 Mr. LaPierre's expenses in our -- in the NRA side apart
22 from ILA, and I asked the questions of the individual
23 who was putting those together where they were so that I
24 could get an estimate to approve.
25 Q. Who was that individual?

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1 A. Lisa Supernaugh.
2 Q. I know it's changed a bit over the years. Can
3 you tell me what Ms. Supernaugh's current role at the
4 NRA is?
5 A. She is the deputy to Joe DeBergalis, as he's
6 the executive director of general operations. So she's
7 a deputy under him.
8 Q. Okay.
9 MR. THOMPSON: Counsel, I think this is a
10 good time to take another break if you would like to
11 take a five-minute break.
12 MS. KOZLOWSKI: Okay.
13 THE VIDEOGRAPHER: We're going off the
14 record. The time on the video is 3:38.
15 (Break from 3:38 p.m. to 3:50 p.m.)
16 THE VIDEOGRAPHER: We're back on the
17 record. The time on the video is 3:50 p.m.
18 Q. (BY MR. THOMPSON) So Ms. Rowling, there
19 should be two new documents in the shared folder,
20 Exhibits 9 and 10.
21 (Exhibit 9 marked.)
22 (Exhibit 10 marked.)
23 Q. (BY MR. THOMPSON) If you could please open up
24 Exhibit 9, and it should be a spreadsheet that may take
25 a second to load once you click on it.

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1 MS. KOZLOWSKI: Oh, it's up. Sorry.
2 MR. THOMPSON: Great.
3 Q. (BY MR. THOMPSON) And for the record, this is
4 an Excel spreadsheet that was produced to us as
5 NRA-BK-3360. Ms. Rowling, do you recognize this
6 document?
7 A. Yes.
8 Q. Can you tell me what it is?
9 A. It was a request for testing from Aronson
10 relating to expenses by Millie Hallow.
11 Q. When was this requested?
12 A. As part of audit procedures for 2020's audit.
13 Q. Was that the audit in 2020 of 2019, or is it
14 the audit this year of last year?
15 A. It was part of prelim work, so it was
16 requested in 2020 for the audit of 2020.
17 Q. Okay. Do you remember when approximately in
18 2020 it was requested?
19 A. Either November or December, sometime around
20 that timeframe.
21 Q. Is the -- is Aronson the NRA's external
22 auditor currently?
23 A. Yes.
24 Q. Have they completed their audit for 2020?
25 A. No.

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1 Q. Has Aronson sent a management letter to the
2 NRA for the 2020 audit?
3 A. No.
4 Q. As you sit here today, do you have any
5 expectation that a management letter is forthcoming from
6 Aronson for the 2020 audit?
7 A. I would expect. It's standard practice for
8 auditors to issue a management letter.
9 Q. Have you had any communications with Aronson
10 about any deficiencies that they have identified in
11 connection with the 2020 audit?
12 MS. KOZLOWSKI: Objection, form.
13 A. They have not issued any -- we have not had
14 discussions about what would be in a management letter
15 at this point.
16 Q. (BY MR. THOMPSON) Okay. So turning back to
17 Exhibit 9, who was involved in -- I tell you what. Let
18 me step back.
19 Is this the document that was -- is this a
20 document that was given to the NRA by Aronson?
21 A. Yes.
22 Q. And so Aronson requested additional
23 information with respect to these particular ACH
24 transactions. Is that correct?
25 A. That's correct.

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1 Q. Who at the NRA was responsible for providing
2 Aronson with this requested information?
3 A. So that would have fallen within the accounts
4 payable department, so that would have been Portia
5 Padilla.
6 Q. And do you know, in fact, whether additional
7 information was provided for these expenses to Aronson?
8 A. I believe they were.
9 Q. Do you know whether or not a copy of those
10 documents is still maintained by the NRA?
11 A. I don't know. I'd have to look. We have
12 copies of -- if those are expense reports, we would have
13 the expense physical reports.
14 Q. And I'm sorry, so you -- I believe you said
15 that this was requested -- that this was requested prior
16 to Aronson commencing the 2020 audit. Is that correct?
17 And I'm not intending to mischaracterizing your
18 testimony; I'm trying to remember what you said.
19 A. Normal audit procedure is you can come in
20 early and do preliminary audit field work, which we do
21 and we have them do because of our normal tight
22 timeframe at the end of the year to audit the entire
23 year. So they came in, as all of our prior year
24 auditors have done, in the fall/winter timeframe of the
25 current year they're auditing to start their audit

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1 processes.
2 Q. Okay. And were there other -- so the top of
3 this document refers to it as a specialized procedures
4 testing or refers to it as specialized procedures
5 testing. Did you personally or are you personally aware
6 of any communications between the NRA and Aronson about
7 why they were requesting this particular testing?
8 MS. KOZLOWSKI: Objection as to form and
9 foundation.
10 A. It was -- they added special testing in
11 response to the New York AG's report.
12 Q. (BY MR. THOMPSON) And then if you click the
13 next file button to go to the next exhibit, it should be
14 Exhibit 10, another spreadsheet. And for the record,
15 this is an Excel spreadsheet that was produced to us as
16 NRA-BK-3361. Ms. Rowling, do you recognize this
17 document?
18 A. Yeah.
19 Q. And at the top of this document, it reads
20 specialized procedures-travel -- and I assume that is
21 business entertainment selection. Is that correct?
22 MS. KOZLOWSKI: Objection to the extent
23 it calls for speculation.
24 A. That was the assumption as to what that
25 represents.

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1 Q. (BY MR. THOMPSON) Okay. You didn't assume
2 that they were asking for your "bus ent" selection. Is
3 that correct?
4 A. That is correct.
5 Q. Okay. And are these travel and entertainment
6 expenses associated with any particular person at the
7 NRA, to the best of your knowledge?
8 A. Oh, sorry. Hold on. Sorry, I hit the wrong
9 button.
10 Q. No, of course.
11 A. Yeah, they are not associated with any
12 particular individual.
13 Q. Do you know which individuals they are
14 associated with?
15 A. No, I don't.
16 MR. THOMPSON: Sharon, would you please
17 go ahead and put in tabs 13 and 16?
18 Q. (BY MR. THOMPSON) And while that is
19 happening, Ms. Rowling, it's my understanding that
20 Mr. Spray sought to introduce a policy that the expense
21 reports of senior personnel in the NRA should not be
22 reviewed and approved by more junior personnel. Does
23 that sound familiar to you, I guess to start with?
24 MS. KOZLOWSKI: Objection as to form and
25 foundation.

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1 A. Yes, that's familiar.
2 Q. (BY MR. THOMPSON) Okay. Did you ever have
3 any conversations with Mr. Spray about implementing such
4 a policy?
5 A. Well, let's clarify a policy versus procedure.
6 Q. Yes, fair enough. So let's say --
7 A. A procedure --
8 Q. Let's start with a policy, I guess, whether or
9 not implementing such policy.
10 A. No, not a policy.
11 Q. What about procedure?
12 A. Yes, I'm familiar with his stance on that.
13 Q. Okay. What was his -- to the best of your
14 knowledge, what was his stance on whether senior
15 personnel's expenses should be reviewed by personnel
16 that are junior to that person?
17 MS. KOZLOWSKI: Objection as to form and
18 foundation.
19 A. Our discussions were that he -- he felt that
20 the expense reports by a senior person should not be
21 approved by a junior person.
22 Q. (BY MR. THOMPSON) To the best of your
23 knowledge, did Mr. Spray take any steps to implement
24 procedures such that junior personnel would not be
25 responsible for reviewing and approving the expenses of
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1 more senior personnel?
2 MS. KOZLOWSKI: Objection as to form.
3 A. In my capacity as the acting CFO, I have seen
4 evidence that expense reports of Joe DeBergalis, for
5 example, or another executive director have gone up
6 through the chain versus anyone beneath them. So that
7 is -- if that's evidence, I guess it could be considered
8 evidence.
9 Q. (BY MR. THOMPSON) Okay. When you say "up
10 through the chain," can you tell me what that means?
11 A. So I have been approving those invoices as the
12 CFO.
13 Q. Okay.
14 A. Or those expense reports.
15 Q. Do you know who is responsible currently
16 for -- well, let me step back.
17 Is Ms. Meadows submitting any expense
18 reimbursement requests to the NRA currently, regardless
19 of whether or not they're being paid?
20 MS. KOZLOWSKI: Objection, form. It
21 essentially calls for speculation.
22 A. Yeah, I don't -- I don't know. I don't know.
23 I haven't seen any --
24 Q. (BY MR. THOMPSON) Okay.
25 A. -- so I don't know if she has or has not.
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1 Q. Have you seen any expense reimbursement
2 requests in your role as acting CFO from any of the
3 board officers, the president or either vice president?
4 A. No, I have not.
5 Q. Do you have personal knowledge of what, if
6 any, procedures were in place prior to the filing of the
7 bankruptcy for reviewing and approving any expenses
8 submitted by the board officers, the president and
9 either vice president?
10 MS. KOZLOWSKI: Objection as to form and
11 foundation.
12 A. Yeah, I don't know those processes, and I
13 haven't seen them in my current capacity, so.
14 Q. (BY MR. THOMPSON) Let me check to see
15 whether if we have the new exhibits up.
16 MR. ACOSTA: Yeah, I apologize,
17 Mr. Thompson, I probably --
18 MR. THOMPSON: No, it's fine. I was
19 about to --
20 MR. ACOSTA: I uploaded all my exhibits
21 because I'm not very technologically advanced, so I
22 figured that was the only way I could get them up.
23 MR. THOMPSON: I did almost ask, but then
24 stopped myself.
25 Q. (BY MR. THOMPSON) So yes, there are now a
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1 number of new documents, but if you scroll all the way
2 to the bottom, you will see the Exhibit 11, the --
3 (Exhibit 11 marked.)
4 Q. (BY MR. THOMPSON) And let me know when you
5 have that document up.
6 A. Okay.
7 Q. Do you recognize this document?
8 A. Yeah. That's the American Express document.
9 So if it was unclear as to expense reimbursement versus
10 American Express, since these are NRA cards, it's a
11 different process. So I apologize for the confusion.
12 Q. Okay. So there is a -- there is a different
13 process in place for submission of expense reimbursement
14 requests versus approval of Amex expenditures. Is that
15 correct?
16 A. Correct, just because of how the expense has
17 already been incurred.
18 Q. Right.
19 A. So it's going to be a different process.
20 Q. Of course.
21 So do you know whether or not this document
22 was provided to Aronson in connection with the special
23 procedures that we were discussing a few minutes ago?
24 A. I don't know for sure if it was or wasn't.
25 I'd have to --
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1 Q. Okay.

2 A. -- check what our AP person presented to them.

3 Q. Do you have -- so it's actually -- it's

4 difficult to read the date under Ms. Meadows' signature,

5 or what I presume to be Ms. Meadows' signature. If I

6 had to guess, I would say February of 2020. Does that

7 look correct to you?

8 A. It's 2020, for sure.

9 Q. Okay. So to the best of your knowledge, in

10 2020 was the process for reviewing Amex expenditures

11 still -- no, let me rephrase.

12 In 2020, was the process for reviewing Amex

13 expenditures that were on Mr. Tedrick's line of Amex

14 cards Mr. Tedrick's responsibility?

15 A. I am not 100 percent sure of whose exact

16 responsibility that was.

17 Q. Okay. Either in your current capacity as

18 acting CFO or in your prior life as a director in

19 financial services, have you had any involvement in

20 reviewing Amex expenditures on either line of Amex

21 credit cards for the year 2020?

22 A. Yes.

23 Q. Can you tell me what -- what that role has

24 been or was?

25 A. I believe I testified to that earlier today,

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1 that Craig Spray was not in the office during a lot of

2 2020 and Rick provided me with, kind of, a backlog of

3 expenses for these Amex to review and because of Craig's

4 absence.

5 Q. Do you recall whether you determined that any

6 of the Amex expenses were -- well, let me start over.

7 In connection with that review that you did

8 earlier this year, was one of your responsibilities to

9 make a determination as to whether or not a charge was

10 incurred for an appropriate NRA related purpose?

11 A. That it was as part of the review process, is

12 to look at business purpose.

13 Q. Okay. And in connection with the review that

14 you did, did you determine that -- do you recall whether

15 you determined whether any expenses were not incurred

16 for an appropriate NRA business purpose?

17 A. I don't recall if I -- if I did or didn't.

18 Q. When you were doing the review, did you feel

19 as if you had sufficient backup to make a determination

20 as to whether or not an expense was incurred for an

21 appropriate business purpose?

22 A. There were -- there were occasions where I

23 asked for a receipt that might have been missing. I

24 don't recall on whose exact expense report or Amex

25 statement that was. And then I held on to those.

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1 Q. And did you, in fact, receive the support or

2 the underlying support that you requested?

3 A. I believe -- I don't know if I -- if I have

4 received them all or not as of yet. What was in my

5 office was pulled for this purpose, and so I have not

6 gotten those back yet as part of the request from the

7 New York's AG's office for these trials coming up. So I

8 haven't received them back to see if there's -- support

9 was added that I was missing.

10 Q. Okay. Understood.

11 So is it fair to say that, well, the review of

12 the Amex expenses that you undertook earlier this year

13 has not been completed yet?

14 A. That's correct.

15 Q. Okay.

16 MR. ACOSTA: Mr. Thompson, could we get a

17 time check, if that's okay?

18 MR. THOMPSON: Yes, of course.

19 THE VIDEOGRAPHER: 5:14.

20 MR. ACOSTA: Do you have a stopping point

21 here soon or --

22 MR. THOMPSON: Yes. May I have 15 more

23 minutes, Mr. Acosta?

24 MR. ACOSTA: This one time, sure.

25 MR. THOMPSON: Okay. Thank you.

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1 MR. ACOSTA: Yes, sir.

2 MR. DRAKE: Sorry, Stephen, I just --

3 Scott Drake on behalf of the committee. I just want to

4 remind everybody that the creditors committee will have

5 questions, too. And I don't know if the US Trustee is

6 on, but I just wanted to make sure everybody remembered

7 that.

8 MR. THOMPSON: No, of course. Thank you.

9 Q. (BY MR. THOMPSON) So Ms. Rowling, you're

10 turning to the next file which should be Exhibit 12.

11 Let me know when you have that.

12 (Exhibit 12 marked.)

13 A. It's up.

14 Q. (BY MR. THOMPSON) Do you recognize this

15 document?

16 A. Yes.

17 Q. And can you tell me what it is?

18 A. The management letter from Aronson.

19 Q. And this is in connection with their audit of

20 2019. Is that correct?

21 A. That is correct.

22 Q. Okay. And this was given or sent to the NRA

23 in or around March 11, 2020. Is that right?

24 A. Yes.

25 Q. And just to be clear, the NRA has not received

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1 any similar management letter from Aronson in connection
 2 with its current audit. Is that correct?
 3 A. That's correct.
 4 Q. Okay. If I could take you down to PDF page 6,
 5 the heading "Expense Reporting."
 6 A. Yes.
 7 Q. So under observation, it reads Aronson noted
 8 instances of noncompliance with the credit card and
 9 expense reporting policies during our audit.
 10 Down under recommendation, it reads at the
 11 very end of -- the last sentence of the first paragraph,
 12 we also suggest the organization implement a formal
 13 sampling process over credit card expenditures.
 14 And then in the management response the last
 15 sentence reads, management concurs with the
 16 recommendation of a more formal sampling process over
 17 credit card expenses.
 18 Can you tell me whether or not there has been
 19 such a formal sampling process over credit card
 20 expenses?
 21 A. Yes, there have.
 22 Q. Okay. Who conducted that sampling?
 23 A. I did.
 24 Q. And when did you conduct it?
 25 A. Every month.

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1 Q. Every month since when?
 2 A. From January of 2020 through December of 2020.
 3 Or through probably November.
 4 Q. Did you begin that sampling process in January
 5 of 2020?
 6 A. No, I began that process as an audit
 7 recommendation and as limited that recommendation --
 8 Q. Okay.
 9 A. -- retroactively.
 10 Q. I understood.
 11 So you have conducted a sampling of the
 12 entirety of 2020, and you began that sampling process in
 13 or around March of 2020. Is that correct?
 14 A. December might not have been audited itself,
 15 but majority of 2020 was audited.
 16 Q. Okay. And what -- do you have any work
 17 product that's come out of that audit, an Excel, a
 18 summary or a memo?
 19 A. Because of COVID and the way that the audits
 20 were completed, there was no -- they were -- there were
 21 printouts and -- of -- and these audits were done of the
 22 Wells Fargo card. I did not have visibility into any
 23 Amex at that time. So the Wells Fargo cards that are
 24 issued to various individuals were -- the statements
 25 were printed. A selection was performed every month.

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1 The statements were printed as -- as well as the
 2 receipts.
 3 Q. Do you know whether or not this item on the
 4 management letter, this expense reporting item, did
 5 this -- was Aronson referring to the well Fargo cards or
 6 were they also referring to the Amex cards in connection
 7 with their noted instances of noncompliance with credit
 8 card and expense reporting policies?
 9 MS. KOZLOWSKI: Objection to the extent
 10 it calls for speculation.
 11 A. I would have to speculate on exactly what they
 12 were trying to adjust with respect to their credit
 13 cards. They knew of both, so --
 14 Q. (BY MR. THOMPSON) They knew of both?
 15 A. Yes.
 16 Q. Okay. And they're not -- in this management
 17 letter, they do not specify the Wells Fargo cards or the
 18 Amex cards. Is that correct?
 19 MS. KOZLOWSKI: Objection, the document
 20 speaks for itself.
 21 MR. THOMPSON: I agree with that.
 22 Q. (BY MR. THOMPSON) And were you asked by
 23 anyone to perform that sampling of the Wells Fargo
 24 cards?
 25 A. I don't recall if anyone specifically asked me

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1 to do that, other than it being in the management letter
 2 and we agreed to do it.
 3 Q. Do you know whether or not there was a
 4 sampling of the Amex cards?
 5 A. I do not know.
 6 Q. What was the result of your audit of the Wells
 7 Fargo cards? I'm sorry, the results of your sampling of
 8 the Wells Fargo cards?
 9 A. The sampling, you know, there were times when
 10 adequate invoices were not submitted. There was an
 11 incidence of an accidental personal charge that was then
 12 reimbursed, but that was a follow-up to make sure that
 13 that actual reimbursement did take place and it had.
 14 Incidents of the approval -- the electronic approval
 15 process having not been followed, so a manual process
 16 had to be followed.
 17 With COVID and a shutdown of things fairly
 18 quickly, there were -- there were instances where that
 19 formal approval process through the system did not take
 20 place, so a supplemental approval process took place
 21 outside of the system.
 22 Q. I see. Did you communicate the results of
 23 your sampling to Aronson?
 24 A. I have not yet. It hasn't been part of their
 25 audit process as of yet.

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1 Q. Is it a normal part of the audit process for
 2 an auditor to revisit issues in a previous management
 3 letter for discussion with the client, in your
 4 experience?
 5 A. Yes.
 6 Q. When does that usually occur in the audit life
 7 cycle?
 8 A. Some point during their audit testing.
 9 Q. Has -- has Aronson completed their testing for
 10 the 2020 audit yet?
 11 A. No.
 12 Q. Do you have an expected end -- or is there an
 13 expectation as to when that process will be completed?
 14 A. The last communication I had with respect to a
 15 final audited financial statement would be the end of
 16 May.
 17 Q. Okay.
 18 MR. THOMPSON: All right. So with that,
 19 Mr. Acosta, I thank you for your patience. I will pass
 20 the witness.
 21 MS. KOZLOWSKI: Can we take a few minute
 22 break since we're transitioning counsel here?
 23 MR. ACOSTA: Sure.
 24 MS. KOZLOWSKI: Thank you.
 25 THE VIDEOGRAPHER: We're going off the
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1 record. The time on the video is 4:22 p.m.
 2 (Break from 4:22 p.m. to 4:36 p.m.)
 3 THE VIDEOGRAPHER: We are back on the
 4 record. The time on the video is 4:36 p.m.
 5 MS. KOZLOWSKI: Mr. Acosta, before you
 6 begin, are you asking questions in individual capacity
 7 or as the designated 30(b)(6) or --
 8 MR. ACOSTA: Yes, thank you for asking
 9 that question.
 10 Ms. Rowling, if you could just answer in your
 11 individual capacity unless I specifically ask you to
 12 answer in your corporate capacity. Most of my questions
 13 are probably going to be directed to your individual
 14 capacity. Do we have that understanding?
 15 MS. KOZLOWSKI: So we won't agree to
 16 that. You need to ask questions either as the 30(b)(6)
 17 and then you can move into the individual, but bouncing
 18 between the two is not acceptable.
 19 MR. ACOSTA: Okay. I am starting with
 20 individual capacity then, but if there's a point in time
 21 in my deposition where I cross over to corporate, I will
 22 take up your objection.
 23 So can we proceed now? Okay. So --
 24 MS. KOZLOWSKI: You can proceed, but we
 25 won't be answering questions as to 30(b)(6) during the
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1 individual deposition, just to be clear.
 2 MR. ACOSTA: Okay.
 3 EXAMINATION
 4 BY MR. ACOSTA:
 5 Q. Ms. Rowling, it's a pleasure to meet you. I
 6 thank you for sitting in this deposition.
 7 You had mentioned before during Mr. Thompson's
 8 examination that you worked, I believe, in the financial
 9 services division. Is that correct?
 10 A. What time period are you referring to?
 11 Q. Currently.
 12 A. I'm currently acting CFO, which puts me in the
 13 treasurer's office.
 14 Q. Okay. Is that different than the financial
 15 services division?
 16 A. Yes.
 17 Q. Okay. And what does the financial services
 18 division do?
 19 A. Process the accounting.
 20 Q. Okay. And what --
 21 A. Accounts payable people.
 22 Q. And what does the treasurer's office do?
 23 A. The treasurer's office, among the review of
 24 financial statements, also has purchasing and
 25 information services underneath the treasurer's
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1 position.
 2 Q. Okay.
 3 A. As well as the other entities --
 4 Q. Okay.
 5 A. -- of the NRA.
 6 Q. So financial services division does not fall
 7 under the treasurer's office?
 8 A. I started with the financial services area,
 9 so, yes, it falls under the treasurer's office.
 10 Q. Would the treasurer's office supervise the
 11 financial services division?
 12 MS. KOZLOWSKI: Objection as to form.
 13 A. That is the reporting structure, is that the
 14 reporting goes up through the treasurer's office.
 15 Q. (BY MR. ACOSTA) Okay. Does the ILA have a
 16 separate financial services division?
 17 MS. KOZLOWSKI: Objection as to time and
 18 form.
 19 Q. (BY MR. ACOSTA) You can assume everything is
 20 current unless I say differently, if that's okay.
 21 A. Yes, ILA has its own accounting department.
 22 Q. Okay. And does that fall underneath the
 23 treasurer's office?
 24 A. Currently, yes.
 25 Q. Okay. Can we pull up Exhibit No. 12 from the
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1 New York Attorney General's exhibit?
 2 A. It's up.
 3 Q. Do you have it in front of you, Ms. Rowling?
 4 A. Yes.
 5 Q. And if you wouldn't mind turning to number 3,
 6 which is -- appears on page 6 of the PDF.
 7 A. Okay.
 8 Q. Actually, it appears on page 8. There are a
 9 couple of sections overlaps, but it says Aronson noted
 10 the organization's stand-alone financial statements
 11 prepared using information from two separate accounting
 12 departments, financial services division and the
 13 Institute For Legislative Action. Has that been
 14 rectified?
 15 MS. KOZLOWSKI: Objection to form.
 16 A. Not a -- it's not something that needed to be
 17 rectified. They're recognizing that that happened.
 18 Q. (BY MR. ACOSTA) And the last sentence says
 19 financial information from ILA is not currently reviewed
 20 by FST for parallel application of accounting policies.
 21 Is that correct? Is that still the case?
 22 A. That is still the case because you're talking
 23 about two parallel organizations in which that should
 24 not -- that review of that work should not occur at that
 25 level.

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1 Q. Okay. And correct me if I was wrong, I think
 2 before you said Mr. LaPierre hasn't submitted any
 3 expenses to the NRA in 2020?
 4 A. As far as I'm aware, the expense reports that
 5 he has he has not submitted them to NRA.
 6 Q. But he has submitted them to ILA, to the best
 7 of your knowledge?
 8 MS. KOZLOWSKI: Objection.
 9 A. No. No, he hasn't.
 10 Q. (BY MR. ACOSTA) So he hasn't submitted any
 11 reimbursable expenses to any NRA affiliated
 12 organization?
 13 A. As far as I know, no.
 14 Q. In 2020?
 15 A. That is correct.
 16 Q. Okay. Now who is -- I guess this should be
 17 obvious. The treasury department, who is the overall
 18 head of the treasury department?
 19 A. The treasurer.
 20 Q. Okay. And who is that person right now?
 21 A. The current treasurer as appointed by the
 22 board is Craig Spray, who is on, as we said earlier,
 23 administrative leave, so the CFO currently, which would
 24 be me.
 25 Q. So you're currently in charge of the treasury

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1 department?
 2 MS. KOZLOWSKI: Objection, form,
 3 misstates testimony.
 4 A. Yeah, I mean, technically Craig Spray as
 5 treasurer is. In his absence, I am filling that role.
 6 Q. (BY MR. ACOSTA) But practically speaking,
 7 Craig Spray hasn't -- hasn't worked at the NRA for a
 8 while. Is that correct?
 9 MS. KOZLOWSKI: Objection, form,
 10 foundation.
 11 A. What is your definition of "for a while"?
 12 Q. (BY MR. ACOSTA) When was the last time you
 13 saw -- when was the last time Craig Spray worked on any
 14 NRA business, to your knowledge?
 15 A. I am not -- I don't know when his -- I don't
 16 know if anyone else is calling him. I know I have not
 17 spoken with him since even before his departure.
 18 Q. Okay. And when was his departure again,
 19 Ms. Rowling?
 20 A. The end of January.
 21 Q. January 2021 or January 2020?
 22 A. 2021.
 23 Q. Okay. And was he acting as the treasurer
 24 functionally speaking as of three months ago or maybe
 25 even as of December 2020?

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1 MS. KOZLOWSKI: Objection as to form,
 2 foundation, vague.
 3 A. Yeah, that's -- that's a vague question. I
 4 had been --
 5 Q. (BY MR. ACOSTA) Who --
 6 A. -- in communication with Craig Spray up until
 7 the point, you know, before his departure.
 8 Q. Were you reporting to him as of six months
 9 ago?
 10 A. My reporting structure at that time reported
 11 through Rick Tedrick. We testified to that earlier.
 12 Q. Okay. When were you notified that Craig Spray
 13 was not -- was either on leave or was not going to be
 14 able to serve as the treasurer?
 15 MS. KOZLOWSKI: Objection, misstates
 16 testimony, form, foundation.
 17 A. I had a discussion with Wayne LaPierre
 18 regarding Craig's departure at the end of January.
 19 Q. (BY MR. ACOSTA) Okay. And is it your
 20 testimony that Mr. Spray, to your knowledge, was
 21 actively serving as the treasurer of the treasury
 22 department as late as December of 2020?
 23 MS. KOZLOWSKI: Objection, form,
 24 foundation.
 25 A. I mean, I have no other knowledge to suggest

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1 otherwise, but, you know, I don't -- I didn't always
 2 speak directly to Craig. My line of communication was
 3 through Rick.
 4 Q. (BY MR. ACOSTA) Okay. Now do you have an
 5 employment contract, Ms. Rowling?
 6 A. I do not.
 7 Q. Is it standard policy for the NRA to issue
 8 employment contracts to its employees?
 9 A. That would be a question for our human
 10 resources department.
 11 Q. Okay. So they don't share employment
 12 contracts with either the financial services division or
 13 the treasury department?
 14 MS. KOZLOWSKI: Objection, misstates
 15 testimony, form, foundation, argumentative.
 16 Q. (BY MR. ACOSTA) Do they share employment
 17 contracts with the treasury department?
 18 A. I do not know if they share. I have not
 19 received any in my capacity in the treasurer's
 20 department, nor did I receive any in my capacity in
 21 financial services. We do not handle payroll which
 22 would mean we should not see those contracts.
 23 Q. Okay. And I think -- I could be wrong, but I
 24 think you mentioned that as part of the treasury
 25 department, you manage cash flow. Is that correct?
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1 A. That is correct.
 2 Q. You handle budgeting processes. Is that
 3 correct?
 4 A. That's correct.
 5 Q. And you handle account -- accounts reporting.
 6 Is that correct? Accounting reports?
 7 A. What?
 8 Q. Accounting reports. You handle accounting
 9 reports?
 10 A. Financial reporting, yes.
 11 Q. Okay. Is there any other function of the
 12 treasury department that you're aware of besides those?
 13 A. I believe we had testimony earlier with
 14 respect to all of the areas that fall under treasury.
 15 Q. Okay. Besides the three that I just
 16 mentioned, is there any other that you can recall real
 17 quickly?
 18 A. Purchasing, information services and other --
 19 and accounting for the other various entities and ILA.
 20 Q. Okay. Now back to Exhibit No. 12 of the New
 21 York AG, the NRA gets audited yearly. Is that a fair
 22 assessment?
 23 MS. KOZLOWSKI: Objection, form,
 24 foundation.
 25 Q. (BY MR. ACOSTA) Does the NRA --
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1 (Audio interruption.)
 2 (Reporter clarification.)
 3 A. The NRA's financial statements are audited
 4 annually.
 5 Q. (BY MR. ACOSTA) Okay. And is that -- do you
 6 know what the reason for the audit is?
 7 A. It's required in the bylaws.
 8 Q. Okay. And to your -- I think at the 341
 9 meeting, you testified that you have been with the NRA
 10 for 20 years?
 11 A. 21.
 12 Q. 21 years. Have they been audited since you've
 13 been there?
 14 A. Yes.
 15 MS. KOZLOWSKI: Object --
 16 Q. (BY MR. ACOSTA) And are those audits made
 17 public?
 18 MS. KOZLOWSKI: Objection, form,
 19 foundation.
 20 A. The audited financial statements of the NRA
 21 and affiliates combined is made public.
 22 Q. (BY MR. ACOSTA) Is that on your web page or
 23 the NRA's web page?
 24 A. It is not. You have to request them, and they
 25 are always available at the NRA annual meeting of
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1 members.
 2 Q. Okay. Would you say -- and correct me if I'm
 3 wrong. Would you say that the treasury department, as
 4 part of managing cash flow, that it's responsible for
 5 monitoring expenses of the NRA?
 6 MS. KOZLOWSKI: Objection, form,
 7 foundation.
 8 A. It --
 9 Q. (BY MR. ACOSTA) You can answer, Ms. Rowling.
 10 A. It monitors cash come coming in and going
 11 out --
 12 Q. Okay.
 13 A. -- related to its budget.
 14 Q. Does it control cash going out?
 15 MS. KOZLOWSKI: Objection as to form and
 16 vague as to the word "control."
 17 Q. (BY MR. ACOSTA) Does it have purse strings?
 18 A. I'm sorry, what?
 19 Q. Does it have purse strings?
 20 MS. KOZLOWSKI: Objection as to form,
 21 vague.
 22 You can answer if you know what that means.
 23 If you don't know what that means --
 24 THE WITNESS: I mean, I know what he's
 25 trying to allude to.
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1 MS. KOZLOWSKI: Yeah, but --
2 A. The -- the payments made out from the NRA are
3 made according to contract terms and purchase order
4 terms and are, I guess, scheduled within the accounts
5 payable department with the help of the individual who
6 monitors cash on a daily basis.
7 Q. (BY MR. ACOSTA) And that individual is who?
8 A. Mike Erstling.
9 Q. Okay. And is he in the treasury department,
10 or is he in the financial division services department?
11 A. He is specifically in the financial services
12 division.
13 Q. Okay. And I think just a couple of seconds
14 ago you said you switched from financial services
15 division to the treasury department. Is that right?
16 MS. KOZLOWSKI: Objection, misstates
17 testimony.
18 A. The CFO's position is budgeted through the
19 treasurer's department. The overall organizational
20 structure has the financial services division reporting
21 to the treasurer.
22 Q. (BY MR. ACOSTA) Okay. And Mike Erstling you
23 said is in the financial services division. Is that
24 correct?
25 A. That is correct.

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1 Q. Okay. When you were in the financial services
2 division, did you have any concerns about how the NRA
3 operated?
4 MS. KOZLOWSKI: Objection, form,
5 foundation, vague.
6 THE WITNESS: Timeframe.
7 MS. KOZLOWSKI: Timeframe.
8 THE WITNESS: Sorry.
9 Q. (BY MR. ACOSTA) Let's say back in 2020, or
10 let's say back in 2018. Did you have any concerns about
11 how the financial services division operated?
12 A. The financial services division? No, I was
13 comfortable with our processes. I was uncomfortable
14 with processes that were being circumvented by other
15 people outside of the division.
16 Q. Okay. Well, then let me -- I think it was New
17 York AG Exhibit No. 4. Can you pull that one back up,
18 please? Actually, instead of that one, can you pull up
19 AMc Exhibit No. 6?
20 A. It's up.
21 Q. No. And, in fact, I'm not even -- I'm at
22 the wrong exhibit, I'm sorry. I told you I was
23 technologically deficient. It's Exhibit No. 84, AMc
24 Exhibit No. 84.
25 (AMc Exhibit 84 marked.)

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1 Q. (BY MR. ACOSTA) Can you tell me when you have
2 it up, please?
3 A. It is up.
4 Q. Do you recognize this document?
5 A. Yes.
6 Q. And correct me if I'm wrong, it's an email
7 from you to Rick Tedrick?
8 A. Yes.
9 Q. And it copies Ms. Padilla, Mr. George (sic),
10 Ms. Cummins and Mr. Erstling. Right?
11 A. Ms. George, but yes.
12 Q. Okay. And it attaches the -- what the New
13 York AG considered the list of top concerns for the
14 audit committee?
15 MS. KOZLOWSKI: Objection as to form.
16 A. I mean, there is a PDF attached.
17 Q. (BY MR. ACOSTA) Okay. And the title of the
18 PDF is what?
19 A. SKM_C45818071313190.pdf.
20 Q. Okay. Well, let's turn to the second page.
21 What's the first line of the second page say?
22 A. List of top concerns for the audit committee.
23 Q. Okay. And I think you talked with the New
24 York AG about you having specific concerns on this page?
25 A. That's correct.

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1 Q. And I think you mentioned under 1d that the
2 concern with respect to Ackerman was that Ackerman
3 employed Oliver North. Is that correct?
4 MS. KOZLOWSKI: Objection, misstates
5 testimony.
6 A. No, I did not have -- no, I did not say that.
7 Q. (BY MR. ACOSTA) Okay. Under number 4, vague
8 and deceptive billing by preferred vendors and
9 contractors, there are four contractors listed there.
10 Is that right?
11 A. Yes.
12 Q. And I don't see Ackerman's name under number
13 4. Is there a reason for that?
14 A. Ackerman was listed at a different location.
15 Q. Okay. And that was 1d where you had talked
16 about. Right?
17 A. Yes, they were listed in 1d.
18 Q. Okay. Now you're not the only one that's ever
19 expressed concerns about how the NRA performs its
20 accounting function. Am I accurate on that?
21 MS. KOZLOWSKI: Objection, misstates.
22 Objection to form, foundation, misstates testimony.
23 Q. (BY MR. ACOSTA) Have there been other people
24 that have expressed concerns about the NRA's accounting
25 practices?

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1 MS. KOZLOWSKI: Objection. Same
 2 objection.
 3 A. I mean, are you referring to anyone other than
 4 what has already been acknowledged on this -- who
 5 brought up these -- these concerns?
 6 Q. (BY MR. ACOSTA) Well, I'm not sure exactly
 7 who brought up these concerns, but I know that you sent
 8 the email and that there are several people copied. But
 9 I am going to have you look at Exhibit No. -- AMc
 10 Exhibit No. 59.
 11 (AMc Exhibit 59 marked.)
 12 Q. (BY MR. ACOSTA) Can you please pull that one
 13 up?
 14 MR. ACOSTA: And Ms. Brandt, in case I
 15 wasn't clear, please mark AMc Exhibit No. 84, and please
 16 mark AMc Exhibit No. 59.
 17 Q. (BY MR. ACOSTA) Are you there, Ms. Rowling?
 18 A. Yeah.
 19 Q. Do you recognize this document?
 20 A. I was shown a copy of this document by
 21 counsel. I had not seen it prior.
 22 Q. Okay. So at the bottom of the document, it
 23 says July 15, 2019. Is that right?
 24 A. Yes.
 25 Q. And you're saying you didn't see it on or
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1 about July 15, 2019?
 2 A. No.
 3 Q. Okay. So the first time you saw it was when
 4 counsel showed it to you. When was that, if you don't
 5 mind?
 6 A. Yesterday.
 7 Q. Yesterday. Okay.
 8 Well, notwithstanding the new discovery, did
 9 Ms. Cummins ever express these concerns that are on this
 10 document to you?
 11 A. Ms. Cummins wasn't even an employee at this
 12 time, and these concerns relate to the top ten list of
 13 concerns that were originally brought up.
 14 Q. Okay. So you're saying that Ms. Cummins did
 15 express these concerns to you before or didn't?
 16 MS. KOZLOWSKI: Objection. Objection,
 17 misstates testimony.
 18 A. There -- no, she has not expressly discussed
 19 some of these concerns with me. Her -- yeah, no.
 20 Q. (BY MR. ACOSTA) Okay. Let's -- let's go
 21 through the specific concerns, because you may not be
 22 that familiar with the document. Let's start at the
 23 bottom. The second to last paragraph says I witnessed
 24 Bill Brewer himself created 2018 cash flow crunch by
 25 interfering with accounts payable to prioritize paying
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1 himself immediately. Are you saying that Ms. Cummins
 2 has never expressed that concern to you before?
 3 A. I don't know how she witnessed it. She wasn't
 4 part of the accounts payable process.
 5 Q. And I appreciate that, but if you could answer
 6 my question. My question was has she ever expressed
 7 that concern to you before?
 8 A. I don't recall whether she had expressed that
 9 concern before.
 10 Q. And I guess it's not a concern that you share?
 11 A. We paid the Brewer firm in terms of their
 12 contract, so you know --
 13 Q. Ma'am --
 14 A. I don't --
 15 Q. My question is it's not a concern that you
 16 share? That's my question. Not what you paid Brewer,
 17 it's whether you share that concern or not.
 18 A. That he caused a cash flow crunch?
 19 Q. Yeah, in 2018.
 20 A. I don't believe that that was the cause of the
 21 cash flow crunch, no.
 22 Q. Okay. So it's not your concern? I mean, it's
 23 not something that -- a concern that you share with
 24 Ms. Cummins?
 25 MS. KOZLOWSKI: Objection, misstates
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1 testimony, it's argumentative. She answered the
 2 question. You're simply arguing with the witness at
 3 this point.
 4 Q. (BY MR. ACOSTA) How about 2019? Is it a
 5 concern for you that Mr. Brewer has caused a cash crunch
 6 in 2019?
 7 MS. KOZLOWSKI: Objection as to form, as
 8 to foundation. There's certainly not even an allegation
 9 that the Brewer firm caused a cash crunch in 2019.
 10 MR. ACOSTA: I am not going to argue with
 11 you, Counsel. The allegation is on this Exhibit 59 and
 12 as anyone can read, so I'm asking whether she shares
 13 this concern for 2019.
 14 MS. KOZLOWSKI: Again, objection as to
 15 form, misstates the document.
 16 You can answer as to whether you have the
 17 concern as to the hypothetical that is raised by
 18 counsel.
 19 A. I would have to go back and look to see what
 20 type of cash flow crunch we were having in 2019 to be
 21 able to objectively answer that question.
 22 Q. (BY MR. ACOSTA) Okay. So do you have a
 23 concern for 2020 that Mr. Brewer's billing has caused a
 24 cash flow crunch for the NRA?
 25 MS. KOZLOWSKI: Again, objection as to
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1 form. Objection as to foundation. Objection as to an
2 improper hypothetical.
3 Q. (BY MR. ACOSTA) You can answer the question,
4 Ms. Rowling.
5 A. There was no -- not a cash flow crunch in
6 2020.
7 Q. Well, let me ask you. How much has
8 Mr. Brewer's firm been paid since they were retained by
9 the NRA?
10 MS. KOZLOWSKI: Objection to the extent
11 it calls for speculation as you're testifying in your
12 individual capacity.
13 A. I don't have the exact number.
14 Q. (BY MR. ACOSTA) Is it more than 50 million?
15 Less than 50 million?
16 MS. KOZLOWSKI: Same objection.
17 A. I do not know off the top of my head.
18 Q. (BY MR. ACOSTA) Okay. Can you give me a
19 range? I'm not asking you for an exact number.
20 A. No, I cannot give you a range.
21 Q. Okay. I am going to have you pull up Exhibit
22 Number 24, AMc Exhibit No. 24, please.
23 (AMc Exhibit 24 marked.)
24 Q. (BY MR. ACOSTA) Do you recognize this
25 document?

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1 A. Yes.
2 Q. It's the schedules that the NRA prepared in
3 connection with the bankruptcy?
4 A. Yes.
5 Q. Did you -- Mr. Warren prepared this document.
6 Did you help Mr. Warren?
7 A. I reviewed what Mr. Warren had put together.
8 Q. For what purpose?
9 A. In my capacity as CFO.
10 Q. Did you want to check the accuracy of the
11 things that he was stating in this document?
12 MS. KOZLOWSKI: Objection, form,
13 foundation, argumentative.
14 A. To the best of our ability, we would like for
15 these statements to have been accurate. So yes, the
16 more eyes that look at the data, the better.
17 Q. (BY MR. ACOSTA) Okay. Is there any reason
18 why he signed this document as opposed to you?
19 A. Because he pulled the information together.
20 Q. Okay. If you don't mind scrolling down to
21 page 20 of this PDF, and let me know when you're there.
22 You can tell the page numbers at the top right-hand
23 corner. There's a stamp that says something of 55 or --
24 A. I'm there.
25 Q. Okay. On page 20 is a schedule of answers to

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1 question number 3 of the statement of financial affairs
2 or an attachment. Is that right?
3 A. It's an answer to question number 3.
4 Q. Right. And the payments made to creditors
5 within 90 days before filing?
6 A. Yes, that's what the document says.
7 Q. Okay. So if you go to the next page, there's
8 some reports that start. Do you know who prepared these
9 reports?
10 A. David Warren pulled these reports together. I
11 might have helped pulled this one together prior to me
12 being -- I might have started that process, and then
13 David finished it by verifying and then compiling data
14 including ILA.
15 Q. Okay. And do you recall how much was paid on
16 these reports within 90 days?
17 A. No. I would have to look at the --
18 Q. Does the number 74 million sound accurate
19 maybe?
20 A. I would have to go to the very last page of
21 that document and look.
22 Q. Well, let me ask you this. This looks like an
23 accounting report that an accounting department
24 generally prepares when the debtor files bankruptcy. Is
25 this something that the financial division services

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1 would prepare or something that the treasury department
2 would prepare?
3 MS. KOZLOWSKI: Objection, form.
4 A. We asked David Warren to be the point person
5 for pulling this information together. So he in his
6 capacity had full access and had already had full access
7 to the accounting system to be able to do this.
8 Q. (BY MR. ACOSTA) Okay. Do you know whether
9 all of these vendors have a contract with the NRA?
10 A. Not all vendors require a contract.
11 Q. Okay. So the question is you don't know or
12 you do know?
13 A. Not all vendors require a contract. So this
14 list would include vendors that do not require a
15 contract. They could have a purchase order. They could
16 not have either. It depends on the exact vendor and
17 each one in its capacity of what they do.
18 Q. And I believe when Mr. Stephen was asking you
19 questions, you said you had an internal process for
20 paying invoices. Did you follow that process when you
21 paid all the invoices attached, you know, in response to
22 question number 3 to the statement of financial affairs?
23 MS. KOZLOWSKI: Objection, form,
24 foundation, argumentative.
25 A. We would literally have to go through every

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1 single one of these invoices for me to objectively
 2 answer that question.
 3 Q. (BY MR. ACOSTA) Okay. So you don't -- there
 4 wasn't a check -- there wasn't a review before you made
 5 these payments to these vendors by either the treasury
 6 department or the financial services division?
 7 MS. KOZLOWSKI: Objection. Objection,
 8 misstates testimony, argumentative, form, foundation.
 9 A. An invoice is not paid without proper approval
 10 at any time.
 11 Q. (BY MR. ACOSTA) Okay.
 12 A. So --
 13 Q. Go ahead. Sorry, I cut you off. Go ahead.
 14 I guess I'm trying to figure out what proper
 15 approval is.
 16 A. It depends on the invoice.
 17 Q. Okay. Well, let's look at a couple of these.
 18 On page number 22, there's a -- I know this is turned
 19 upside down, but you can still read it. There's a
 20 couple of notation line items for Brewer attorneys.
 21 A. Okay.
 22 Q. Do you see that? What kind of approval
 23 process -- proper approval process did the NRA go to
 24 before paying those invoices?
 25 MS. KOZLOWSKI: Objection to form.

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1 Additionally, the witness has already testified that
 2 legal is -- handles distinct and that she doesn't have
 3 personal knowledge as to that.
 4 MR. ACOSTA: You know, I'm going to have
 5 to object to the speaking objections. If you're going
 6 to object to form, it's one thing, but coaching the
 7 witness through your speaking objections is quite
 8 different. So if you wouldn't mind just limiting your
 9 objections to the proper form.
 10 Q. (BY MR. ACOSTA) You can answer all these
 11 questions by saying that you don't -- the treasury
 12 department or financial division services doesn't review
 13 any legal invoices. Is that accurate?
 14 MS. KOZLOWSKI: Objection, misstates
 15 testimony.
 16 A. We do not review those invoices with respect
 17 to the validity. We ensure that proper approvals are on
 18 those invoices, and with respect to these, it would
 19 depend on which invoice had whose approval on them.
 20 Q. (BY MR. ACOSTA) And is it on an attorney by
 21 attorney basis on the approval, or does everything go
 22 through the legal department at the NRA?
 23 MS. KOZLOWSKI: Objection to form.
 24 A. Well, no, not everything goes through the
 25 legal department.

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1 Q. (BY MR. ACOSTA) Okay. So are there certain
 2 invoices that the treasury department can approve, legal
 3 invoices?
 4 A. No.
 5 Q. So there are -- different departments
 6 sometimes are involved, I guess is what you're saying?
 7 A. No. There are certain invoices that have been
 8 delegated to approval because of what they are -- what
 9 they are for.
 10 Q. Okay. Can you please turn to page 39 of the
 11 same document? Are you there?
 12 A. Yes.
 13 Q. And these are answers to question number 4 for
 14 the statement of financial affairs. If you turn to the
 15 next page, we see some more accounting type reports. Is
 16 that an accurate statement?
 17 A. Yes.
 18 Q. Okay. Did you prepare these reports?
 19 A. I had participation in the preparation of some
 20 of these reports, yes.
 21 Q. Okay. And then go ahead and scroll down to
 22 question -- page number 48, please. It's the answer to
 23 question number 11. And if you scroll to the next page,
 24 it has another report. Did you assist in preparing this
 25 report?

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1 A. No, I did not.
 2 Q. All right. And go ahead and scroll down to
 3 page number 30 -- I'm sorry, page number 53 out of 55,
 4 and it's answer to question number 30. And if you turn
 5 to the next page, it has some more reports. I would
 6 represent to you that question number 30 is payments to
 7 insiders within one year of the bankruptcy filing. And
 8 in this report -- did you help prepare this report that
 9 starts on page 54?
 10 A. I don't recall if I did -- participated at all
 11 in this one or if it was purely David Warren, and so I
 12 don't know for sure.
 13 Q. Well, if you scroll down to page number 55 of
 14 55, at the very bottom there are three individuals:
 15 Wayne LaPierre, Craig Spray and John Frazer. Do you see
 16 that?
 17 A. Yes.
 18 Q. Do you think that they belong in this report?
 19 MS. KOZLOWSKI: Objection to the extent
 20 it calls for a legal conclusion.
 21 A. The report asks for specifically employees, so
 22 they are on this report.
 23 Q. (BY MR. ACOSTA) Well, let's scroll back up.
 24 We're talking about insider -- payments to insiders.
 25 Would you consider Mr. LaPierre, Mr. Spray and

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<p>1 Mr. Frazer an insider? 2 MS. KOZLOWSKI: Objection to the extent 3 it calls for a legal conclusion. 4 A. The -- yeah, the advice that we received on 5 who should be on this included those three individuals. 6 Q. (BY MR. ACOSTA) Is there any reason that -- I 7 will represent to you that the NRA today filed an 8 amended answers to number 30 and deletes Mr. LaPierre, 9 Mr. Spray and Mr. Frazer. Were you aware of that? 10 A. I am not aware that that was the case. Yeah, 11 I'm not aware. 12 Q. Okay. While we're still on this report, who 13 is Mr. David Keene? 14 A. Mr. Keene is a board member. 15 Q. And who is Mr. James Porter? 16 A. He is a board member. 17 Q. Okay. Now back at the very top of this report 18 on page -- page number 7 of 55. Can you let me know 19 when you're there, please? 20 A. ?? 21 Q. Yes, page 7 of 55. 22 A. Okay. I am there. 23 Q. Okay. It says in part I, in 2020 the NRA's 24 gross revenue was 290 million, roughly? 25 A. That is what the statement says.</p> <p style="text-align: right;">Page 234</p>	<p>1 vague. 2 A. I would have to go look at what the current 3 unapproved budget numbers were. 4 Q. (BY MR. ACOSTA) Okay. Were you expecting a 5 shortfall for 2021? 6 MS. KOZLOWSKI: Objection as to form. 7 A. I do not believe in what I have looked at 8 for -- with respect to 2021 that there was a shortfall 9 projected. 10 Q. (BY MR. ACOSTA) Okay. Thank you. 11 Now I am going to have you turn to AMc Exhibit 12 No. 127. 13 (AMc Exhibit 127 marked.) 14 Q. (BY MR. ACOSTA) Tell me when you have that 15 pulled up, please. Do you recognize this document? 16 A. Yes. 17 Q. Can you tell me what it is? 18 A. The 2019 Form 990. 19 Q. Okay. Did you help prepare this document? 20 A. I reviewed portions of this document. 21 Q. Okay. So what portions did you review? 22 A. More of the financial information that is 23 reported on this document. 24 Q. Okay. Well, let's go ahead and scroll down to 25 page 7, part VII of this document, if you don't mind.</p> <p style="text-align: right;">Page 236</p>
<p>1 Q. And it says for 2019 the NRA's revenues was 2 roughly 306.7 million? 3 A. That is what the statement says. 4 Q. Okay. Do you have any reason to believe that 5 it's inaccurate? 6 A. No, I don't. 7 Q. Now the NRA, like most nonprofits, does 8 budgeting for the following year. Is that accurate? 9 A. At a particular point in time, yes, budgeting 10 is done for the next year. 11 Q. Did the NRA do budgeting in the fall of 2020 12 for 2021? 13 A. Yes. 14 Q. And is the budgeting significantly different 15 than those numbers right there that you see on page 7 of 16 the statement of financial affairs? 17 MS. KOZLOWSKI: Objection, form. 18 A. Our budget has not even been approved, so I 19 don't recall what the numbers were exactly. 20 Q. (BY MR. ACOSTA) Okay. Is it approximately 21 \$300 million? 22 A. I don't know. 23 Q. Okay. When do you think you're going to find 24 out? 25 MS. KOZLOWSKI: Objection as to form,</p> <p style="text-align: right;">Page 235</p>	<p>1 A. Part VII or page 7? 2 Q. It says page 7 at the top, also part VII. 3 A. Okay. 4 Q. Are you there? 5 A. Yes. 6 Q. This is payments to officers and directors 7 within the last -- within 2019. Right? 8 A. That is correct. 9 Q. And did you help prepare this portion? 10 A. I did not. I reviewed it. 11 Q. Okay. Do you see there's a list of officers 12 and directors of the NRA going up to 25 on the next 13 page? 14 A. Yes. 15 Q. And then it says see statement. Probably 16 there are more attached. And the number that -- 17 A. Yes. 18 Q. The number that was paid to officers and 19 directors was 11.9 million. Do you see that? 20 A. Officers, directors, key employees, yes. 21 Q. Is this number different in 2020 than 2019, 22 much different, or do you still pay officers and 23 directors? 24 MS. KOZLOWSKI: Objection to the extent 25 it calls for speculation.</p> <p style="text-align: right;">Page 237</p>

<p>1 A. I mean, we have not prepared this form yet to 2 know exactly what those numbers are. 3 Q. (BY MR. ACOSTA) Okay. Would you agree with 4 me that this compensation should appear in response to 5 question number 30 of the statement of financial 6 affairs, payments to officers in the last year? 7 MS. KOZLOWSKI: Objection to the extent 8 it calls for a legal conclusion. 9 A. Yeah, I would -- the filling out of that form 10 was -- 11 MS. KOZLOWSKI: Objection to the extent 12 that you're going to testify to attorney/client 13 communications. I would direct you not to do so. 14 THE WITNESS: Okay. 15 Q. (BY MR. ACOSTA) Well, an accountant prepares 16 this form, doesn't it? 17 A. The 990? Yes. 18 Q. Yes. Okay. So what legal conclusion can you 19 draw from the fact that you normally are supposed to 20 prepare this form? 21 MS. KOZLOWSKI: Objection. That wasn't 22 the question asked. 23 Q. (BY MR. ACOSTA) All these folks that listed 24 on page 7 and 8 of this 990 are insiders, are they not? 25 MS. KOZLOWSKI: Objection to the extent Page 238</p>	<p>1 A. Yes. 2 Q. Are you -- is that figure going to vary 3 significantly in 2020? 4 MS. KOZLOWSKI: Objection to the extent 5 it calls for speculation. 6 A. And what year did you say? Did I -- in 2021 7 do I expect that to change or 2020? 8 Q. (BY MR. ACOSTA) For 2020, which has already 9 occurred, is that number going to be significantly 10 different than that number that you see right there on 11 page 8? 12 A. I don't know. The information hasn't been 13 gathered in this form. 14 Q. Okay. While we're still on this document, if 15 you don't mind scrolling all the way down to page 50, 16 and let me know when you're there. 17 A. Okay. 18 Q. It should say at the very top schedule 1, part 19 I, line 1 through 4, excess benefit transaction Wayne 20 LaPierre. Is that accurate? 21 A. Yes. 22 Q. And have you seen this before? 23 A. Yes. 24 Q. And go ahead, can you explain what your 25 understanding is of the statements that are contained in Page 240</p>
<p>1 it calls for a legal conclusion. The witness is not an 2 attorney. 3 Q. (BY MR. ACOSTA) Yeah, you can answer because 4 you said you normally prepare this one -- 5 A. I don't know. 6 Q. You don't know? Okay. 7 And if you scroll down -- 8 A. I did not say I normally prepare this 9 return -- 10 Q. Okay. If you scroll down -- 11 A. -- to clarify. 12 Q. Okay. But an accountant would normally 13 prepare this return, would it not? 14 A. An accountant, yes. 15 Q. If you scroll down to the bottom of page 8, it 16 has certain vendors of the NRA. Do you see that under 17 independent contractors, section B? 18 A. Yes. 19 Q. And I believe Mr. Stephens was asking -- 20 Mr. Thompson was asking you about how much you pay 21 Membership Marketing Partners. Now Membership Marketing 22 Partners is listed there, is it not? 23 A. Yes. 24 Q. And that figure is about 11.5 million. Is 25 that right? Page 239</p>	<p>1 this first box? 2 MS. KOZLOWSKI: Objection to form. 3 And again you're testifying in your individual 4 capacity, so your understanding in that regard. 5 A. Yeah. So this portion was not prepared by the 6 accountants. 7 Q. (BY MR. ACOSTA) Okay. 8 A. So -- 9 Q. Is it an inaccurate characterization to say 10 that Mr. LaPierre paid approximately \$300,000 back with 11 interest to the NRA for travel expenses in 2019? 12 MS. KOZLOWSKI: Objection as to form. 13 A. Can you repeat that in a different way because 14 the double negative in there was -- 15 Q. (BY MR. ACOSTA) Is it inaccurate to say that 16 Mr. LaPierre paid back the NRA approximately \$300,000 in 17 2019 for travel related expenses? 18 MS. KOZLOWSKI: Objection as to form. 19 A. Mr. LaPierre paid back approximately \$300,000 20 to the NRA. For what it was for, I cannot, other than 21 what this says, cannot testify to that. 22 Q. (BY MR. ACOSTA) Well, let me ask something 23 else then separately. 24 Are you aware if Mr. LaPierre paid back the 25 NRA any amount of money for clothing expenses? Page 241</p>

<p>1 MS. KOZLOWSKI: Objection to form. 2 A. I do not know. 3 Q. (BY MR. ACOSTA) Or are you aware that 4 Mr. LaPierre paid back the NRA for any other type of 5 expenses that he would have incurred? 6 MS. KOZLOWSKI: Objection as to form. 7 A. Yeah, I don't know. 8 Q. (BY MR. ACOSTA) Okay. I would like you to 9 pull up AMc Exhibit No. 22, please. 10 (AMc Exhibit 22 marked.) 11 MS. KOZLOWSKI: I'm sorry, Counsel, did 12 you say 22? 13 MR. ACOSTA: Yeah, I'm sorry. 14 MS. KOZLOWSKI: Okay. Thank you. We 15 have it up. 16 Q. (BY MR. ACOSTA) On Exhibit No. 22, we see the 17 same type of global notes that we saw on the statement 18 of financial affairs. If you don't mind turning to page 19 number 2, it says -- right before the subtitle "global 20 notes," it says David Warren has signed these schedules 21 and statements. Right? 22 A. Yes. 23 Q. Then you go to the next page -- well, let me 24 ask you. These pages, these global notes of methodology 25 and statement of limitations, did you review them at all</p> <p style="text-align: right;">Page 242</p>	<p>1 MS. KOZLOWSKI: Same objections. 2 A. Yeah, I did not prepare these statements, so. 3 Q. (BY MR. ACOSTA) Okay. If you scroll down to 4 page number 5, number 1 under -- at the very bottom, 5 number 1 under specific notes for certain items on 6 schedules, it says that the NRA has 26.7 million 7 approximately in restricted cash. Do you see that? 8 It's the last line. 9 A. Yes. 10 Q. Okay. I'm sorry, it's cash and cash 11 equivalents. And then in the next page on page 6, it 12 says about accounts receivable, certain accounts won't 13 get paid. Do you see that? 14 A. I'm sorry. It says what? 15 Q. It has a notation for accounts receivable? 16 A. Yes, there is a notation regarding accounts 17 receivable. 18 Q. And then number 3, there's a notation about 19 investments of the NRA that are restricted? 20 A. Yes. 21 Q. 13 million. Is that accurate? 22 A. Yes. 23 Q. Is there a way -- I know this could be 24 complicated, but is there a way to determine what those 25 restrictions are?</p> <p style="text-align: right;">Page 244</p>
<p>1 prior to them being filed with the Court? 2 A. Did I review the statements? 3 Q. Yes. 4 A. These statements? 5 Q. Yes. 6 A. I -- I looked at them, yes. 7 Q. Okay. Did you correct anything that was 8 inaccurate? 9 A. I don't recall. Yeah, I don't recall whether 10 there was corrections made. 11 Q. Okay. If you go to page number 3 at the very 12 bottom, the number 6 says insiders. Are you with me? 13 A. Yes. 14 Q. To the best of your knowledge, did you prepare 15 the statements according to that definition of insider? 16 MS. KOZLOWSKI: Objection. The witness 17 testified she did not prepare these statements. Also, 18 object to the extent it's calling for a legal conclusion 19 with respect to insiders. 20 And further to the extent that you had 21 communications with counsel with respect to what 22 constitutes an insider, I would advise you not to 23 disclose those communications. 24 Q. (BY MR. ACOSTA) So did you try to comply with 25 that definition, to the best of your knowledge?</p> <p style="text-align: right;">Page 243</p>	<p>1 MS. KOZLOWSKI: Objection as to form, 2 foundation, to the extent it calls for a legal 3 conclusion. 4 A. Yes, we know what these restrictions relate 5 to. 6 Q. (BY MR. ACOSTA) Okay. And how many -- can 7 you explain what they generally relate to? 8 A. They relate to endowments. 9 Q. So do they have to be used for a specific 10 purpose? 11 A. Endowments cannot be spent -- the principal 12 cannot be spent at all, and the interest up to a certain 13 percentage can be spent for a particular purpose. 14 Q. Okay. Can any of that \$13 million be spent on 15 legal fees? 16 A. I would have to look at exactly what those 17 restrictions relate to. 18 Q. Okay. So any portion of it -- any portion of 19 it be used for legal fees? 20 MS. KOZLOWSKI: Objection, asked and 21 answered. 22 Q. (BY MR. ACOSTA) Your answer -- just to get it 23 clear on the record, your answer is I don't know? 24 MS. KOZLOWSKI: Objection, misstates 25 testimony.</p> <p style="text-align: right;">Page 245</p>

<p>1 A. My answer is I would have to look at each 2 individual endowment record to show -- to figure that 3 out. Part of that activity is sitting with ILA. So 4 that is not under my purview at the time when these 5 numbers were determined. 6 Q. (BY MR. ACOSTA) Okay. And that applies to 7 both the 26 million for cash and cash equivalents and 8 the 13 million? 9 MS. KOZLOWSKI: Objection, form. 10 A. Some of the restrictions in cash relate to a 11 temporarily restricted position which would not be 12 related to endowment. 13 Q. (BY MR. ACOSTA) Okay. If you wouldn't mind 14 pulling up AMc Exhibit No. 14, please. 15 (AMc Exhibit 14 marked.) 16 Q. (BY MR. ACOSTA) Let me know when you're 17 there. 18 A. We are there. 19 Q. Okay. Can you scroll down to -- go ahead and 20 identify that document, if you don't mind. 21 A. It is the CHAR500. 22 Q. I am trying to find the actual page. If you 23 scroll down to page number 102 of 108. Let me know when 24 you're there. 25 A. Okay.</p> <p style="text-align: right;">Page 246</p>	<p>1 Q. (BY MR. ACOSTA) Are you there, Ms. Rowling? 2 A. Yes. 3 Q. The title says part VII, section A, officers, 4 directors, trustees, key employees, and highest 5 compensated employees. Am I accurate on that? 6 A. Yes. 7 Q. It actually starts on the prior page, page -- 8 or a couple of prior pages up. It starts on page -- 9 page number 18. But for our purposes -- well, did you 10 prepare this document? Did you assist in preparing this 11 document? 12 A. No. 13 Q. You did? 14 A. No, I did not. 15 Q. Okay. If you look at the bottom of page 16 number 21, it has a total of amount compensated to 17 directors and officers in 2018. Am I accurate in saying 18 that total is 12.8 million, roughly? 19 A. Yes. 20 Q. And you don't know whether this information 21 needs to be included in the statement of financial 22 affairs. Is that still your testimony? 23 MS. KOZLOWSKI: Objection, misstates 24 testimony. 25 Q. (BY MR. ACOSTA) You can go ahead answer.</p> <p style="text-align: right;">Page 248</p>
<p>1 Q. If you see at the top, it says National Rifle 2 Association of America, Notes to Financial Statements, 3 and it talks about restrictions on endowment assets. 4 Are these the types of restrictions you're talking about 5 with respect to the schedules? 6 A. They are, but this includes more than what -- 7 well, yeah, these are the restrictions at the time. 8 Q. Okay. And the very first one is endowment net 9 assets. Do you see that? 10 A. Yes. 11 Q. Can any of that money -- could any of that 12 money have been used to pay legal expenses? 13 MS. KOZLOWSKI: Objection, this has been 14 asked and answered. 15 MR. ACOSTA: No, I believe I asked her 16 about this year, about the schedules. I am asking her 17 now about 2018. 18 A. Again, I would have to go back and look at 19 every single endowment to make that call. 20 Q. (BY MR. ACOSTA) Scroll up to page 21, if you 21 don't mind, of the same document while we're here. 22 MR. DRAKE: I'm sorry, Joe. What page 23 did you say? 24 MR. ACOSTA: 21. 25 MR. DRAKE: Thanks.</p> <p style="text-align: right;">Page 247</p>	<p>1 Is it your belief that this information should 2 not be included in the statement of financial affairs? 3 A. This relates to 2018. 4 Q. No, with respect to 2020. 5 A. Again, we've already gone over that. 6 Q. And that was when I was looking at 2019's 990. 7 Now I'm looking at 2018's 990. And I'm asking you 8 whether you think that when the statement of financial 9 affairs asks you for compensation for insiders within 10 one year of filing bankruptcy, whether this information 11 should not be included? 12 MS. KOZLOWSKI: Objection, asked and 13 answered. The witness testified that this is from 2018. 14 Q. (BY MR. ACOSTA) Were directors and officers 15 paid in 2020, Ms. Rowling? 16 A. Yes. 17 Q. Now we can probably flip back to AMc Exhibit 18 No. 14, if you don't mind. And this -- 19 MS. KOZLOWSKI: We were in Exhibit 14? 20 MR. ACOSTA: I'm sorry? 21 MS. KOZLOWSKI: We were in Exhibit 14. 22 MR. ACOSTA: Okay. It's AMc No. 22. 23 Sorry. 24 Q. (BY MR. ACOSTA) And if you go to page number 25 5 of --</p> <p style="text-align: right;">Page 249</p>

1 MS. KOZLOWSKI: We don't have the exhibit
 2 open yet. Please give us a moment, Counsel.
 3 Okay. We have it up. Thank you.
 4 MR. ACOSTA: Sure.
 5 Q. (BY MR. ACOSTA) If you turn to page --
 6 actually, turn to page 8 or page 10. There's
 7 36.5 million in cash and cash equivalents that the NRA
 8 currently has?
 9 A. Yes.
 10 Q. Does that include cash and cash equivalents
 11 that ILA has?
 12 A. Yes.
 13 Q. Does that include cash and cash equivalents
 14 that all the NRA entities have?
 15 A. No.
 16 Q. So there are some NRA entities that have more
 17 cash than the 36.5 million -- I mean, that have cash
 18 above that amount?
 19 MS. KOZLOWSKI: Objection, form,
 20 foundation.
 21 A. The NRA entities are not part of this
 22 schedule. They are not part of the filing. They
 23 weren't part of the bankruptcy.
 24 Q. (BY MR. ACOSTA) Okay.
 25 A. They should not be included --

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1 Q. Is there ever a transfer of cash between
 2 different NRA type entities?
 3 MS. KOZLOWSKI: Objection to form,
 4 foundation, vague as to time.
 5 A. Yeah, can you please be more specific on that?
 6 Q. (BY MR. ACOSTA) In 2020, did any of the NRA
 7 entities exchange cash?
 8 MS. KOZLOWSKI: Objection as to form,
 9 vague. Vague as to what exchange cash means.
 10 Q. (BY MR. ACOSTA) You can answer.
 11 A. When appropriate, with appropriate
 12 documentation there are transfers to the -- and from the
 13 other entities.
 14 Q. Okay. And if you can turn to page number 12
 15 of 236, under part III those are the accounts
 16 receivable. See that?
 17 A. Yes.
 18 Q. 55.4 million approximately due within 90 days?
 19 A. Yes.
 20 Q. Okay. I think at the 341 meeting someone said
 21 that was restricted. Is that accurate?
 22 A. Not all of it. There is a portion in there
 23 that is restricted.
 24 Q. It's restricted the same way that the cash and
 25 cash equivalents is restricted?

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1 A. No. It's a slightly different type of
 2 restriction, in that we have a receivable on the books
 3 relating to endowments that are held by the Foundation.
 4 They're donations to the Foundation that are made by a
 5 donor for the benefit of a program within the NRA.
 6 Those are Foundation assets. However, accounting rules
 7 require us to show that as a receivable on our side, and
 8 so those are restricted within those amounts.
 9 Q. So it's a Foundation asset, but you have to
 10 show it on your books and -- on your balance sheet. Is
 11 that what you're saying? The NRA --
 12 A. As a receivable.
 13 Q. Okay. Can the NRA use any of that money?
 14 A. The NRA -- the only portion that can be used
 15 is when it is provided to us after we show proper backup
 16 and support for a valid expense relating to a very
 17 specific endowment fund.
 18 Q. And let me ask you a related question. Who
 19 handles the accounting for the NRA Foundation?
 20 A. Currently, that is Sunee Stacks.
 21 Q. Okay. And does she work for the NRA or the
 22 NRA Foundation?
 23 A. The NRA Foundation does not have employees.
 24 Q. Okay. So does the NRA, either financial of
 25 division services or treasury department, handle the

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1 accounting function for the NRA Foundation?
 2 A. There is a group of individuals that are
 3 within the treasurer department that work specifically
 4 and only on the Foundation.
 5 Q. Okay. If you turn to page number 13 of the
 6 same document, at the bottom it's the sum total of all
 7 investments of the NRA, and it says 64 million, 54 -- 64
 8 million, roughly. Is that right?
 9 A. Hold on, I lost it.
 10 MS. KOZLOWSKI: I'm sorry, Counsel. What
 11 exhibit was that? We totally closed it out.
 12 MR. ACOSTA: It's still Exhibit 22, page
 13 13.
 14 MS. KOZLOWSKI: Okay. Thank you. Sorry
 15 about that. The iMac is not the ideal computer for
 16 this.
 17 A. Okay. Repeat your question, please.
 18 Q. (BY MR. ACOSTA) If you just turn to page
 19 number 13, I will represent to you that's the sum total
 20 of all the investments that the NRA currently has, 64
 21 million.
 22 A. Yes.
 23 Q. Can any of these investments be liquidated
 24 relatively quickly?
 25 A. No. They are held as collateral for the line

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1 of credit.
2 Q. Okay.
3 A. Or they are also endowment related as well.
4 Q. I appreciate that clarification, but my
5 question is, can they be liquidated? I'm not saying
6 whether you're going to do it; I'm asking you whether
7 they can be.
8 A. They cannot without the approval through
9 the -- with respect to the banking agreements.
10 Q. Okay.
11 A. We cannot just liquidate them without their
12 permission.
13 Q. Okay. And then 64 million -- I think that's
14 in the global notes you said 13 million of that was
15 restricted?
16 MS. KOZLOWSKI: Objection, misstates
17 testimony.
18 A. They're -- 13 of that is restricted for
19 endowment purposes. It's also collateral for other
20 reasons.
21 Q. (BY MR. ACOSTA) Okay. So let's go down to
22 page 69, if you don't mind. Are you there?
23 A. Yes.
24 Q. Part I on page 69 is payments to priority
25 unsecured creditors. You have the internal revenue at
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1 3.4 million. What's that debt for?
2 A. It's disputed.
3 Q. I understand, but do you know what it's for?
4 A. No, we do not.
5 Q. Okay. And then if you scroll to the next
6 page, at number 3.6 you have Ackerman McQueen's claim,
7 and you put unknown, disputed, contingent, unliquidated.
8 Do you see that?
9 A. Yes.
10 Q. Now are you familiar with -- I'd represent to
11 you that on a list of top 20 creditors, you listed
12 Ackerman McQueen as having a liquidated \$1.2 million
13 amount, still disputed, contingent and unliquidated. Do
14 you know where that amount came from?
15 A. That came from the invoices that are in
16 dispute that we received within financial services.
17 Q. Okay. I guess the invoices that remain
18 unpaid?
19 A. The invoices that are in dispute that have
20 remained not paid.
21 Q. Okay. And then if you scroll down a little
22 further --
23 MS. KOZLOWSKI: Counsel, we've going for
24 well over an hour. When you get to a stopping point in
25 the next few minutes, we would like to take a break,
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1 please.
2 MR. ACOSTA: I think this is -- after a
3 couple more questions, that would be a good time to take
4 a break. I understand.
5 Q. (BY MR. ACOSTA) If you scroll down to page --
6 it's page number 176. I represent to you, you list PBGC
7 as having a contingent claim for 48.4 million. Can you
8 tell me what that's about?
9 MS. KOZLOWSKI: Objection. Counsel, the
10 last line of questioning has -- you've used the word
11 "you," and I think you've meant to use the word "NRA."
12 I think I just want to clarify the record that all of
13 these questions are with respect to the NRA and not
14 Ms. Rowling.
15 MR. ACOSTA: Sure.
16 Q. (BY MR. ACOSTA) Do you know what the Pension
17 Benefit Guaranty claim for 48.4 million is about?
18 A. There is a liability that is required based on
19 accounting rules that we must record with respect to the
20 pension plan.
21 Q. Okay. Is that in the event that you default
22 on the pension obligations or --
23 A. No. It's pension accounting rules that
24 require a disclosure relating to present value if
25 everything -- if we had to make payments all upfront,
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1 yes, what would those liabilities represent.
2 Q. Okay. Has -- to your knowledge, has the NRA
3 ever defaulted on its pension obligations?
4 A. No, it has not.
5 Q. To your knowledge, has the NRA ever been
6 liable to the Pension Benefit Guaranty Corporation at
7 the end of the year?
8 MS. KOZLOWSKI: Objection to the extent
9 it calls for a legal conclusion.
10 A. I don't know. I don't know.
11 Q. (BY MR. ACOSTA) Well, as of December 21,
12 2020, was the NRA liable to the Pension Benefit Guaranty
13 Corporation?
14 MS. KOZLOWSKI: Objection, vague to the
15 extent of liable and to the extent it calls for a legal
16 conclusion.
17 Q. (BY MR. ACOSTA) You can answer.
18 A. The NRA is current on all payments required to
19 be made to the PBGC.
20 Q. Okay. And there's no concern that that's --
21 they are going to default on their pension obligations?
22 MS. KOZLOWSKI: Objection, calls for
23 speculation, form.
24 Q. (BY MR. ACOSTA) You can go ahead and answer.
25 A. Well, that would be speculating.
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1 Q. Okay.

2 MR. ACOSTA: I think we're at a good

3 stopping point, Counsel. Do you want to go five or ten

4 minutes, or -- and I would also like to -- let's do how

5 much?

6 MS. KOZLOWSKI: Oh, ten minutes. But

7 could we also get a time check as well?

8 THE VIDEOGRAPHER: Yes.

9 We're going off the record. The time on the

10 video is 5:56 p.m.

11 (Break from 5:56 p.m. to 6:10 p.m.)

12 THE VIDEOGRAPHER: We're back on the

13 record. The time on the video is 6:10 p.m.

14 Q. (BY MR. ACOSTA) Okay. Ms. Rowling, do you

15 know what the definition of insolvency is?

16 MS. KOZLOWSKI: Objection to the extent

17 it calls for a legal conclusion.

18 A. Yeah, that's -- that's a legal term.

19 Q. (BY MR. ACOSTA) Okay. Do you know whether

20 the NRA's assets exceed their liabilities?

21 A. The assets -- liquidated assets, yes, would

22 exceed the liabilities.

23 Q. Okay. And is the NRA having any problems

24 paying its debts as they come due?

25 A. No.

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1 Q. Would it surprise you that on schedule F, the

2 1,117 creditors that the NRA lists, over 1,000 of them

3 are owed under \$10,000?

4 MS. KOZLOWSKI: Objection to form.

5 A. I mean, it's no surprise that there are, yeah,

6 creditors with less than \$1,000 on this list.

7 Q. (BY MR. ACOSTA) Right. And so I mean, the

8 NRA generally doesn't have any problems paying those

9 creditors, does it?

10 MS. KOZLOWSKI: Objection to form,

11 argumentative.

12 A. Timeframe?

13 MS. KOZLOWSKI: Can you be specific as to

14 timeframe as well?

15 Q. (BY MR. ACOSTA) In 2020, did the NRA have

16 problems paying its creditors, difficulties?

17 A. No.

18 Q. Okay. In the last 20 years that you've been

19 with the NRA, has it ever had difficulties paying its

20 debts?

21 MS. KOZLOWSKI: Objection to the extent

22 it's asking you to speculate, but you can certainly

23 answer as to what you have in your personal knowledge.

24 A. There have been occasions when -- when there

25 were cash difficulties which required pushing back the

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1 scheduling of payments.

2 Q. (BY MR. ACOSTA) Okay. And do you recall when

3 the last of those occasions was?

4 A. I don't recall.

5 Q. Okay. You testified earlier that the Brewer

6 firm was, I think you said, paid according to the terms

7 of their contract, their contract with the NRA?

8 MS. KOZLOWSKI: Objection to the form and

9 to the extent it misstates testimony.

10 A. The bills are paid, and I believe the

11 contract -- well, I don't -- I mean, I don't know what

12 the contract says exactly, so I can't -- I don't know.

13 Q. (BY MR. ACOSTA) So that was my next question.

14 You haven't seen the contract?

15 A. No, that is not the case.

16 Q. And I represent to you that the statement of

17 financial affairs, you listed Brewer received

18 17.5 million within the last 90 days. And I represent

19 to you that the 1099 for 2019 shows that the Brewer firm

20 received \$26 million. And I would represent to you that

21 the 2018 990 says the Brewer firm received approximately

22 \$14 million. Now you do the math. That's over

23 \$50 million in the last three years, last two years. Is

24 that accurate, or am I a little off on my numbers?

25 MS. KOZLOWSKI: Objection as to --

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1 objection as to form, to the extent it calls for

2 speculation, to the extent -- to the extent that you're

3 asking the witness whether if you add those numbers up

4 it exceeds 50. I suppose she can testify as to what

5 that mathematical equation would be.

6 MR. ACOSTA: Could you let her testify,

7 please?

8 Q. (BY MR. ACOSTA) You can testify, Ms. Rowley.

9 A. In order to give you an exact number, I would

10 have to look into the accounting records for that

11 information.

12 Q. Well, let's assume it's over \$50 million. Do

13 you think that's excessive for a vendor?

14 MS. KOZLOWSKI: Objection. Objection as

15 to form, argumentative, and to the extent that

16 Ms. Rowling is testifying in her individual capacity.

17 Q. (BY MR. ACOSTA) You can answer the question,

18 Ms. Rowling.

19 A. The Brewer firm is handling many different

20 areas of concern in litigation for the NRA, so -- and

21 their contract terms are not within my purview to -- to

22 comment on as to, you know, what they do.

23 Q. Let's talk about something that could be in

24 your purview then. Do you know of the formation of Sea

25 Girt?

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1 A. I do not.
2 Q. You don't know an entity called Sea Girt?
3 A. I do know an entity called Sea Girt.
4 Q. Okay. Did you know that it was formed last
5 year?
6 A. I have learned that information. I did not
7 know that it was formed at the time.
8 Q. Okay. Did anyone -- did you know that the NRA
9 capitalized Sea Girt with \$50,000?
10 MS. KOZLOWSKI: Objection to form.
11 Objection to the extent it calls for speculation.
12 A. I have been provided information that -- with
13 respect to a bank account that was created for Sea Girt.
14 Q. (BY MR. ACOSTA) Has anyone asked for the
15 treasury or the financial services division permission
16 to create that account?
17 A. I don't know.
18 Q. I would like you to pull up AMc Exhibit No. 6,
19 please.
20 (AMc Exhibit 6 marked.)
21 Q. (BY MR. ACOSTA) Are you there, Ms. Rowling?
22 A. Yes.
23 Q. Have you seen this before?
24 A. Not to my recollection.
25 Q. Do you see at the top it says the date is

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1 January 13, 2021?
2 A. Yes.
3 Q. And then who is this addressed to?
4 A. Brewer, Attorneys & Counselors.
5 Q. And who signed the letter?
6 A. Wayne LaPierre, Charles Cotton, Carolyn
7 Meadows.
8 Q. Is it fair to say that this letter is
9 directing the Brewer firm to pay \$50,000 to set up an
10 account for Sea Girt?
11 MS. KOZLOWSKI: Objection to form,
12 foundation. The witness has testified she has not seen
13 this document before.
14 Q. (BY MR. ACOSTA) Well, just read the first
15 sentence.
16 A. The first sentence says transfer \$50,000 from
17 the Brewer trust to a bank account established in the
18 name of Sea Girt.
19 Q. So they didn't even take the money out of the
20 NRA's account to create Sea Girt, did they?
21 MS. KOZLOWSKI: Objection, form,
22 foundation. The witness has testified she did not see
23 this document before. She does not have knowledge.
24 Q. (BY MR. ACOSTA) To your knowledge, did they
25 use the NRA's money to create Sea Girt?

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1 MS. KOZLOWSKI: Objection. Same
2 objections.
3 A. The Brewer Trust was NRA money.
4 Q. (BY MR. ACOSTA) Okay. So how do you account
5 for a transaction like this on your books and records,
6 on the NRA's books and records?
7 A. The NRA received documentation with respect to
8 these -- the transfers out of that account.
9 Q. Okay. And you're saying they're reflected in
10 the internal books and records of the NRA?
11 A. Yes.
12 Q. There was another entity that was formed, WBB
13 Investment, LLC. Do you recall that entity?
14 A. I am familiar with the name.
15 Q. Okay. Do you recall anyone asking permission
16 from the treasury or financial division services
17 permission to capitalize that entity?
18 MS. KOZLOWSKI: Objection, form,
19 foundation.
20 A. This was part of our top list of concerns.
21 Q. (BY MR. ACOSTA) Okay. Fair enough.
22 MR. ACOSTA: I'm going to just reserve
23 the right to request additional time, because half the
24 testimony in this case was given by the attorney for the
25 NRA, and I just don't want anyone to think I'm going to

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1 waive that right. So with that, I will pass the witness
2 at this time, and I will pass it to the UCC.
3 MS. KOZLOWSKI: Before we conclude --
4 before the witness is passed, can we confirm the total
5 30(b)(6) time on the record that's been utilized today?
6 THE VIDEOGRAPHER: Two hours and
7 11 minutes.
8 MS. KOZLOWSKI: Thank you.
9 MR. DRAKE: Are we ready?
10 EXAMINATION
11 BY MR. DRAKE:
12 Q. Hi, Ms. Rowling. Just for the record, my name
13 is Scott Drake. I represent the Official Committee of
14 Unsecured Creditors.
15 I just want to make sure. Who -- who's
16 present with you physically in the room?
17 A. Talitha and Teresa from Garman and the
18 videographer.
19 MR. DRAKE: And Counsel, I caught at the
20 beginning -- I think most of my questions are
21 individual, but I know Ms. Rowling was designated on 2,
22 3, 4 and 6 from the AG's notice. Is she designated on
23 any topics from the Ackerman notice?
24 MS. KOZLOWSKI: She was designated on
25 topic 2.

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<p>1 THE WITNESS: Part of topic 2. 2 MS. KOZLOWSKI: I'm sorry, part of topic 3 2. And topic 4, 10 and 12. 4 MR. DRAKE: Okay. 5 Q. (BY MR. DRAKE) So Ms. Rowling, I just wanted 6 to get an understanding. From your testimony earlier 7 today, I believe you found out about the bankruptcy I 8 think the day of the filing, either right before or 9 right after it was filed. Is that right? 10 A. That is correct. 11 Q. So since the date of the filing, have you been 12 personally involved in any aspect of the bankruptcy on 13 behalf of the NRA? 14 A. Yes, with respect to reviewings of the 15 schedules that have been required to be submitted, part 16 of the 341 meeting and other discussions with counsel. 17 Q. And when you say "counsel," is that internal 18 NRA counsel or outside counsel? 19 A. Both. 20 Q. And what outside counsel? I don't want to 21 know the substance of the communications, but what 22 outside counsel do you deal with specifically with 23 respect to the bankruptcy? 24 A. Neligan and Garman. 25 Q. Are you aware of whether or not there is a</p> <p style="text-align: right;">Page 266</p>	<p>1 folder, at the very bottom there should be -- and I 2 accidentally loaded it twice, so I renamed on duplicate 3 ignore. But above that, you should see UCC Exhibit 1. 4 Are you able to locate that file? 5 MS. KOZLOWSKI: We probably need to 6 refresh. Give us a moment here. 7 MR. DRAKE: Okay. 8 MS. KOZLOWSKI: We do have it. 9 A. It's up. 10 Q. (BY MR. DRAKE) Great. So Ms. Rowling, I am 11 showing you what's been marked as UCC Exhibit 1. 12 (UCC Exhibit 1 marked.) 13 Q. (BY MR. DRAKE) Do you recognize -- have you 14 seen this before? 15 A. Yes. 16 Q. And what do you recognize this as? 17 A. A letter that is on an NRA website, as well as 18 one that was mailed to certain vendors. 19 Q. Were you involved in the drafting of this 20 letter? 21 A. No, I was not. 22 Q. Do you have personal knowledge as to who did 23 draft it? 24 A. No, I don't. 25 Q. But I understand you have been -- you've</p> <p style="text-align: right;">Page 268</p>
<p>1 committee within the NRA that's in charge of making 2 decisions for the NRA about the bankruptcy? 3 A. I don't know what you're referring to. 4 Q. I just -- I know Mr. Frazer had testified that 5 some things within the NRA are done by committee. I 6 didn't know if there was a formal or informal group of 7 individuals that were, more or less, in charge of making 8 decisions on behalf of the NRA in the bankruptcy. 9 A. I am not aware of anything. 10 Q. Are you familiar with the term or have heard 11 the term "plan of reorganization"? 12 A. Yes. 13 Q. Are you personally involved at all in 14 development of a plan of reorganization for the NRA? 15 A. That plan is just getting started, and I will 16 be brought in as needed for those discussions. 17 Q. Do you know who else at the NRA is involved in 18 the plan process? 19 A. I don't know exactly at this point in time. 20 Q. Are you -- have you had any personal 21 involvement in analyzing whether the NRA plans to pay 22 its creditors in full through the bankruptcy process? 23 A. I am aware of the intent, that that is our 24 hope to pay the unsecured creditors in full. 25 Q. Ms. Rowling, if you'll look at the exhibit</p> <p style="text-align: right;">Page 267</p>	<p>1 reviewed it or seen it at some time then after it was 2 posted to the website? 3 A. That's correct. 4 Q. Were you involved at all in mailing it to the 5 vendors? 6 A. To the extent that the accounts payable 7 department provided a -- a list out of the payables of 8 the vendors, that's the extent. 9 Q. Okay. 10 MR. DRAKE: So, Counsel, if you don't 11 mind, I think I have like two questions on topic 12, 12 which would be the only 30(b)(6) topics for her. If you 13 don't mind if I just do that now, and then the rest of 14 the depo will be in her personal, but it relates to this 15 letter. Topic 12 from the Ackerman notice. 16 MS. KOZLOWSKI: Okay. 17 MR. DRAKE: Will that work? 18 MS. KOZLOWSKI: Yes, that's fine. 19 Q. (BY MR. DRAKE) And so, Ms. Rowling, I don't 20 have it on my screen to show you, but I don't know if -- 21 the notice, I'll represent to you the documents set 22 forth in the Ackerman McQueen notice was communications 23 with vendors regarding the reasons for the NRA 24 bankruptcy, delinquent payments and plans for future 25 repayment of outstanding amounts. That's one of the</p> <p style="text-align: right;">Page 269</p>

1 topics you're designated to testify today on behalf of
2 the NRA?
3 A. Yes.
4 Q. Is UCC Exhibit 1, is this an example of such
5 communications with vendors regarding the reasons for
6 the bankruptcy and plans for future payment of
7 outstanding amounts?
8 A. Yes.
9 Q. And Ms. Rowling, if you'll see the bottom of
10 the page 1, second to last paragraph, which is bold, do
11 you see where it says, As part of the restructuring, the
12 NRA will propose a plan providing payment in full of all
13 valid creditor claims. All post-petition claims will be
14 paid in the regular course of business. Do you see
15 that?
16 A. Yes.
17 Q. Was that an accurate statement of the NRA's
18 intent as of January 15, 2021?
19 A. That was the intent, yes.
20 Q. And is it still the intent, as we sit here
21 today on March 19th, that as part of the restructuring,
22 the NRA intends to propose a plan providing payment in
23 full of all valid creditor claims?
24 A. Of all valid creditor claims, yes.
25 Q. And is it also true, sitting here today, that

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1 all post-petition claims will be paid in the regular
2 course of business?
3 A. It would be valid post-petition claims, but
4 yes.
5 Q. Oh, right. I understand. It wouldn't -- the
6 claims would have to be valid and whatnot. I understand
7 that. But assuming the claims are valid, it's the NRA's
8 intent to pay those in the regular course for
9 post-petition claims?
10 A. Yes.
11 Q. Okay. And then I just want to clear up
12 something Mr. Acosta asked you which relates to AMC
13 Exhibit 22. And let me know when you have that up.
14 A. Okay. That's up.
15 Q. If you'll go down to page 6 of the PDF, page 6
16 of 236. Do you see that?
17 A. Yes.
18 Q. Do you see item 2, which is accounts
19 receivable?
20 A. Yes.
21 Q. I may have misheard Acosta -- misheard
22 Mr. Acosta, but -- and the record will show what he
23 asked, but I thought I heard him ask if you saw in
24 section 2 the accounts receivable note that said some
25 receivables would not be paid, and I don't see that in

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1 this note. Are you aware of anything in this document
2 or elsewhere that suggests that the NRA does not intend
3 to pay any valid receivables -- sorry, this is the
4 receivable. I'm sorry.
5 A. Yeah.
6 Q. That's why I was confused by his question. I
7 thought it said -- and maybe he misspoke -- said it
8 wouldn't pay certain receivables. So I think what he
9 meant to say is it wouldn't collect receivables, and
10 that was my confusion.
11 But it's been a long day for all of us, so I
12 just want to make sure. You're not aware of anything
13 with respect to payables, accounts payables, that the
14 NRA doesn't intend to pay any valid accounts payables?
15 A. That's correct.
16 Q. All right. And so then -- I think that's all
17 I had on the 30(b)(6) topics.
18 Ms. Rowling, I did want to ask you because
19 your colleague Mr. Frazer suggested that you were the
20 right person to ask. With respect to revenue for the
21 NRA, are you aware of approximately how much -- how much
22 of the NRA's revenue comes from donations and
23 fundraising efforts?
24 A. Not off the top of my head. You know,
25 membership dues is our largest portion, and then

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1 contributions would be the second.
2 Q. Okay. And so when you say "contributions," I
3 assume that's donations and other fundraising efforts?
4 A. Yes. It's donations and a segment of a class
5 of membership that provides no additional benefit to the
6 member, so that portion is also considered a
7 contribution.
8 Q. And again, this is just in your individual
9 capacity, to the extent you know. Do you know
10 approximately what percentage of revenue that the
11 membership dues and contributions make up for the NRA?
12 A. Probably -- well, I would be guessing. It's
13 the majority, over 50 percent.
14 Q. Certainly over 50 percent. And, again,
15 because it's not a memory test or anything, is there a
16 document -- and, you know, maybe I should know this
17 already, but is there a document that would reflect the
18 amount of revenue that is attributable to membership
19 dues and contributions?
20 A. Our audited financial statements would show
21 that, as well as the 990.
22 Q. And I can certainly look at those, but do you
23 know just on a year-to-year basis, while the amount of
24 revenue generated probably fluctuates year to year, does
25 the percentage that is attributable to membership dues

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1 and contributions remain fairly constant or does it
2 likewise fluctuate?
3 A. It's going to fluctuate. That's mainly due
4 to -- if it's an election year, for example, those
5 numbers will fluctuate.
6 Q. What are the other sources of revenue besides
7 contributions and membership dues in broad categories?
8 A. Advertising programs, affinity programs and
9 then some other miscellaneous areas, but those are --
10 and public -- well, publications is the advertising, so.
11 Q. In your opinion, Ms. Rowling, as the interim
12 CFO, would a significant decline in membership dues or
13 contributions have a negative impact on the financial
14 condition of the NRA?
15 A. It would be severe.
16 Q. Why do you think that?
17 A. Because it's the majority of our -- of our
18 revenue.
19 Q. Are you aware of whether donations or
20 contributions have been impacted by the NRA's filing of
21 bankruptcy?
22 A. I am not -- I don't know for 100 percent on
23 that. Donations in the early part of the year are --
24 it's not necessarily the big time of year for donations.
25 Q. Do you know, based on your long tenure there,
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1 whether donations tend to increase or decrease when
2 there's a President who is viewed as either supportive
3 of gun rights or anti-gun rights?
4 A. It can fluctuate based on who sits in the
5 White House, yes.
6 Q. And in your experience, what -- which way does
7 that go? Is it such that when there's an occupant in
8 the White House who is viewed pro gun, that donations
9 increase, or is it when there's someone in the White
10 House that's viewed as against gun rights, donations
11 tend to increase?
12 A. Donations tend to increase when there is an
13 anti-Second Amendment President in the White House.
14 Q. If you could pull up -- I believe this is
15 Exhibit 3 from the Attorney General. I believe it's the
16 2019 990.
17 A. Okay.
18 Q. And specifically page 77. Let me know when
19 you have that.
20 A. Just a minute. Okay.
21 Q. I have to confess, I don't remember if it was
22 Mr. Thompson or Mr. Sheehan, but one of them was asking
23 you about the response to question 1b, about whether or
24 not the organization followed a written policy regarding
25 payment or reimbursement, and I just wanted to follow up
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1 on that to make sure I heard you right.
2 So was I -- did I hear you correctly that
3 there is not yet a final such written policy related to
4 first-class travel?
5 A. First-class travel? No, first-class travel
6 was actually in the original travel policy. So it's
7 certain of those -- those boxes checked in 1a that were
8 not addressed in -- it doesn't mean all of them were not
9 addressed; some of them were not addressed in the
10 current travel policy.
11 Q. Okay. I just want to clarify. So there was a
12 written travel policy that did cover some of those
13 topics, including first-class travel. Is that right?
14 A. Yes.
15 Q. But the existing written travel policy did not
16 cover all of the categories that you see in section 1a.
17 Is that right?
18 A. That's correct.
19 Q. And then I believe you say that Mr. Spray
20 requested a new travel policy at some point?
21 A. Yes.
22 Q. And did I understand that Mr. Hendrick (sic)
23 has done a first draft?
24 A. "Tedrick."
25 Q. Oh, I'm sorry, Mr. Tedrick.
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1 And have you -- have you reviewed the draft?
2 A. I have looked at the draft.
3 Q. And is that something that the NRA intends to
4 finalize at some point in the near future?
5 A. Yes.
6 Q. Ms. Rowling, I would now like to go to
7 Ackerman Exhibit 84.
8 A. It's up.
9 Q. And just for the record, this is the email
10 that Mr. Acosta showed you and marked as Ackerman
11 Exhibit 84. The attachment to it is the list of top
12 concerns for the audit committee that I believe was the
13 New York AG's Exhibit 4. This list of top concerns for
14 the audit committee, that was the same list that the AG
15 showed you. Is that right?
16 A. Yeah, I believe that's the same list.
17 Q. I mean, yeah, I believe -- I haven't done a
18 complete analysis of it, but it appears to me to be the
19 same. I guess what I would ask you is can you recall
20 whether you ever drafted more than one document that --
21 other than drafts, did you ever finalize more than one
22 document that listed concerns for the audit committee?
23 A. I don't recall doing other drafts or other
24 versions personally.
25 Q. And so, Ms. Rowling, I would like to ask
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1 you -- and my screen has frozen, so I apologize. I
2 can't get back up to the top, so I am going to have to
3 ask it blind.
4 So I believe you emailed this to Mr. Tedrick
5 back in July of 2018. Correct?
6 A. That's correct.
7 Q. And as you reflected in your email, it was a
8 joint effort by you and Mr. Erstling, Ms. Padilla and
9 Ms. George. Correct?
10 A. As well as Emily Cummins.
11 Q. Right. She had provided a copy of her list,
12 and you incorporated her concerns is what you say.
13 Right?
14 A. That's correct.
15 Q. So what I may have just missed or maybe nobody
16 asked you, but whose idea was it to create this list?
17 A. We were requested to create this list.
18 Q. And who requested that you create this?
19 A. Craig Spray.
20 Q. Okay. And do you know why Mr. Spray requested
21 this list?
22 A. It was to present to the audit committee.
23 Q. Is this something that you had done in any
24 other year?
25 A. No.

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1 Q. And so, Ms. Rowling, I would like us to look
2 at the list of concerns that were enumerated on this
3 document.
4 So starting at page 2 of Exhibit 84, the first
5 one relates to financial conflict of interest at the
6 senior management and board of directors level. Do you
7 see that? And then there's -- that's number 1.
8 A. Did you -- I'm sorry. Okay. Number 1 on the
9 list?
10 Q. Yes.
11 A. Okay.
12 Q. Do you see that number 1 on this list is
13 financial conflict of interest at the senior management
14 and board of directors level?
15 A. Yes.
16 Q. So is it accurate to say, Ms. Rowling, that in
17 July of 2018, you shared the concern that there were
18 financial conflicts of interest at the senior management
19 and board of directors level?
20 A. We did.
21 Q. And Mr. Phillips and the payments made to his
22 girlfriend was one of those concerns?
23 A. I believe it states significant other, but
24 yes.
25 Q. Okay. That's fair.

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1 And he's -- he no longer has an active role
2 with the NRA. Is that right?
3 A. That is correct.
4 Q. So is it fair to say that with respect to
5 Mr. Phillips going forward from the petition date in
6 January of this year and throughout the bankruptcy, that
7 you no longer have concerns with respect to
8 Mr. Phillips' going forward role with the NRA?
9 A. That is correct.
10 Q. Would that also be true with respect to
11 Mr. Powell?
12 A. That's correct.
13 Q. And do you believe that the NRA has addressed
14 the concerns with respect to Mr. Schropp?
15 A. I don't know.
16 Q. Do you have -- with respect to d, letter d, it
17 was board member compensation arrangements not being
18 disclosed, impairing independence and arranged behind
19 the scenes. So was that a concern you had in July of
20 2018?
21 A. That was, I believe, Emily's concern. And I
22 do know there have been various changes to compensate to
23 board member agreements since this took place, but those
24 were not my specific concerns at this time.
25 Q. Is that -- is that a concern you have sitting

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1 here today in 2021 as the NRA operates as a debtor in
2 possession?
3 A. No, it is not.
4 Q. Are you aware of whether, in response to this
5 letter, the NRA did anything to address the concerns you
6 had with respect to financial conflict of interest at
7 the senior management and board of directors level?
8 A. Yes. As I said, certain vendors were -- we no
9 longer do business with. There are procedures within --
10 that are being followed within the audit committee to
11 review the board member agreements, and those have been
12 modified as well.
13 Q. Sitting here today as the NRA operates in
14 bankruptcy, do you have any concerns about financial
15 conflict of interest at the senior management and board
16 of directors level?
17 A. I am not aware of any. So, no, I do not have
18 any.
19 Q. And Ms. Rowling, then moving on to number 2,
20 senior management override of internal controls. Was
21 that -- were any of these enumerated items under number
22 2 a concern you personally had in 2018, to the extent
23 you recall?
24 A. Yes. I was involved in the forced payment to
25 WBB Investments.

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1 Q. And are you aware of whether any -- anything
2 was done within the NRA after July of 2018 to help
3 prevent forced payments such as this one listed in part
4 2a?
5 A. The change has been made with leadership in
6 the -- the tone at the top and then being -- so
7 basically the requirements surrounding accounts payable
8 are now being enforced from the upper levels and
9 supported by the senior management versus fought
10 against.
11 Q. Are you aware, Ms. Rowling, of whether there
12 are any, for lack of a better word, restrictions on how
13 the NRA can make payments to outside parties now that
14 it's in bankruptcy?
15 A. I'm not sure I understand what type of
16 restrictions or what you're referring to, I guess.
17 Q. Yeah, it was probably not the best question.
18 But I was just trying to figure out if you
19 personally are aware with respect to payments of vendors
20 and things like that if anything has changed with how
21 that's handled as a result of the fact that the NRA
22 filed for bankruptcy?
23 A. I mean, with respect to -- invoices are very
24 closely monitored for pre- and post-petition. And any
25 questions regarding payments are asked of bankruptcy

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1 counsel to make sure our interpretation of those rules
2 are correct. We follow the motions and try to
3 understand and get clarification when those motions are
4 finalized to make sure that payments are made in the
5 proper aspect.
6 Q. And who within the NRA is responsible for
7 monitoring those type of things that you just listed?
8 A. The accounts payable manager Portia, she would
9 be -- have the visibility and -- on establishing the
10 payment cycle. So she coordinates and asks me
11 questions, along with the bankruptcy counsel.
12 Q. And do you know which bankruptcy counsel she
13 consults with respect to making payments to outside
14 vendors?
15 A. John Gaither.
16 Q. Ms. Rowling, do you still in 2021 have
17 concerns about senior management override of internal
18 controls at the NRA?
19 A. No, I do not.
20 Q. What do you recall led to you and your
21 colleagues including number 3 in this list of concerns
22 for the audit committee, which specifically was
23 management has subordinated its judgment to vendors? Do
24 you have any recollection of that topic?
25 A. Yes.

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1 Q. What do you recall?
2 A. That related to Ackerman McQueen.
3 Q. Anyone else?
4 A. Possibly McKenna was in that realm, but mostly
5 Ackerman. But McKenna started falling into that with --
6 because of Josh Powell's reliance on them.
7 Q. Do you -- do you have any concerns in 2021
8 about management subordinating its judgment to vendors?
9 A. No, I do not.
10 Q. And I don't remember if I asked you this. Was
11 number 3 something you personally were concerned about,
12 or was that one of your colleagues?
13 A. That was Emily Cummins.
14 Q. Number 4, Ms. Rowling, is vague and deceptive
15 billing by preferred vendors/contractors, some of whom
16 have no current contract or no contract. And then
17 there's four examples, a through d. Do you see that?
18 A. Uh-huh, yes.
19 Q. Was that a concern you had in 2018?
20 A. Those were -- some of those vendors, yes, were
21 my concern.
22 Q. Do you have any such concerns today about
23 vendors or contractors providing vague and deceptive
24 billing to the NRA?
25 A. No, I do not.

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1 Q. Are you aware of whether any vendors are
2 operating without a contract?
3 A. I don't know for sure. I don't know of any
4 specifically, but I can't speak globally to that.
5 Q. Who -- who is in charge of the contract
6 management? I know we've had some questions about
7 whether it's centralized or not, but is there an
8 individual that is in charge of maintaining vendor
9 contracts?
10 A. Not currently. As a central location, no, not
11 currently.
12 Q. Was there someone who had that responsibility?
13 A. No.
14 Q. So is there anyone that monitors whether
15 vendors are under a current contract that your --
16 A. No, we try to -- we try to monitor through the
17 accounts payable process as best we can.
18 Q. And how does that work? When you get an
19 invoice, before you pay it is there a database, or how
20 would the payables monitor it?
21 A. Yeah, we have an Excel spreadsheet at this
22 point that -- that lists all the contracts we have in
23 financial services. So they can go to that first to see
24 if it's there, and then if it's there -- we're also in
25 the process of trying to actually digitize the contracts

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1 themselves so they can look at a PDF. If not, they can
2 go pull the actual file.
3 Q. And then, Ms. Rowling, on number 5 it's Carry
4 Guard issues. That's a program that's no longer in
5 place. Right?
6 A. That's correct.
7 Q. Okay. Number 6, this is reimbursement of
8 expenses relating to apartments and living expenses
9 beyond HR policy manual stipulations and on a permanent
10 basis, with no contract to support the reimbursement
11 request. Was this a concern you personally had in July
12 of 2008?
13 A. That was probably a joint one, but yes, I was
14 concerned of that area.
15 Q. And were you aware of all four of the
16 individuals listed, a through d, under number 6?
17 A. Yes.
18 Q. Has the NRA done anything, to your knowledge,
19 since July of 2008 to address the concerns you and your
20 colleagues articulated in number 6?
21 A. Yes. One thing that Craig did was issue
22 notice to every individual that participated in these --
23 these types of expenses, gave them a timeframe of cut
24 off, and -- and none of those exist at this point.
25 Q. And to follow up on your answer there, are you
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1 aware of since July of 2008 any reimbursement expenses
2 relating to apartments and living expenses that were
3 beyond HR policy that were reimbursed?
4 A. I believe, because of the way Craig gave
5 notice, there was a timeframe that -- that still existed
6 with respect to those. I know Doug Hamlin maintained an
7 apartment, but after the fact we learned that that was
8 actually part of his contract, so -- but he longer does
9 either as of -- I believe it was sometime in 2020.
10 Q. And other than Mr. Hamlin, are you aware of
11 any such reimbursement of expenses relating to
12 apartments and living expenses beyond HR policy in 2020?
13 A. No, I'm not aware of any.
14 Q. Do -- do you have any present concern here in
15 2021 about reimbursement of expenses relating to
16 apartments and living expenses that are beyond HR
17 policy?
18 A. No, I do not.
19 Q. Number 7, Ms. Rowling, was purchase of
20 firearms that remained on the books starting in 2005
21 where we have no indication of where the firearms are
22 located, and then in parenthetical, it suggests it's
23 over a million dollars in assets. Do you recall
24 anything about topic number 7 from July of 2008?
25 A. Yes.
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1 Q. And was this a concern you personally had, or
2 was this something that your colleagues had raised?
3 A. I believe that was a colleague, but I am aware
4 of the situation.
5 Q. And so -- I mean, obviously, I can read what
6 it says, but what was -- what was the issue? It was
7 that the NRA had purchased firearms that they still
8 showed on the books, but no one knew where the guns
9 actually were?
10 A. That's correct. They were shown as an asset.
11 Since that time, a full accounting of where those
12 firearms are has been done.
13 Q. And again, I just personally don't know. Does
14 the NRA purchase firearms for events and fundraisers or
15 do they have them for like display? Or what is the
16 reason the NRA purchases firearms?
17 A. Some of these were purchased for events. Some
18 were purchased with a -- maybe with Wayne LaPierre's
19 signature on the side or something like that to be able
20 to potentially give to a donor. I mean, there are
21 various reasons for having some of these firearms.
22 Q. Did the NRA -- I think you mentioned -- I
23 don't know if you said audit or investigation, but there
24 was some type of exercise, I understand, in order to
25 locate the firearms. Did I understand that correctly?
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1 A. Yes, that's correct.
2 Q. Was that something done internally by NRA
3 personnel, or did an outside organization do that?
4 A. Conversations were had amongst internal
5 personnel that we could finally track down where the --
6 where these firearms were located.
7 Q. And are you aware, Ms. Rowling, of whether
8 that's still an issue, that there are firearms shown on
9 the books but the NRA is not aware of the location for
10 those firearms?
11 A. Not that I'm aware of that there are.
12 Q. Is that an accounting department -- who would
13 be responsible for that? I mean, I know the actual
14 carrying it as an asset is an accounting exercise, but
15 who is actually responsible for tracking the location of
16 the firearms?
17 A. I know that John Frazer helped in this
18 capacity. I'm not sure who else would be, kind of, in
19 charge of that. I know our -- there is an individual
20 that tracks firearms and where they're located with
21 respect to the museum and storage areas. So all of
22 those people were involved in this process.
23 Q. And then the last one, Ms. Rowling, number 8,
24 lack of controls over vehicle leases. Do you recall
25 whether that's a concern you personally had back in
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1 2018?
2 A. That was put forth by Lisa George.
3 Q. And what do you recall about Ms. George's
4 concern with respect to vehicle leases?
5 A. That -- that there were instances where
6 individuals were provided vehicles that in the history
7 had not -- would not have qualified to have received a
8 vehicle as part of their job duties.
9 Q. Are you aware of whether the NRA has done
10 anything since July of 2018 to address Ms. George's
11 concern about lack of control over vehicle leases?
12 A. I believe -- well, Ms. George has mentioned to
13 me that Craig was working on an official vehicle policy.
14 I do not believe that has been presented or finalized.
15 Q. And that was going to be my question, is
16 whether you knew whether or not it had been finalized.
17 So just to make sure I understood, as far as you're
18 aware, you don't believe it's been finalized?
19 A. That's correct, I'm not aware.
20 Q. Do you have a sense of kind of how big an
21 issue the vehicle lease problem was?
22 A. It was what was removed from our original
23 list, so some people did not believe it was as big an
24 issue. To us it more stemmed from the individuals that
25 were allowing it to happen, in particular, Josh Powell.

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1 Q. Do you recall, Ms. Rowling, whether these
2 topics were ranked in any type order? Like, do you
3 recall if number 1 was literally the top concern or if
4 they were just in a random order? Do you have any
5 recollection?
6 A. I don't recall whether these were kind of put
7 in a particular order.
8 MR. DRAKE: Ms. Rowling, that's all the
9 questions I have, but I appreciate your time. I know
10 it's been a long time, but I thank you for waiting
11 around and letting me ask a few questions.
12 With that, I'll pass the witness.
13 MR. ACOSTA: I don't have any other
14 questions of the witness, but I guess I need to
15 coordinate some with Veritext.
16 I didn't use all my exhibits, so I don't -- I
17 already made the deposition long enough. I don't want
18 to add to it, so are you going to take care of that,
19 Ms. Brandt?
20 THE REPORTER: Yes, I will only attach
21 the ones that were referred to.
22 MR. ACOSTA: I don't mind everyone having
23 them; it's just I don't want to pay for it.
24 MR. DRAKE: Do we have any more questions
25 for the record? If not, we can probably go off the

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1 record. And then there are probably some logistical
2 questions about exhibits and things like that, but I
3 didn't know if we were off the record or if anybody had
4 questions.
5 MR. ACOSTA: Well, I think we're over
6 time, and being respectful of Ms. Rowling's time, she
7 probably wants to get home. So we can go off the
8 record. She can be dismissed.
9 MS. KOZLOWSKI: Before we go -- before we
10 go off, I do want to confirm that the Office of US
11 Trustee didn't have any further questions or any
12 questions. I'm hopeful not. It's been a long day.
13 MS. YOUNG: Right. This is Liz Young
14 with the US Trustee's Office. I can confirm we do not
15 have any questions for the purposes of today's
16 deposition. Thank you.
17 MS. KOZLOWSKI: Thank you. Thank you
18 very much.
19 All right. With that, I think we can go off
20 the record. Thank you.
21 THE VIDEOGRAPHER: This concludes today's
22 deposition. The time on the video is 7:07 p.m. We are
23 off the record.
24 (Proceedings ended at 7:07 p.m.)
25

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1 CHANGES AND SIGNATURE
2 WITNESS NAME: SONYA ROWLING
3 DATE OF DEPOSITION: MARCH 19, 2021
4 PAGE LINE CHANGE REASON
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1 I, SONYA ROWLING, have read the foregoing
 2 deposition and hereby affix my signature that same is
 3 true and correct, except as noted above.
 4
 5 _____
 6 SONYA ROWLING
 7
 8 THE STATE OF _____)
 9 COUNTY OF _____)
 10 Before me, _____, on
 11 this day personally appeared SONYA ROWLING, known to me
 12 (or proved to me under oath or through
 13 _____) (description of identity
 14 card or other document) to be the person whose name is
 15 subscribed to the foregoing instrument and acknowledged
 16 to me that they executed the same for the purposes and
 17 consideration therein expressed.
 18 Given under my hand and seal of office this
 19 _____ day of _____, _____.
 20
 21
 22 _____
 23 NOTARY PUBLIC IN AND FOR
 24 THE STATE OF _____
 25

Page 294

1 tgray@gtg.legal
 2 March 20, 2021
 3 RE: In Re: National Rifle Association Of America And Sea Girt
 4 LLC
 5 DEPOSITION OF: Sonya Rowling (# 4504860)
 6 The above-referenced witness transcript is
 7 available for read and sign.
 8 Within the applicable timeframe, the witness
 9 should read the testimony to verify its accuracy. If
 10 there are any changes, the witness should note those
 11 on the attached Errata Sheet.
 12 The witness should sign and notarize the
 13 attached Errata pages and return to Veritext at
 14 errata-tx@veritext.com.
 15 According to applicable rules or agreements, if
 16 the witness fails to do so within the time allotted,
 17 a certified copy of the transcript may be used as if
 18 signed.
 19 Yours,
 20 Veritext Legal Solutions
 21
 22
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1 STATE OF TEXAS)
 2 COUNTY OF DALLAS)
 3 I, Julie C. Brandt, Certified Shorthand
 4 Reporter in and for the State of Texas, certify that the
 5 foregoing deposition of SONYA ROWLING was reported
 6 stenographically by me remotely via Zoom, said witness
 7 having been placed under oath by me, and the deposition
 8 is a true record of the testimony given by the witness;
 9 That the amount of time used by attorneys at
 10 the deposition is as follows:
 11 Mr. Sheehan - 2 hour, 11 minutes
 12 Mr. Thompson - 3 hours, 6 minutes
 13 Mr. Acosta - 1 hour, 30 minutes
 14 Mr. Drake - 48 minutes
 15 I further certify that I am neither counsel
 16 for, nor related to any party in the cause and am not
 17 financially interested in its outcome.
 18 In witness whereof, I have subscribed my name
 19 this 20th day of March, 2021.
 20
 21 *Julie C. Brandt*
 22 Julie C. Brandt, CSR, RMR, CRR
 23 TX CSR No. 4018, Exp. 10/31/21
 24 Veritext Legal Solutions
 25 Firm Registration No. 571
 300 Throckmorton Street, Suite 1600
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