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

IN RE: ) BK. NO: 21-30085-HDH-11  
)  
NATIONAL RIFLE )  
ASSOCIATION of AMERICA )  
D E B T O R. )

\* \* \* \* \*

TRANSCRIPT OF PROCEEDINGS

\* \* \* \* \*

(Morning Session)

BE IT REMEMBERED, that on the 7th day of April, 2021,  
before the HONORABLE HARLIN D. HALE, United States Bankruptcy  
Judge at Dallas, Texas, the above styled and numbered cause  
came on for hearing, and the following constitutes the  
transcript of such proceedings as hereinafter set forth:

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A P P E A R A N C E S C O N T I N U E D

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1                                    P R O C E E D I N G S

2                                    THE COURT: Good morning. In the National  
3 Rifle Association case, I'll call the name of folks that have  
4 pre-registered and then we'll open up the floor to  
5 appearances.

6                                    Neligan, Buncher, Gaither?

7                                    Anyone here from that law firm?

8                                    Mr. Strubeck, Mr. Drake?

9                                    MR. DRAKE: Good morning, Judge. We're here.

10                                   THE COURT: Welcome.

11                                   Clay Taylor, Jermaine Watson?

12                                   MR. TAYLOR: Good morning, Your Honor. We're  
13 both present.

14                                   THE COURT: Welcome.

15                                   Mason, Gruber, Acosta, Carroll?

16                                   MALE SPEAKER: I believe we're all here, Your  
17 Honor.

18                                   THE COURT: Welcome.

19                                   MALE SPEAKER: Thank you.

20                                   THE COURT: Mr. Noall and Mr. Garman?

21                                   MR. GARMAN: Yes, sir, we're both here. The  
22 same group as both previous days.

23                                   THE COURT: You all just stayed in that room,  
24 Mr. Garman, overnight?

25                                   MR. GARMAN: We don't leave, Your Honor.

1 We're hoping to go home some day.

2 THE COURT: Heather Crockett of the Indiana  
3 Attorney General?

4 MS. CROCKETT: I am here, Your Honor.

5 THE COURT: Welcome.

6 Anyone else wish to make an appearance this morning?

7 MS. LAMBERT: Lisa Lambert for the United  
8 States Trustee. And with me is Mr. Asher Bublick.

9 THE COURT: Welcome.

10 MR. PRONSKE: Good morning, Your Honor.  
11 Gerrit Pronske, Eric Van Horn, and Jason Kathman with the law  
12 firm of Spencer Fane for the New York Attorney General. And  
13 from the Attorney General's Office Jim Sheehan, Emily Stern,  
14 and Monica Connell. Good morning.

15 THE COURT: Welcome back.

16 MR. CORRELL: Good morning, Your Honor. Kent  
17 Correll for Wayne LaPierre.

18 THE COURT: Welcome back.

19 MS. MIRANDA: Good morning, Your Honor.  
20 Leonor Miranda on behalf of the District of Columbia Attorney  
21 General.

22 THE COURT: Welcome back to you.

23 Anyone else wish to make an appearance?

24 All right. I think when we left last night, Ms. Stern,  
25 you were examining Mr. Frazer.



1 Mr. Frazer, I want to swear you in again, since we've  
2 all, at least in theory, slept.

3 MR. PRONSKE: Your Honor, before we do that,  
4 could I take a minute to address some of the Court's concerns  
5 about streamlining the hearing?

6 THE COURT: Yeah.

7 MR. PRONSKE: Your Honor, thank you very much.  
8 Gerrit Pronske for the New York Attorney General.

9 Yesterday afternoon the Court expressed some concerns  
10 about timing issues and to get us to streamline. And we took  
11 those comments very seriously and worked last night to figure  
12 out some ways to streamline. And I wanted to tell the Court  
13 the things that we're offering that I think are going to save  
14 a pretty substantial amount of time.

15 First, Your Honor, we are not going to call Woody  
16 Phillips live or play his video. We're going to put him on  
17 just through deposition designations to save the Court time.  
18 We will not use Gail Stanford's video in its entirety, or  
19 with a lengthy video. Instead, we're shortening that down to  
20 maybe a 15 to 20 minute video, and we will do the rest  
21 through deposition designations. We have decided to save  
22 time and we will not call our expert witness. Fourth, I had  
23 a meeting last night by phone with Brian Mason to double our  
24 efforts to shorten examinations and to minimize duplication  
25 with Ackerman. Fifth, Ms. Stern has reduced her questioning

1 for this morning down substantially so that we can save time.  
2 Sixth, Your Honor, we stipulated this morning with Mr. Garman  
3 to the admissibility of our Exhibit 365, to prevent an  
4 additional sponsoring witness to have to appear.

5 And lastly, Your Honor, we're trying to work out a  
6 stipulation regarding a summary. Hearing the Court wants to  
7 save time, we -- I had my office summarize 500 airplane  
8 travel invoices, which are on our witness and exhibit list,  
9 to a Rule 1006 summary. And we prepared and filed that  
10 summary with a Court declaration of my paralegal,  
11 (indecipherable name) Vargas, who prepared the summary. All  
12 of the documents came from the Brewer Firm and bear NRA Bate  
13 stamps. We're continuing to try to work those issues through  
14 with the debtor and hope to have some kind of an agreement  
15 that will save the Court a significant amount of time to not  
16 have to put in 500 documents.

17 THE COURT: Well, I appreciate all of that.  
18 And I'll hear from anybody else that wants to say -- let me  
19 say, too, I got kind of grumpy toward the end yesterday,  
20 probably it was as much timing and tiredness as anything.  
21 But this is the most important motion I have ever heard as a  
22 judge, to me. So I want everybody to get plenty of court  
23 time and that sort of thing. But it's so hard, since we have  
24 a motion docket, to give you blocks of time. So that was my  
25 struggle. This is a really important motion for you all,

1 too. And it needs to be heard, it needs to be decided by me.  
2 And so some of that was looking ahead and thinking where we  
3 were day 2 that we were still on the second witness. So  
4 there was a mild, probably over frustration on my part and  
5 I'll just start off the morning saying I will be -- I'll try  
6 to be more patient too. All right? Thank you.

7           Anyone else want to weigh in just on process?

8                       MR. GARMAN: Yes, Your Honor. Your Honor,  
9 Greg Garman for the debtors.

10           Your Honor, Mr. Pronske and I have done a really good  
11 job, I think, and the whole team, his whole team of coming to  
12 agreements. We're trying to work through that summary. But  
13 I feel compelled to respond to say that I don't think any of  
14 the underlying documents are admissible. But we will -- we  
15 won't fight that out now. But, Your Honor, I do have a  
16 concern about time and I don't mean to be repetitive. But it  
17 certainly would be my expectation that by some time tomorrow,  
18 I'm permitted to start putting on my case. And I know that  
19 we have the last day set for closing arguments. And I have a  
20 substantial case that I expect to have many witnesses on. I  
21 expect to be in and out of most of them in 15 to 20 minutes.  
22 But I have a substantial case to put on. And I just don't  
23 want that to be lost on this short calendar.

24                       THE COURT: Okay. Let me say that we're  
25 looking ahead for if we need just a little bit of additional

1 time. So I don't want you to get too anxious, if we're not  
2 quite where we need to be tomorrow. Don't think that you're  
3 going to be limited to one day plus closing arguments.  
4 Because in fairness to the debtor, we won't do something like  
5 that. But I would like to try to finish within the six day  
6 period, if possible, just because finding additional days is  
7 a little bit harder.

8 And let me just also make an observation while we're  
9 all patting each other on the back. It's my observation that  
10 you folks -- this is high stakes litigation, but you all are  
11 as professionals working well together. And that certainly  
12 makes my job a lot easier than it could be.

13 All right. Ms. Stern, are you ready?

14 MS. STERN: Yes, Your Honor, I am ready.

15 THE COURT: Okay.

16 MS. STERN: Actually I'm ready, but I'm  
17 hearing an echo in my room. Okay. I'm ready to go.

18 THE COURT: Okay. You're fine, as far as  
19 we're concerned.

20 Mr. Frazer, I'm going to swear you in. I don't think  
21 I've sworn you in yet, have I?

22 MR. FRAZER: Not this morning, Your Honor.

23 THE COURT: Okay. Could you raise your right  
24 hand?

25 (The witness was sworn by the Court.)

1 THE COURT: Thank you.

2 You may proceed.

3 JOHN FRAZER

4 The witness, having been duly sworn to tell the truth,  
5 testified on his oath as follows:

6 DIRECT EXAMINATION

7 BY MS. STERN:

8 Q. Good morning, Mr. Frazer.

9 MS. STERN: I'm going to start just by moving  
10 into evidence New York AG Exhibit 365, which is being moved  
11 in by stipulation of the parties.

12 A. Yes, I have it.

13 Q. Actually, Mr. Frazer, I'm not -- I don't need you  
14 to look at it. We're -- it's a document that bears a  
15 confidentiality designation. We're just going to move it in  
16 at this point. And we don't need to get into any testimony  
17 about it right now.

18 A. Okay.

19 MALE SPEAKER: So stipulated by the debtors.

20 MS. STERN: Okay. So I'm going to move on,  
21 Your Honor.

22 Q. Mr. Frazer, in connection with the NRA so-called  
23 Self Correction Compliance Review, you gave compliance  
24 training programs, didn't you?

25 A. Yes, I did.

1 Q. And the first such program was in the Summer of  
2 2018; isn't that right?

3 A. Yes.

4 Q. That first program was presented by you and Joshua  
5 Powell?

6 A. That's correct.

7 Q. The NRA has identified Joshua Powell as having  
8 received excess benefits in its most recent 990; isn't that  
9 true?

10 A. Yes, we did. And I should add, he really -- he  
11 really just kind of introduced that presentation.

12 Q. And Mr. Powell was also identified by the NRA as  
13 having failed to timely disclose a conflict of interest  
14 involving his wife's employment with an NRA consultant; isn't  
15 that true?

16 A. Yes.

17 Q. And Mr. Powell was also the subject of complaints  
18 brought to the attention of the Audit Committee in the Summer  
19 of 2018 by NRA finance staff; isn't that true?

20 A. Yes.

21 Q. You relied on the Brewer Firm for its assistance in  
22 preparing power point slides that are presented in this  
23 program; isn't that true?

24 A. Yes, we did.

25 Q. Okay. And after that first program in the Summer

1 of 2018, you have done refresher versions of the program;  
2 isn't that true?

3 A. Yes. We did two more, I believe.

4 Q. So there was one in October 2018 and another in  
5 February 2019; does that sound right to you?

6 A. Yes, it does.

7 Q. Okay. Would you please turn to NYAG Exhibit 56,  
8 please.

9 MS. STERN: Which I offer into evidence.

10 A. Yes, I have it.

11 MS. STERN: Okay. Let me give your counsel an  
12 opportunity.

13 MALE SPEAKER: No objection, Your Honor.

14 THE COURT: NYAG 56 is in.

15 Q. Mr. Frazer, are these the slides that were  
16 presented in the refresher course that you gave in 2019?

17 A. Yes, they are.

18 Q. Okay. Can you turn to slide 2 in the deck? It  
19 should be the second page of the document.

20 A. Yes, I see it.

21 Q. Okay. And this training program that you -- and  
22 you, yourself, gave this program in February 2019; isn't that  
23 true?

24 A. Yes. I was the only presenter at that -- at that  
25 session.

1 Q. Okay. And the program that you presented at that  
2 time -- and, actually, this is as to all of the programs.  
3 The program is designed to instruct upper management at the  
4 NRA and the NRA's policies and practices concerning conflicts  
5 of interest, related party transactions, spending and  
6 procurement, safeguarding of assets, communicating, and  
7 enforcing controls; isn't that true?

8 A. Yes. Although it ended up not being limited only  
9 to upper management.

10 Q. Okay. The presentation accurately describes the  
11 NRA's policies and practices in all of those areas, doesn't  
12 it?

13 A. Certainly as they stood at the time, yes.

14 Q. Mr. LaPierre has never once attended this program;  
15 isn't that true?

16 A. To my recollection, he did not.

17 MS. STERN: I have no further questions. I'll  
18 pass the witness.

19 Thank you, Mr. Frazer.

20 THE COURT: Thank you, Ms. Stern.

21 Mr. Gruber, I think you're up next.

22 I think you're muted, Mr. Gruber.

23 MR. GRUBER: That's what was the problem.

24 Thank you, Your Honor.

25 THE COURT: My pleasure.



1 CROSS-EXAMINATION

2 BY MR. GRUBER:

3 Q. Mr. Frazer, good morning. How are you today?

4 A. I'm fine, thanks. Good morning.

5 Q. Mr. Frazer, you were designated as the corporate  
6 representative of the NRA as to the NRA's reasons for filing  
7 bankruptcy; were you not?

8 A. Yes, I was.

9 Q. And there were a couple of other items. But one of  
10 the things that you were specifically to testify to was the  
11 reasons, both financial and non-financial, for seeking  
12 protection under Chapter 11 of the Bankruptcy Code; is that  
13 correct?

14 A. Yes, it was.

15 Q. Okay. And isn't it true that in response to  
16 that -- the request that you testified, you stated that the  
17 three main reasons for the NRA filing bankruptcy were to  
18 streamline litigation, consolidate the claims against the  
19 NRA, and reorganize in Texas; is that correct?

20 A. Yes.

21 Q. Okay. And as you went on to testify, there were no  
22 additional reasons that you could think of that the NRA filed  
23 for bankruptcy, except for streamlining, consolidating the  
24 claims, and reorganizing in Texas; is that correct?

25 A. I don't recall. I don't recall that part of the

1 testimony.

2 MR. GRUBER: Can we go ahead and show Frazer  
3 Volume I, 260 line 24 to 261 line 6?

4 A. I'm sorry. Can you point me to an exhibit number?

5 Q. Let's see, Volume -- Frazer Volume I and it's --  
6 I'll tell you what, let's go on. We'll work on a document at  
7 the very beginning of this thing.

8 You just can't recall one way or the other; is that  
9 correct, that you acknowledged that those were the three  
10 reasons?

11 A. I recall acknowledging those reasons. I don't  
12 recall the testimony about additional reasons.

13 Q. Okay. Did you hear Mr. Garman's opening statement?

14 A. Yes, I did.

15 Q. Okay. We have a transcript of it and he  
16 specifically say that we filed again for the three reasons  
17 that constitute good faith, or for three reasons that  
18 constitute good faith. We needed to take dissolution, the  
19 equivalent of foreclosure off the table. We needed to take  
20 receivership off the table and stay in control of our assets.  
21 And we did. In fact, filed because we believe that there are  
22 legal ways to get out of New York and find ourselves where  
23 our members are. Where this is not only the state with the  
24 most members, this is the state with the most firearms.

25 Do you recall generally -- well, that's specifically

1 what he said. But do you recall that?

2 A. Yes, I do.

3 Q. So one thing that caught my interest is, is  
4 dissolution the equivalent of a foreclosure?

5 MR. NOALL: Objection; calls for a legal  
6 conclusion.

7 THE COURT: The witness may give his  
8 understanding. I understand he may not be an expert.

9 You can give your understanding, sir.

10 THE WITNESS: Thank you, Your Honor.

11 A. And, Mr. Gruber, I want to note there's a little  
12 bit of an echo on your line that may throw people off a  
13 little bit.

14 So the question was whether -- whether dissolution is  
15 the equivalent of a foreclosure. I don't think of it in  
16 those terms. I would think of a foreclosure of more in a  
17 property law context, where a dissolution is, essentially, a  
18 corporate death sentence for the organization as a whole.

19 Q. And -- I'm sorry, go ahead. Did I cut you off?

20 A. I mean, you can -- an organization can remain in  
21 existence while experiencing a foreclosure on property, for  
22 example.

23 Q. Okay. And we all talked about how powerful the New  
24 York Attorney General is also in that opening. So let me ask  
25 you this.

1 Is the New York Attorney General so power that it can  
2 dissolve the NRA just on its own, just as an administrative  
3 matter?

4 A. No. There are due process requirements.

5 Q. So -- and who enforces -- who calls balls and  
6 strikes on those -- those requirements?

7 A. It's a judicial process.

8 Q. So it's not just the AG, there's other parties that  
9 are involved; is that correct?

10 A. Yes.

11 Q. So you've heard what Mr. Garman said in the opening  
12 and we've heard what you stated. What -- which are the  
13 reasons that the NRA went into bankruptcy? They seem like  
14 very different things.

15 A. I disagree with that. I disagree with that  
16 statement. I think that streamlining, resolving litigation  
17 more efficiently may include some of the other things, some  
18 of the things that Mr. Garman talked about. I think they're  
19 all compatible interest.

20 Q. Okay. But when you testified, you didn't say that  
21 avoiding dissolution was a reason. You didn't give that, did  
22 you?

23 A. I didn't name it specifically.

24 Q. Okay. And you didn't say anything about avoiding a  
25 receivership specifically as a reason, did you?

1 A. No, I didn't.

2 Q. You can pull up Trial Exhibit 51 and it is, I  
3 believe, Mr. LaPierre's letter that he sent to the board.

4 A. Is that AMC's Exhibit 51?

5 Q. Yes. Unless I say otherwise, it will be our  
6 exhibit. Thank you.

7 And do you have that?

8 A. Yes, I do.

9 Q. And this is where the board of directors are first  
10 told about the actual filing of the Chapter 11; is that true?

11 A. Yes.

12 Q. And one of the things that's stated on the first  
13 page of the message from Mr. LaPierre is, our filing today  
14 allows us to wisely seek protection from New York officials  
15 who illegally weaponize the powers they yield -- wield  
16 against the NRA and its members. Do you see that?

17 A. Yes, I do.

18 Q. And do you agree with that statement?

19 A. Yes, I do.

20 Q. Mr. Frazer, in your deposition on March 18th you  
21 said something very important. You said, as an attorney,  
22 everything you file has to be in good faith; is that right?

23 A. Yes, that's right.

24 Q. And that's because you took a professional oath to  
25 follow the law; isn't that correct?

1 A. Yes.

2 Q. And there are serious consequences with breaking  
3 the oath that you took, as far as following your oath; is  
4 that right?

5 A. Yes.

6 Q. And would you agree to accuse another attorney of  
7 being willing to violate the law, that's one of the most  
8 serious accusations you can make against a fellow attorney?

9 A. Yes.

10 Q. And the NRA has claimed that the New York Attorney  
11 General is illegally weaponized against the NRA, also; has it  
12 not?

13 A. Yes, we have.

14 Q. And based on the other statements you've seen and  
15 you all have put out to the public, is it your professional  
16 opinion that the New York Attorney General is not following  
17 the law as the Attorney General files her claims against the  
18 NRA -- pursues her claims against the NRA?

19 A. Yes. We believe that the claims violate the --  
20 violate the Association's First Amendment Rights.

21 Q. Okay. And did you -- let me ask this. Have you  
22 gone to any Court to handle the problem of First Amendment  
23 Rights against the -- that you claim?

24 A. Well, bear in mind, I'm going to be limited in what  
25 I can answer on this, because I'm not involved in the

1 litigation against New York, except in my capacity as a  
2 defendant.

3 But the Association certainly has sought remedies  
4 against the Attorney General for those First Amendment  
5 violations.

6 Q. Have they done so in federal court?

7 A. Yes.

8 Q. Okay. And so there's an action pending in federal  
9 court; is that correct?

10 A. That's correct.

11 Q. And Mr. LaPierre has testified that the playing  
12 field is not level, that the NRA can't get a fair shake in  
13 New York. Do you agree with that as the chief legal officer  
14 of the NRA?

15 A. I'm not sure about the quote from Mr. LaPierre,  
16 exactly. But I do believe that the -- there are problems  
17 with pursuing this in New York.

18 Q. Well, do you believe that there's not a level  
19 playing field in New York?

20 A. Yes.

21 Q. By extension -- let me understand. You've got one  
22 case that you filed in federal court to protect your rights  
23 against the New York Attorney General; isn't that right?

24 A. Yes.

25 Q. Is that federal judge weaponized against the NRA?

1 A. I don't think we've said that, no.

2 Q. Well, you've painted an awfully broad brush. The  
3 level playing field in New York -- the Attorney General  
4 doesn't decide the playing field; is that correct?

5 A. Well, the statement about illegal weaponization was  
6 referring to New York officials, not to federal judges.

7 Q. I asked you about a playing field that's not level.  
8 Who determines whether the playing field is level or not,  
9 Mr. Frazer?

10 A. The -- I think you have to look at it in terms of  
11 the overall -- the overall landscape that we face. It's a  
12 combination of -- a combination of players there.

13 Q. So the New York Attorney General is seeking a  
14 declaration from a New York judge, Judge Joel Cohen, for  
15 dissolution of the NRA; is that correct?

16 A. Yes.

17 Q. Okay. And you're actually part of that suit; are  
18 you not?

19 A. Yes, I am.

20 Q. And the statement is that New York has -- you all  
21 have made the statement that New York has a corrupt political  
22 and regulatory environment; is that correct?

23 A. Yes, we have.

24 Q. That's a very broad brush; is it not?

25 A. That's your characterization.



1 Q. I'm asking for your's, sir. Is that a very  
2 large -- a very broad brush?

3 A. I think it's an accurate -- an accurate statement,  
4 when it's taken in context.

5 Q. So I'm going to -- we can go to the New York  
6 Attorney General Exhibit 107 at page 166.

7 Will you do that for me, please?

8 A. And I'm sorry, what was the exhibit number?

9 Q. 107.

10 A. 107.

11 And what was the page number, again?

12 Q. 166.

13 A. Yes.

14 Q. I think there's a large B paragraph, declaring that  
15 the NRA?

16 A. Yes.

17 Q. And do you see where it says that the New York  
18 Attorney General is making claims and is asking for a  
19 determination in the Court's discretion that it is in the  
20 interest of the public to dissolve the NRA? Do you see that?

21 A. Yes.

22 Q. So in your opinion, does the Court that has it  
23 completely in its discretion to decide this matter, is that  
24 Court not providing a level playing field?

25 A. No. Nor do I think we've said that.

1 Q. Well, again, you've painted a very large brush.  
2 Anywhere do you say that, we're excluding the judge that's  
3 got our case in state court?

4 A. That's not --

5 Q. -- your materials like that?

6 A. Not offhand, no.

7 Q. And can you point somewhere in your materials that  
8 this doesn't include the Federal Court that you approached to  
9 protect your rights?

10 A. Not offhand, no.

11 Q. At this point in time, are you convinced that the  
12 Federal Court you approached to protect your Constitutional  
13 Rights will not do so?

14 A. No.

15 Q. And isn't it true, Mr. Frazer, that the ultimate  
16 decision on whether the NRA will be dissolved will follow the  
17 due process described by the State of New York; is that  
18 correct?

19 A. Yes.

20 Q. And, in this case, you've already involved a  
21 federal judiciary and they, too, can affect the ultimate  
22 decision of whether the NRA will be dissolved; is that not  
23 correct?

24 A. Yes.

25 Q. And if you look at the key statutory provisions

1 N-PCL112(a)(5) states, the Attorney General may maintain an  
2 action or a special proceeding to dissolve a corporation  
3 under Article 11, which is a judicial proceeding.

4 It's up on my screen. Do you see that?

5 A. I do. I don't know if this -- I don't know what  
6 document this is or whether it's an accurate restatement or  
7 summary.

8 Q. That's -- with that, I'll take your answer with  
9 that reservation.

10 If you look at N-PCL1109, judgement or final order of  
11 disposition. Do you see that down below?

12 A. Yes, I do.

13 Q. And an action, special proceeding under this  
14 article, if in the Court's discretion it shall appear that  
15 the corporation should be dissolved, it shall make a judgment  
16 or final order dissolving the corporation. Do you see that?

17 A. Yes, I do.

18 Q. This is not like a foreclosure where you walk down  
19 to the courthouse and you get your way, is it?

20 A. I mean, I'm not sure -- I'm not sure I get the  
21 comparison there.

22 Q. All right. Talk to your attorney about it after  
23 we're through.

24 Isn't it true that the ultimate decision of what  
25 happens as far as dissolution is up to Judge Cohen and

1 potentially a jury in New York?

2 A. Well, yes. Although also allowing the possibility  
3 of appeals.

4 Q. Ah-ha. So it doesn't end, your rights. If you're  
5 found by the District Judge in New York that the NRA -- has  
6 found dissolution is proper, you get to go up to the  
7 Appellate Court; is that correct?

8 A. Sure, depending on the issues.

9 Q. Well, what would preclude you from going up? You  
10 certainly have the money to appeal -- the NRA has the money  
11 to appeal a case; does it not?

12 A. Well, whether -- you know, whether a judgment could  
13 or should be appealed depends on the grounds for the Lower  
14 Court action. I think we understand that.

15 Q. So if it's absolutely clear that you deserve the  
16 punishment you're dished out, then you wouldn't appeal.  
17 Would that be one of the alternatives that you're talking  
18 about?

19 A. I mean --

20 MR. NOALL: Objection; argumentative.

21 THE COURT: Sustained.

22 Q. What are the alternatives, as far as appealing?

23 A. I'm sorry, I'm not sure I understand your question.

24 Q. Let me go on to this.

25 Do you acknowledge that there is an appellate right

1 after the State District Court in New York decides one way or  
2 the other on dissolution?

3 A. Let me -- generally, yes, although I haven't looked  
4 at the specific issue.

5 Q. And do you understand that you can go to a second  
6 Appellate Court before the final decision might be made on a  
7 dissolution?

8 A. Again, I'm not an expert on the New York court  
9 system. But I believe they have multiple levels.

10 Q. Is there a trial date set in the state court action  
11 that the Attorney General has brought?

12 A. I don't recall if a trial date has been set yet. I  
13 know we're on a discovery calendar.

14 Q. Okay. So would you expect that case to be tried in  
15 the next year?

16 A. I recall there was some discussion at some point of  
17 a trial early next year, but I don't recall any exact date.

18 Q. And do you know, as an attorney in charge of a lot  
19 of litigation for the NRA, as to whether appellate time  
20 tables can last a while?

21 A. Yes, they can.

22 Q. So is it clear to say that there is no immediate  
23 issue as to dissolution of the NRA? That's not going to  
24 happen in the next few weeks, is it?

25 A. No, I don't think I agree with that. I think we've

1 raised the concern about the possibility of a receivership,  
2 which would be tantamount to dissolution in a very short time  
3 frame.

4 MR. GRUBER: I move to strike his answer as  
5 non-responsive, Your Honor.

6 THE COURT: Sustained after the no part.

7 Q. So we'll talk about dissolution in just a minute.

8 But is your -- or we'll talk about receivership in a  
9 minute.

10 Is your understanding though, first, that the  
11 receivership can be done unilaterally?

12 A. My understanding is that a receivership can be  
13 sought on an ex parte basis.

14 Q. But ex parte just means that you may not be there  
15 at first, but the judge -- a judge still has to grant it; is  
16 that correct?

17 A. Yes.

18 Q. So getting back to my question.

19 In the next -- in the next few weeks, you're not going  
20 to face a final dissolution order that dissolves the NRA, are  
21 you?

22 A. No, I don't think so.

23 Q. And you're really probably not going to even get to  
24 the Trial Court decision level within a year, are you?

25 A. I couldn't say I know that one way or the other.

1 Q. And you aren't going to get through the appellate  
2 phase after a Trial Court finding, the final appeals phase  
3 for years, are you?

4 A. For years? I don't know what the time table might  
5 be.

6 Q. Is it your understanding that the Courts of the  
7 State of New York are illegally weaponized against the NRA?

8 A. No. I don't think we've said that.

9 Q. Let me ask you this. If the Courts aren't  
10 weaponized against the NRA, what's the issue? Aren't you  
11 going to be treated fairly by the Courts?

12 A. The issue is that the Attorney General's Office,  
13 the Governor's Office, and other New York regulatory agencies  
14 have been turned against the NRA in what we believe is an  
15 unlawful manner.

16 Q. And let me ask you, you're saying that about all --  
17 are you saying that the Courts are in the same position,  
18 they've been turned against the NRA? The NRA won't get a  
19 fair shake in New York courts?

20 A. We haven't said that about the Courts. But we  
21 certainly believe that our opponents aren't going to play  
22 fair.

23 Q. Well, again, if they don't play fair, would you  
24 expect for the State Court in New York to handle that issue,  
25 if they play fair?

1 A. I'm sorry, if who plays fair?

2 Q. The State Court. If the state court that you're in  
3 right now plays, fair would you expect that everything will  
4 work out as it should?

5 A. Well, I don't know. You never know how a Court is  
6 going to go.

7 Q. Is that because they're weaponized against the NRA?

8 A. I didn't say that. I'm just saying that sometimes  
9 the processes are unpredictable.

10 Q. Okay. They can be unpredictable. But are you  
11 saying that the District Court in New York will not ethically  
12 and fairly decide the case against the NRA?

13 A. No, I didn't say that.

14 Q. And then you've got the Federal Court. Do you  
15 think they will not -- the Federal Court will not decide the  
16 case against the NRA ethically and fairly?

17 A. I wouldn't say that, either.

18 Q. And do you believe that the Appellate Courts in New  
19 York at the state level are fair and ethical?

20 A. I don't have any personal experience with the  
21 Courts, so I wouldn't say that.

22 Q. And do you have any knowledge through your --  
23 working with the NRA and in forming these decisions that are  
24 being made by the DRA on its legal matters, do you have any  
25 understanding that the New York State Appellate Courts are



1 unfair or unethical with regard to the NRA?

2 A. I have -- I haven't heard that. But I also  
3 haven't -- you know, because I'm conflicted on the matter, I  
4 haven't discussed appellate options with NRA's counsel.

5 Q. Let's talk about a Receiver. Again, do you know  
6 who makes the decision as to whether to appoint a Receiver?

7 A. My understanding is that it would be a judicial  
8 decision.

9 Q. Okay. And, again, you know the specific judge at  
10 this time that would -- that's in charge of your case in  
11 state court in New York, right?

12 A. Yes.

13 Q. And the same question I asked before. Any reason  
14 to believe that that judge is not going to act fairly and  
15 ethically in deciding your case?

16 A. No. I don't have any such information on Judge  
17 Cohen.

18 Q. And as of right now, do you have any personal  
19 knowledge of an imminent threat of a Receiver being appointed  
20 over the NRA?

21 A. As of today, no.

22 Q. Aside from the actual filing of the New York  
23 Attorney General action in August of 2020, are you aware of  
24 any action taken that would lead you to believe the New York  
25 Attorney General was going to appoint a Receiver?

1           A.    I'm not personally aware.  But, again, I'm  
2 conflicted, so I don't necessarily hear everything that  
3 counsel may become aware of.

4           Q.    Well, you're also a party to the case.  Do you  
5 think you would get pleadings from the Court that affect you  
6 and the NRA and Mr. LaPierre?

7           A.    If they would affect me personally, I would expect  
8 that.

9           Q.    And you're all in one proceeding; isn't that  
10 correct?

11          A.    Yes.

12          Q.    So we've talked about some of the statements that  
13 have been made.  Were all of the statements that have been  
14 made to the public about unethical public officials and all  
15 of these other claims that have been made, were they all  
16 vetted by Mr. Brewer in his role as head of PR for this  
17 project?

18                   MR. NOALL:  Objection; over broad.

19                   THE COURT:  Sustained.  Do you want --

20                   MR. GRUBER:  Can he answer the question?

21                   THE COURT:  Could you be a little bit more  
22 specific, Mr. Gruber?

23          Q.    So there have been a number of public  
24 pronouncements, press releases, Mr. LaPierre's message,  
25 what's on the leadership site of the NRA.  Were all of these

1 different messages about New York officials, were they all  
2 vetted by Mr. Brewer and his firm?

3 A. I don't know.

4 Q. You don't know one way or the other?

5 A. I don't know. I don't know who at the firm, or if  
6 anyone at the firm reviewed all of our messages in such a  
7 broad -- you know, broadly categorized.

8 Q. That's just something you don't know?

9 A. I'm sorry, I didn't understand.

10 Q. Well, let me ask you this. Do you know if any of  
11 the messaging, along the lines of what we were discussing,  
12 have been vetted by the Brewer Firm?

13 A. Well, I assume Mr. Brewer reviewed his own  
14 statement.

15 Q. Very good. All right. You talked about  
16 streamlining litigation in your deposition; isn't that  
17 correct?

18 A. Yes.

19 Q. As far as streamlining, basically one firm is  
20 handling most of the litigation; isn't that correct?

21 A. I mean without -- I don't know how you -- it  
22 depends on how you might count cases. And I'd have to go and  
23 do that. But certainly the Brewer Firm is handling a number  
24 of cases.

25 Q. Okay. How about the one involving Mark Vitio; is

1 that correct?

2 A. The Brewer Firm is handling that case with  
3 co-counsel, yes.

4 Q. And how about against Governor Cuomo?

5 A. Yes.

6 Q. The litigation against Winston & Strawn?

7 A. Yes.

8 Q. The litigation against JAMS?

9 A. Well, it's the same case.

10 Q. All right. Litigation against Letitia James?

11 A. Yes.

12 Q. And you're saying that the Winston & Strawn and  
13 JAMS are both being handled by the same attorney in the same  
14 case?

15 A. Yeah. They're both being handled by the Brewer  
16 Firm and with local counsel.

17 Q. And the litigation against Oliver North?

18 A. Yes.

19 Q. Thank you.

20 And isn't it true that you've attempted recently -- the  
21 NRA has attempted recently to streamline, consolidate, or  
22 centralize a number of its cases in the multi-district --  
23 with the multi-district litigation panel?

24 A. Yes.

25 Q. If you would go to Trial Exhibit 121 at page --

1 A. This is AMC -- just to be clear, AMC?

2 Q. Yes. Unless I put something else in front of it,  
3 please consider it our's.

4 A. Okay. And you said 121?

5 Q. Exhibit 121 at page 1, I believe.

6 A. Okay. I have it.

7 Q. I'm sorry. Do you recognize that document?

8 A. Yes, I do.

9 Q. And could you go down where it says, on the basis a  
10 paper's filed?

11 A. Yes.

12 Q. And it says, on the basis a paper is filed and  
13 hearing held, we are persuaded that centralization is  
14 necessary -- or not persuaded that centralization is  
15 necessary for the convenience of the parties and witnesses or  
16 to further the just and efficient conduct of the litigation.  
17 Do you see that?

18 A. Yes, I do.

19 Q. And that case hasn't been appealed, has it?

20 A. Not to my knowledge.

21 Q. Okay. And since you all brought that case, it's  
22 not subject to a stay, is it?

23 A. I don't believe so.

24 Q. So are you asking the Bankruptcy Court to make a  
25 decision about an un-appealed decision by the multi-district

1 panel?

2 A. No, we're not.

3 Q. Well, you're attempting to have this Court look at  
4 the streamline of litigation. There's an open case on that  
5 same subject matter; is there not?

6 A. I don't -- I mean, I don't think so, since it was  
7 denied.

8 Q. And do you understand that -- we've talked about  
9 appeals. You understand that it could have been appealed?

10 A. I believe so.

11 Q. And it's not stated, correct?

12 A. I mean, I don't know.

13 Q. Could you look at New York Attorney General  
14 Document 354? I believe it's already in evidence.

15 A. Yes, I have it.

16 Q. Could you go to the January 4th, 2020 bill?

17 A. Yes. I believe this is the one that we've  
18 identified as a typo yesterday.

19 Q. And what was the typo?

20 A. The year in the header.

21 Q. And what year is it supposed to be?

22 A. It should have been dated January 4th, 2021.

23 Q. Okay. There's something about Russia. Is that the  
24 Russian investigation that the NRA is involved with?

25 A. It's -- well, it's basically -- yes. It's a series

1 of congressional and other investigations related to Russian  
2 matters.

3 Q. And still in 2021, as opposed to even 2020, there's  
4 a bill for \$59,155.25; is that correct?

5 A. Yes.

6 MR. NOALL: Objection; mis-characterizes the  
7 exhibit.

8 THE COURT: How so? Could you just tell us  
9 how?

10 MR. NOALL: Yes, Your Honor. He's stating  
11 that the bill for that amount is for 2021. And I think this  
12 exhibit states right on its face is the time was for 20 -- in  
13 2020. It was simply transmitted in 2021.

14 THE COURT: Sustained on that.

15 Q. All right. Whenever -- whenever the bill is for,  
16 it's got at the top of it 2020 and that should be 2021; is  
17 that correct?

18 A. The bill was transmitted in 2021, yes.

19 Q. Okay. And whatever -- is the amount correct that  
20 is billed for the Russia case at that time?

21 A. So I don't know that I can say that, because  
22 sometimes we get -- sometimes after adjustments on a bill,  
23 the cover sheet ends up being -- you know, the invoices are  
24 reissued and there may be a new cover sheet. I don't know if  
25 this was an initial or a final cover sheet.

1 Q. Okay. Just a couple of questions on that.

2 Was the Russia trip, I believe that's referred to, was  
3 that a very difficult public relations issue for the NRA?

4 MR. NOALL: Objection; vague and ambiguous.

5 THE COURT: Overruled.

6 You may answer the question, sir.

7 A. Yes. It was a challenging public relations issue.

8 Q. Can I ask you, while we're on that, there's  
9 something, insurance matters for 19,000 and some odd dollars.  
10 Do you see that?

11 A. Yes, I do.

12 Q. Does that have anything to do with the Loctin  
13 litigation?

14 A. Possibly. But I don't know that without going into  
15 the -- without the details on a particular invoice.

16 Q. Is -- is the Brewer Firm still receiving money from  
17 insurance matters concerning Loctin at this time?

18 A. I don't know what has been paid under any -- under  
19 any indemnities recently, off the top of my head.

20 Q. So after the settlement agreement with Loctin,  
21 Mr. Brewer did considerable work --

22 MR. NOALL: Your Honor, I have to object to  
23 this questioning. We have a confidentiality order in place  
24 with respect to these matters. And Mr. Gruber is infecting  
25 the record with matters that are confidential and shouldn't



1 be on the record.

2 THE COURT: Mr. Gruber?

3 MR. GRUBER: Your Honor, as far as payments  
4 under -- after the settlement, payments that he received, I  
5 can ask questions about it.

6 MR. NOALL: Your Honor, if we're going to go  
7 into matters that are covered by the protective order, then  
8 we're going to have to do it in a sealed environment.

9 MR. GRUBER: Your Honor, let's put that off  
10 for a while. There is another witness that could address  
11 this, I think. So we'll move on.

12 THE COURT: Okay. We have -- let me just say,  
13 a process in place, so I'd like to avoid as much as we can,  
14 just because it would be disruptive. Thank you for doing  
15 that, Mr. Gruber.

16 MR. GRUBER: I agree with you, Your Honor.

17 MR. NOALL: Your Honor, we would ask that the  
18 testimony regarding those matters be stricken from the record  
19 until we bring them up later.

20 MR. GRUBER: Your Honor, I would ask that they  
21 stay in the record until we figure it out.

22 THE COURT: I'm going to sustain the motion to  
23 strike just to keep it clean. If we come back  
24 confidentially, then you can ask the questions again.

25 MR. GRUBER: Thank you, Your Honor.

1 Q. We looked at the multi-district litigation order  
2 just a little bit.

3 MR. GRUBER: Your Honor, we'd like to have it  
4 admitted. I believe it's 121. We'd like to have it admitted  
5 into the record.

6 THE COURT: Any problem with that, Mr. Noall?

7 MR. NOALL: We're just checking the -- which  
8 one of the exhibits to make sure the copy is accurate, Your  
9 Honor. One moment.

10 THE COURT: Okay.

11 MR. NOALL: Your Honor, we have no objection.

12 THE COURT: Ackerman 121 is in.

13 Q. Mr. Frazer, would you agree that going into  
14 bankruptcy is one of the biggest decisions that a  
15 corporation, profit or non-profit, could make?

16 A. It's a major decision, yes.

17 Q. Well, I'll ask you specifically. Would you agree  
18 that it's one of the biggest decisions that a corporation,  
19 profit or non-profit, can make?

20 A. Yes.

21 Q. And in order for a corporation to go into  
22 bankruptcy, it must be properly authorized; is that correct?

23 A. Yes.

24 Q. And in your deposition did you state that if a  
25 bankruptcy petition lacks proper corporate authority, that it

1 is not filed in good faith?

2 A. I don't recall the specific testimony.

3 MR. GRUBER: Could we play Frazer, Volume II,  
4 231 line 13 to 233 line 8?

5 (Frazer Volume II, page 231 line 13  
6 to page 233 line 8 played.)

7 MR. NOALL: Your Honor, I object. They've cut  
8 out the objections out of this testimony.

9 THE COURT: Could you pause for a second?  
10 What was the objection?

11 MR. NOALL: It was an objection to form on the  
12 last question that's not included in the transcript that's  
13 being shown on the screen.

14 THE COURT: And the question is at line 19?

15 MR. GRUBER: Your Honor --

16 THE COURT: I'm just trying to figure out what  
17 the issue is right now.

18 Could you scroll back down?

19 MR. GRUBER: Your Honor, if I could point out,  
20 the transcript itself is in the record. And I believe the  
21 objections are preserved there.

22 MR. NOALL: Your Honor, they cannot circumvent  
23 the objections by cutting them out of the transcript that  
24 they're showing the Court on the screen.

25 MR. GRUBER: Your Honor, I disagree. They are

1 in the record that's been provided to the Court. We are  
2 trying to move things along and we are trying to show what he  
3 actually stated.

4 THE COURT: So the full transcript is in the  
5 record; is that what you're telling me, Mr. Gruber?

6 MR. GRUBER: That's my understanding.

7 MR. NOALL: Your Honor, I don't believe that  
8 that transcript has been admitted into evidence. And, again,  
9 the testimony that they're showing on the screen is altered  
10 from the transcript that we're looking at at the table. We  
11 don't believe this testimony was designated from the  
12 transcripts that they have designated, as well. And there  
13 were numerous objections to this testimony on the record when  
14 we were taking this deposition.

15 MR. GRUBER: Your Honor, could we go -- could  
16 we just go to 245, 24 to 246, 06, then?

17 THE COURT: Yes.

18 (Frazer page 245 line 24 to page 246 line  
19 6 played.)

20 MR. NOALL: Your Honor, the same situation.  
21 They've stricken the objection to the form of the question  
22 that we raised in the deposition. It doesn't show on the  
23 transcript that they're putting up before the Court. We  
24 objected to this testimony.

25 MR. GRUBER: Your Honor, this clip has been

1 designated. They've got it. So I -- really, I don't see the  
2 issue. I don't think the Court's going to have the decision  
3 affected. And it is in the transcript is in there. And I'd  
4 like to go ahead and move that his deposition be admitted at  
5 this time.

6 THE COURT: Well, we don't admit whole  
7 depositions like that, for one thing.

8 I'm going to overrule the objection on that question.

9 MR. GRUBER: Okay. Thank you. We're ready to  
10 move on.

11 Q. I don't want to spend a lot of time on this.  
12 There's been some time even spent with you on this issue.  
13 But there are a few questions that I think you are in a  
14 unique position to answer.

15 First of all, would you agree that nowhere in the  
16 employment agreement of Mr. LaPierre is he specifically or  
17 generally authorized to file a Chapter 11 petition using that  
18 language?

19 A. I'm not sure I agree with that statement at all.

20 Q. Somewhere in his employment agreement does it say  
21 that Mr. LaPierre specifically can file a Chapter 11 petition  
22 in bankruptcy?

23 A. No, it doesn't.

24 Q. Is it true that the first time that you read the  
25 employment agreement yourself was in -- on the weekend of the

1 6th and the 7th when the board met?

2 A. I don't recall. I don't recall exactly when I  
3 first read it.

4 Q. Is it true you didn't review it prior to that  
5 weekend?

6 A. That's correct.

7 Q. There was an executive session that you attended in  
8 your capacity as general counsel and answered questions about  
9 Mr. LaPierre's agreement; isn't that correct?

10 A. Yes.

11 Q. So -- and this is at the same board meeting that  
12 the employment agreement actually was passed; is that  
13 correct?

14 A. Yes.

15 Q. And you were aware at the time that at least  
16 generally research was being done, or attorneys were looking  
17 at the possibility of filing bankruptcy, you know, for the  
18 NRA at the time of that board meeting; isn't that correct?

19 A. Yes.

20 Q. And despite the fact that you had generally in your  
21 mind that there may be some attempt to go into bankruptcy,  
22 despite the fact that you were actually talking about the  
23 employment agreement to the board members, you didn't piece  
24 together that reorganization and reconstruction meant filing  
25 a Chapter 11 petition, did you?

1 A. No, I didn't.

2 Q. And, in fact, you stated that companies reorganize  
3 and restructure without judicial intervention all the time;  
4 isn't that right?

5 A. Yes.

6 Q. Are you aware of whether Mr. LaPierre made an  
7 intentional decision not to inform the board of directors  
8 that he was planning to file for bankruptcy?

9 A. I don't know about Mr. LaPierre's decision process.

10 Q. Well, have you discussed with anyone that  
11 Mr. LaPierre made an intentional decision not to inform the  
12 board of directors that he was preparing to file for  
13 bankruptcy?

14 A. I haven't discussed Mr. LaPierre's decision  
15 process.

16 Q. Okay. Have you talked to anyone about the fact  
17 that there was an intentional attempt in order to avoid leaks  
18 to bypass the board of directors on the issue of filing  
19 bankruptcy?

20 A. I just disagree with that characterization.

21 Q. I'm asking whether you had a conversation like  
22 that. Let me put that question to you.

23 A. I'm sorry, can you restate? A conversation like  
24 what?

25 Q. All right. If you had a conversation with anyone

1 that there was an intentional attempt to bypass the board of  
2 directors in filing Chapter 11 bankruptcy?

3 A. I don't -- I'm not aware of any discussion about  
4 bypassing the board of directors.

5 Q. Would it be fair to say that people that took a  
6 contrary view to Mr. LaPierre and his method of governance  
7 did not last very long at the NRA?

8 A. I mean, that's a very sweeping statement. I don't  
9 think I could agree with that.

10 Q. Okay. Would you say that dissidents at the NRA  
11 were ousted by Mr. LaPierre?

12 A. No. I don't think I would.

13 Q. So, Chris Cox, why is he no longer involved with  
14 the NRA?

15 A. Mr. Cox -- Mr. Cox was put on administrative leave  
16 pending an investigation into certain matters involving your  
17 client, among others. And then resigned.

18 Q. Well, wasn't that after he raised questions about  
19 Mr. LaPierre's spending?

20 A. No. I don't think it was.

21 Q. Do you know why Craig Spray was no longer with the  
22 NRA?

23 A. Yes. Craig -- Craig did a phenomenal job as  
24 treasurer and CFO, but he also had some health reasons and  
25 eventually, you know, it was what I would consider a mutual



1 decision that he can move on. And we would find a new  
2 treasurer and CFO in due course.

3 Q. At some -- at one point in time did Mr. Spray  
4 refuse to file a 990?

5 A. He decided that he wouldn't -- he decided that he  
6 would not be the signer of the 990.

7 Q. And did Mr. LaPierre ultimately sign the 990  
8 himself?

9 A. Yes, he did.

10 Q. Do you recall whether Mr. LaPierre viewed it as  
11 disloyalty that Mr. Spray did not sign the 990?

12 A. No. I don't think so. I didn't understand it that  
13 way.

14 Q. Do you understand that Mr. Spray has unequivocally  
15 testified that he was terminated by Mr. LaPierre in a phone  
16 conversation that occurred on January 29, 2021 and his  
17 termination had nothing to do with his health?

18 A. I'm not --

19 MR. NOALL: Objection. This mis-states  
20 Mr. Spray's testimony.

21 THE COURT: Response, Mr. Gruber?

22 MR. GRUBER: Well, I think we should play it  
23 and see, Your Honor.

24 Could we -- Stephanie, could we have Spray page 30,  
25 line 21 to page 31, line 11 played?

1 (Spray page 30 line 21 to page 31  
2 line 11 played.)

3 MR. GRUBER: Could we also do page 32 line 3  
4 to page 32 line 11?

5 (Spray page 32 line 3 to page 32 line 11  
6 started to play.)

7 MR. NOALL: Your Honor, I would object,  
8 because there's no question pending.

9 THE COURT: Do you want to go up --

10 MR. NOALL: And additionally, there's  
11 testimony -- additionally, there's testimony which is on page  
12 31 that was cut out.

13 THE COURT: Mr. Gruber?

14 You may be muted, Mr. Gruber.

15 MR. GRUBER: I apologize, Your Honor. I'm not  
16 sure what happened.

17 I would like to go to page 34 line 21 to page 35 line  
18 10.

19 (Spray page 34 line 21 to page 35 line 10  
20 played.)

21 MR. NOALL: Your Honor, there's more of the  
22 statement which is on the transcript which follows that which  
23 further clarifies the testimony which is not being shown.

24 THE COURT: So do you want to --

25 MR. GRUBER: Your Honor, they're welcome to

1 put anything in with their own witness at the right time.

2 MR. NOALL: But it's part of the answer that  
3 the Court is relying upon. On line 11 it's talking about,  
4 again, I know kind of since November that we were going to be  
5 going in a different direction, neither through my actions or  
6 the NRA's actions. And I felt that under a significant  
7 amount of stress and I wasn't, you know, feeling that great,  
8 et cetera.

9 They're dropping testimony from the testimony that's  
10 stated. It goes on to state that, you know, I would swear of  
11 that. So it's not, you know -- so I would characterize it  
12 more as a negotiated separation.

13 That's what's in the transcript which Mr. Gruber is  
14 failing to show the Court.

15 THE COURT: I'll take the additional reading  
16 in under the Rules of Optional Completeness.

17 Q. Mr. Frazer, is it your understanding that -- still,  
18 that he was not terminated, Mr. Frazer -- that Mr. Spray was  
19 not terminated?

20 A. I think I would refer to my prior testimony. He --  
21 that it was -- ended up as a mutual decision.

22 Q. Let's look at -- why did Oliver North leave the  
23 NRA?

24 A. Colonel North -- well, he hasn't left the NRA,  
25 actually. He's still on our board.

1 Q. Because that's elected by the board members; is  
2 that correct?

3 A. No. He's elected by the rank and file NRA members.

4 Q. Okay. Yeah. Okay. Excuse me.

5 Board members are elected by the members; is that  
6 correct?

7 A. Yes.

8 Q. So -- but Oliver North is no longer president. Why  
9 is that?

10 A. He wasn't re-nominated.

11 Q. And who controlled whether he was nominated or not?

12 A. Well, there are two ways that a person can be  
13 nominated as an officer of the NRA. One is by the Nominating  
14 Committee and the other is on -- at the floor at the board  
15 meeting. So the Nominating Committee didn't renominate him.  
16 But he or anyone else could have gone to the board meeting  
17 and offered his name and nomination.

18 Q. Did Mr. LaPierre specifically state that he would  
19 not support him for renomination?

20 A. I'm aware of a communication to that affect.

21 Q. Why was Steve Hart no longer with the NRA?

22 A. I think the Association decided it needed new  
23 counsel for a number of reasons.

24 Q. And that happened on a day in which he raised  
25 issues about spending by Mr. LaPierre; isn't that true?

1 A. I don't recall the timing.

2 Q. Would you agree there have been a large number of  
3 people over the last years that have been either resigned  
4 under pressure or have left -- or have been suspended or  
5 kicked out of the NRA at the leadership level?

6 MR. NOALL: Objection; vague and ambiguous and  
7 compound.

8 THE COURT: Sustained.

9 Q. So have a large number of people either -- resigned  
10 in the last two years?

11 A. I'm sorry, resigned from what?

12 Q. Resigned from their positions with the NRA as board  
13 members, first of all.

14 A. There have been several resignations. I don't know  
15 what you would characterize as large.

16 Q. Would that include Pete Brownell?

17 A. Yes.

18 Q. Esther Schneider?

19 A. Yes.

20 Q. John Maloney?

21 A. Yes.

22 Q. Tim Knight?

23 A. Yes.

24 Q. Julie Golob?

25 A. Yes.

1 Q. Richard Childress?

2 A. Yes.

3 Q. Craig Morgan?

4 A. Yes.

5 Q. Dan Boren?

6 A. Yes.

7 Q. Heidi Washington?

8 A. No.

9 Q. And why is that?

10 A. Ms. Washington chose not to run for re-election.

11 Q. And was that under pressure from the NRA?

12 A. Not at all, to my knowledge.

13 Q. Does the NRA have compliance seminars for NRA  
14 employees and executives?

15 A. We've had several, as I've previously testified.

16 Q. Does Mr. LaPierre attend those?

17 A. He didn't attend the prior ones, no.

18 Q. Do you know who Carolyn -- well, you obviously know  
19 who Carolyn Meadows is. Can you tell me what her position is  
20 with the NRA?

21 A. Yes. She's a board member and the president of the  
22 NRA.

23 Q. Do you recall her joining with Colonel North and  
24 Mr. Childress and raising concerns about spending on Brewer  
25 invoices back in 2019?

1           A.    I recall her name appearing on a memo on that  
2 subject.  But I later understood that that was -- there's  
3 some dispute about whether she authorized that.

4           Q.    Are you aware of a deposition that Ms. Meadows  
5 gave, I think in 2019, in which she acknowledged that she  
6 burnt and shred NRA documents?

7           A.    Yes, I am.

8           Q.    And I don't want to get into who was involved in  
9 that.  But she mentioned you at first; is that correct, as  
10 giving her advice on burning and shredding the documents?

11          A.    I think that's what her testimony was.

12          Q.    Okay.  But it turns out that she did, in fact, burn  
13 and shred NRA related documents in 2019; isn't that correct?

14          A.    I think she testified to that.  But then she later  
15 testified that it was someone else that she had discussed it  
16 with.

17                   MR. GRUBER:  Well, I didn't ask about who, so  
18 I'll ask that that be stricken as non-responsive.

19                   THE COURT:  Sustained.

20          Q.    So did she acknowledge that she burnt and shred NRA  
21 related documents in 2019?

22          A.    I think that's right.

23          Q.    And didn't she actually use the term earlier in  
24 2019, from the date of her deposition, wouldn't you agree  
25 that earlier in 2019 was the time that the -- what the NRA

1 claims as the extortion phone calls took place?

2 A. I'm not sure I followed the time -- the time line  
3 that you're describing.

4 Q. Well, she says earlier in 2019 that it was when she  
5 burnt and shredded documents. You understand that you said.

6 A. I don't recall what time frame she may have  
7 discussed.

8 Q. Was it 2019 that you recall that there was a claim  
9 of extortion against Mr. North, I think Mr. Boren, and AMC?

10 A. That was 2019.

11 Q. And do you recall that she was on one of the phone  
12 calls that occurred in what you claim as an extortion  
13 attempt?

14 A. Yes. I believe she was -- my recollection is that  
15 she listened to a call.

16 MR. GRUBER: Your Honor, can we take 5 minutes  
17 and see if we're ready to pass the witness? I may have one  
18 or two small things, but I think we're very close.

19 THE COURT: We can take 5 minutes. And then  
20 if you have just a couple of more questions, we'll go back  
21 noon. Otherwise we'll stop for the morning for the noon  
22 recess.

23 We'll take 5 minutes.

24 MR. GRUBER: Okay. Thank you.

25 (Brief recess ensued.)



1 THE COURT: Mr. Gruber.

2 MR. GRUBER: Your Honor, I just have one kind  
3 of clean up thing that I had mentioned earlier.

4 Are we back on the record? I've got one issue.

5 THE COURT: Let me make sure the witness is  
6 with us. Oh, I see him, yes. Thank you, Mr. Frazer.

7 Yes.

8 Q. All right. Mr. Frazer, I just wanted to clean this  
9 up.

10 I had asked -- you had testified earlier about the  
11 three reasons for the NRA filing bankruptcy. And they were  
12 to streamline litigation, consolidate litigation, and to  
13 reincorporate in Texas.

14 And -- do you agree with that statement, first of all?

15 A. I believe that was my testimony, sure.

16 Q. Okay. And then I guess the question was that we  
17 disagreed on, and I asked you if those were the only reasons  
18 for -- that you could think of. And do you -- do you recall  
19 saying that, yes, those are the only ones?

20 A. I'm sorry. Are you asking if I recall that from my  
21 deposition testimony?

22 Q. Well, do you recall -- first of all, do you recall  
23 that those are the only ones, yes, that you said in your  
24 deposition?

25 A. I think that's right.

1 Q. Okay.

2 MR. GRUBER: Your Honor, I'll pass the  
3 witness.

4 THE COURT: Thank you.

5 I think we move next to Mr. Taylor. Can you just give  
6 me a ball park on your examination of Mr. Frazer?

7 MR. TAYLOR: Actually I can, Your Honor. And  
8 we are going to ask this witness -- I did want to make a  
9 brief statement just so that all the members and the board of  
10 directors and my one client who can listen in -- and the  
11 Court knows why we're doing this. We believe that the  
12 evidence has certainly come in. It is supportive of our  
13 side. We also believe that we're somewhat caught in the  
14 middle of Mr. Garman and his team and the UCC will make  
15 able presentations on why this Court should keep this case  
16 here and why it should allow it to reorganize. But we're  
17 somewhat stuck in the middle between two very able opponents.  
18 We just disagree on what the remedy this Court should impose.  
19 But for all of those reasons, Your Honor, we are going to  
20 pass and reserve any questions to redirect.

21 THE COURT: All right. Thank you.

22 And then, Mr. Drake, are you going to have some  
23 questions of Mr. Frazer?

24 MR. DRAKE: Yes, Your Honor. I do anticipate  
25 that we will have some limited questions. And, obviously, we

1 defer to you as far as the proper order. I had some thought  
2 that, as Mr. Strubeck said in opening, we're not completely  
3 aligned with the debtors on all positions, but we do have  
4 some common positions. It might streamline things if we go  
5 after the debtors, just because I suspect there might be some  
6 duplication. And I think it would shorten my examination, if  
7 I see what Mr. Noall covers. But obviously defer to Your  
8 Honor as far as the order you'd like to proceed.

9 THE COURT: When we were talking --

10 MR. NOALL: The debtor has no objection to  
11 that, Your Honor.

12 THE COURT: Okay. And how -- about how long?  
13 Mr. Noall, are you going to cross Mr. Frazer this afternoon?

14 MR. NOALL: Yes, Your Honor. I'm going to  
15 work on that over the lunch hour, so I can be as streamlined  
16 as possible on timing.

17 THE COURT: And I appreciate everybody's  
18 efforts on streamlining. And I want it for sure. But I also  
19 want everybody to put on their case that they need to put on.

20 So it seems to me, then, Mr. Noall, you'll go next with  
21 the witness and then Mr. Strubeck or Drake will go last with  
22 the witness. And then we'll have a second pass.

23 We'll be in recess until 1:15 Central Time.

24 Mr. Frazer, I haven't been saying the same rule applies  
25 to you. Every time we break, you're a lawyer. I think you

1 understand the rule and also not talking about your testimony  
2 with anyone. So if I forget to say it to you, the same rule  
3 applies to you. All right?

4 Thank you.

5 THE WITNESS: Understood, Your Honor.

6 THE COURT: We'll be in recess.

7 (End of Morning Session.)

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C E R T I F I C A T E

I, CINDY SUMNER, do hereby certify that the foregoing constitutes a full, true, and complete transcription of the proceedings as heretofore set forth in the above-captioned and numbered cause in typewriting before me.

/s/Cindy Sumner

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