

# Exhibit C

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SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

PEOPLE OF THE STATE OF §  
NEW YORK, BY LETICIA §  
JAMES, ATTORNEY GENERAL §  
OF THE STATE OF NEW YORK §  
Plaintiffs §

v. § Index No. 451625/2020

THE NATIONAL RIFLE §  
ASSOCIATION OF AMERICA, §  
INC., WAYNE LAPIERRE, §  
WILSON PHILLIPS, JOHN §  
FRAZER, AND JOSHUA §  
POWELL §  
Defendants §

H I G H L Y C O N F I D E N T I A L

REMOTE VIDEOTAPED DEPOSITION

OF

WILSON H. PHILLIPS, JR.

AUGUST 10, 2021

VOLUME 1 OF 2

Remote Videotaped Deposition of Wilson H. Phillips, Jr.,  
produced as a witness at the instance of the plaintiffs,  
and duly sworn, was taken in the above-styled and num-  
bered cause on the 10th day of August, 2021, from 8:48  
a.m. to 5:31 p.m. (CST), before Camille A. Bruess, CSR,  
RPR, in and for the State of Texas, reported by steno-  
graphic method, and conducted utilizing the secure web-  
based deposition software and video conferencing  
services offered by Veritext Legal Solutions with the  
witness appearing at the law firm of Winston Strawn, LLP  
located at 2121 North Pearl Street, Suite 900, Dallas,  
Dallas County, Texas 75201, pursuant to amended notice  
and Article 31 of the Civil Practice Law and Rules and  
the provisions stated on the record or attached hereto.

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A P P E A R A N C E S  
(All via Zoom Video Communications)

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1                   A P P E A R A N C E S (Cont'd.)  
2                   (All via Zoom Video Communications)

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A P P E A R A N C E S (Cont'd.)  
(All via Zoom Video Communications)

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ALSO PRESENT:

Mr. Joseph Acosta  
Videographer  
Veritext Legal Solutions

\* \* \* \* \*

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| Exhibit 1 | The National Rifle Association of America Policy Manual, Office of the Secretary Reference Copy (Updated June 5, 2019), Bates NRA-NYAG-00000211-504                                                                                                                                     |  | 63<br>64*(R) |
| Exhibit 2 | Policy Statement from the NRA dated 2/27/12 to All NRA Staff from Mr. LaPierre, Subject: Approval Procedures for Purchase Agreements and Contracts in Excess of \$100,000; Business Case Analysis Sheet (blank); Contract Review Signature Sheet (blank), Bates NRA-NYAG-00011099-11104 |  | 65<br>66 (R) |
| Exhibit 3 | Independent Consulting Agreement dated 12/31/18 between the NRA and Wilson H. Phillips, Jr. signed/dated 5/5/18, Bates NRA-NYAG-00023350-55                                                                                                                                             |  | 73<br>76 (R) |

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| Exhibit 5               | CONFIDENTIAL - July billing for services under contract dated 5/5/18 from WHiP, LLC; invoice from First Preston HT to WHiP, LLC for July, 2019 lease; memo dated 6/25/19 to Mr. Spray from Mr. Frazer, Re: WhiP, LLC contract; June and April billing for services under contract dated 5/5/18; invoice from First Preston HT to WHiP, LLC for June, 2019 lease; Exhibit No. 3; Memorandum dated 9/9/18 to Mr. LaPierre from Mr. Phillips; Exhibit No. 3, Bates NRA-BK-00040371-389 | 94<br>89 (R)              |
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| Exhibit 11              | CHAR500 for year 2016 of NRA<br>(90 pgs.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 162            |
| Exhibit 12              | Email dated 8/20/12 to Mr. Casares<br>from Mr. Phillips, Subject: Signed<br>Brad agreement; Settlement Agreement<br>dated 8/1/12 between Grassroots<br>Behavioral Systems, Inc., Bradley<br>O'Leary, and the NRA signed/dated<br>8/8/12 and 8/6/12, Bates NRA-NYAG-<br>00020086-20092                                                                                                                                                                                                                                                   | 162            |
| Exhibit 13              | Letter dated 8/14/18 sent first<br>class mail and private carrier to<br>Mr. Phillips from Mr. Charnley,<br>Subject: Membership Marketing<br>Partners; letter dated 8/7/18 sent<br>First-Class Mail and email to Mr.<br>Sloan from Mr. Phillips, Subject:<br>Re: Audit of Files, Books and<br>Records; letter dated 8/8/18 sent<br>First-Class Mail and email to Mr.<br>Sloan from Mr. Phillips, Re:<br>Agreement between the NRA and<br>Membership Marketing Partners, LLC<br>effective December 1, 2011, Bates<br>NRA-NYAG-00022354-58 | 162<br>193 (R) |
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| Exhibit 26 | Email dated 9/25/14 to Mr. Tedrick from Ms. Rowling, Subject: EVP Consulting; email dated 11/7/14 to Mr. Phillips from Mr. Tedrick, Subject: FW: EVP Consulting, Bates NRA-NYAG-00015517-18 | 256            |

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## 1 INTRODUCTION

2 THE VIDEOGRAPHER: Today's date is August  
3 10th, 2021. We're on the record at 8:48 a.m. This is  
4 the videotaped deposition of Wilson Phillips in the  
5 matter of the People of the State of New York versus The  
6 National Rifle Association of America, Inc., et al.  
7 filed in the Supreme Court of the State of New York,  
8 County of New York. Counsel will now state their  
9 appearance and affiliation for the record.

10 MR. WANG: William Wang, on behalf of the  
11 New York State Attorney General's Office. Appearing  
12 with me today also from the office of the New York State  
13 Attorney General are Monica Connell, Jonathan Conley,  
14 and Emily Stern, S-t-e-r-n.

15 MR. WERBNER: And this is Mark Werbner. I  
16 represent Mr. Wilson Phillips, who is a defendant as  
17 well as the witness today. And I'm joined by Seth  
18 Farber and Rebecca Loegering.

19 MR. GEISLER: Mordecai Geisler from the  
20 Brewer Attorneys and Counselors representing the  
21 National Rifle Association. And with me --

22 THE REPORTER: I'm sorry, can you, please,  
23 state that again? I couldn't hear you.

24 MR. GEISLER: Sure. Can you hear me now?

25 THE REPORTER: Yes.

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1 MR. GEISLER: This is Mordecai Geisler,  
2 Brewer Attorneys & Counselors representing The National  
3 Rifle Association. With me here is Brooke Burschlag who  
4 is assisting us with technical matters.

5 MR. CORRELL: This is Kent Correll  
6 representing Wayne LaPierre.

7 MR. FLEMING: This is William Fleming  
8 representing John Frazer.

9 MR. MacDOUGALL: This is Mark MacDougall  
10 with Akin Gump representing Josh Powell. With me are  
11 Tom McLish, Hayley Evans, and Samantha Block.

12 MR. WANG: Mr. Acosta, with -- Mr. Acosta,  
13 with the appearances being completed, would you, please,  
14 swear in the witness?

15 THE VIDEOGRAPHER: That's for the  
16 reporter.

17 MR. WANG: Will the court reporter please  
18 swear in the witness and we may proceed?

19 INSTRUCTIONS

20 THE REPORTER: Okay. One second, please.  
21 I actually have some instructions I'm going to give on  
22 the record. My name is Camille Bruess of Veritext Legal  
23 Solutions, and I am now going to give some general  
24 instructions before we begin. Since we are all  
25 appearing by Virtual Zoom, everyone needs to be more

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1 conscious than ever of not speaking over each other like  
2 in normal conversation. There is a small approximate  
3 two second audio delay taking depositions over the  
4 internet. So I will ask the witness to pause two  
5 seconds before they start their answer to make sure the  
6 question has been completed and so that I am able to  
7 take down any objections. I must get the objection  
8 first on the record before the answer.

9 If I ask the witness to repeat the answer,  
10 it is because I could not hear you or understand what  
11 was said and so please only repeat what was said. I ask  
12 that the witness answer only verbally, no head nods as I  
13 cannot take it down and also refrain from using uh-huh  
14 or huh-uh. I will also ask to please refrain from using  
15 contractions on verbs for clarity sake due to the audio  
16 streaming over the internet as this will make it a  
17 clearer record. For example, instead of saying didn't,  
18 say did not, couldn't, say could not.

19 If there is a sneeze or cough in the  
20 background, please pause for it to be silent again  
21 before asking a question or answering a question. If  
22 counsel asks long questions or the witness speaks in a  
23 narrative, please pause at times so that I may catch up.  
24 Counsel, when you mark exhibits or refer to them  
25 throughout the record, please identify the document by

1 number so that it can be referenced each time in the  
2 Exhibit Index.

3 STIPULATIONS

4 Due to the need for this deposition to  
5 take place remotely because of the Government's order  
6 for social distancing, the parties will stipulate that  
7 the court reporter may swear in the witness over the  
8 Veritext virtual videoconference and that the witness  
9 has verified that he is, in fact, Wilson Phillips. With  
10 that, I will now swear in the witness. If you will,  
11 please raise your right hand, sir?

12 (Whereupon, the witness was sworn in.)

13 MR. WERBNER: This is Werbner. Mr. Wang,  
14 before we proceed I wanted to get a stipulation on the  
15 record and that is that all parties are stipulating and  
16 agreeing that this deposition will be governed by the  
17 deposition provisions of the pending confidentiality  
18 orders. And I believe everyone has stated in advance  
19 that they agree to that stipulation. So if we could get  
20 confirmation of that.

21 MR. WANG: Mr. Werbner, I have a -- I  
22 don't know why I'm getting feedback. I have a statement  
23 for the record, and we can get counsel to, uh, all --  
24 all agree upon that statement, if it's all right with  
25 you.

Page 14

1 MR. WERBNER: Sure.

2 MR. WANG: Mr. Werbner and Mr. Phillips,  
3 this deposition is being conducted remotely pursuant to  
4 an agreement based upon Mr. Phillips' presentation of a  
5 medical note and upon counsel's representation that  
6 defendants have agreed not to raise any objection to  
7 this manner of taking his deposition or it's being  
8 conducted remotely. The parties have agreed that this  
9 deposition will be maintained as confidential for a 15-  
10 day period to allow for the deposition -- for the  
11 designation of confidential information pursuant to the  
12 terms of the proposed protective orders which have not  
13 been contested by any party. All counsel, can you  
14 acknowledge you're stipulating to that to this  
15 statement?

16 MR. WERBNER: Werbner acknowledges that.  
17 (Whereupon, all counsel acknowledged.)

18 MR. WANG: Good morning, Mr. Phillips.

19 THE WITNESS: Good morning.

20 MR. FARBER: But, Mr. Wang, before you  
21 begin --

22 MR. WANG: Sure.

23 MR. FARBER: -- I think the provision that  
24 we all agreed to was 15 days after a transcript was made  
25 available to all parties. That's the provision in the

Page 15

1 proposed order, and I believe you said for a 15- day  
2 period.

3 MR. WANG: Agreed and confirmed to -- to  
4 your restatement.

5 WILSON H. PHILLIPS, JR.,  
6 having been first duly sworn, testified by videotape and  
7 video teleconferencing remotely as follows:

8 EXAMINATION

9 BY MR. WANG:

10 Q. Mr. Phillips, my name is William Wang. I'm an  
11 Assistant Attorney General with the New York State  
12 Attorneys General's office. I represent the New York  
13 State Attorney General's office in this case. I will be  
14 asking you today about some matters involved in the case  
15 and the court reporter will take down everything we say  
16 and prepare a complete transcript of the deposition.

17 If at any point you don't understand one  
18 of my questions for any reason, please tell me and I  
19 will try to rephrase it or clarify it. If you need to  
20 take a break at any time please let me know. I may ask  
21 you to finish answering a particular question or a  
22 series of questions before we break but we can certainly  
23 pause from time to time. When answering my questions,  
24 please do not feel the need to guess but instead just  
25 answer the question to the best of your abilities and if



1 just a few brief questions about your educational  
2 background. Can you, please, describe your educational  
3 background, uh, post high school?

4 A. Yes. I received a Bachelors of Business  
5 Administration from Wake Forest University.

6 Q. In what year?

7 A. 1970.

8 Q. And you were the Treasurer and Chief Financial  
9 Officer of The National Rifle Association from 1993 to  
10 2018, correct?

11 A. Correct.

12 Q. And you retired in September of 2018; is that  
13 correct?

14 A. I -- I think I announced my retirement then and  
15 continued to work till the end of the year.

16 Q. You announced your retirement in September of  
17 2018 and continued to work --

18 A. Yes.

19 Q. -- until the end of calendar year 2018; is that  
20 correct?

21 A. Yes.

22 Q. Prior to your time with, uh, strike that.

23 Mr. Phillips, during our deposition today,  
24 I'm going to refer to The National Rifle Association as  
25 the NRA. Is that acceptable to you?

1 the time.

2 Q. And did you speak with them at the same time?

3 A. At one point they were all together, but I might  
4 have had separate discussions. It was not a formal  
5 meeting.

6 Q. And you said you spoke with attorneys as well.  
7 Were those attorneys that represented you or attorneys  
8 that represented the NRA?

9 MR. GEISLER: Object -- objection. I'll  
10 just caution the witness not to disclose the contents  
11 of, uh, conversations with counsel as part of your  
12 answer.

13 Q. I'm just asking you which attorneys you met  
14 with, not anything you said to them.

15 THE WITNESS: Is that something I can  
16 answer?

17 MR. WANG: Yes.

18 A. I had one with, uh -- or some discussion with,  
19 uh, the attorney whose last name is Dycio, D-y-c-i-o, I  
20 believe, and, uh, outside counsel for NRA, Steven Hart,  
21 H-a-r-t.

22 Q. You also -- you also said at some point you  
23 discussed this with Wayne. Do you recall when you  
24 discussed it with Wayne?

25 MR. GEISLER: Objection, form.

1 issue.

2 And, uh, there was a third one. I --  
3 can't, I'm trying to think of it. With the advancement  
4 a guy I had -- still maintain some contact with, uh,  
5 local donors, but there was, uh, there was (pausing) --  
6 I can't -- I had another one in mind when I started, but  
7 I can't remember what it was now.

8 Q. Now, when you say local donors are you referring  
9 to donors --

10 A. I mean --

11 Q. -- in --

12 A. -- in Dallas. Dallas. And -- or Texas. He  
13 was -- he had a -- Texas was his territory.

14 Q. The exhibit has been successfully loaded as  
15 Exhibit 3. I'll ask you to open up Exhibit 3, please.

16 A. I can read it well enough. Okay. I have it.

17 Q. Mr. Phillips, I've placed before you through the  
18 Exhibit Share technology a 6-page document that has been  
19 marked Exhibit 3 Phillips. At the bottom right-hand  
20 corner of the document the document bears a Bates stamp  
21 NRA-NYAG-00023350. It is a six-page document, uh, with  
22 the header on the first page that says, "INDEPENDENT  
23 CONSULTANT AGREEMENT."

24 Does this document look familiar to you?

25 A. It does.

1 Q. What is it?

2 A. It's the contract for my services after I  
3 retired.

4 Q. I'll ask you to turn, uh, to the last page of  
5 the document. I'm sorry, the second to last page of the  
6 document.

7 A. Okay.

8 Q. At the bottom -- at the bottom of the second to  
9 last page of the document, uh, there bears two  
10 signatures. Do you see that?

11 A. On the last page, right?

12 Q. Uh, yes. Well, on the --

13 A. Oh, well, two -- two on the one. I think I have  
14 it.

15 Q. On the second to last I think it's your name's  
16 in print form and on the last page there are signatures.  
17 Do you see that?

18 A. I see it. Yeah, I got it. Yeah.

19 Q. The signature on the top right-hand corner of  
20 the last page, is that your signature?

21 A. Uh, yes, it is.

22 Q. And the signature on the top left-hand corner of  
23 that page is that Mr. Peter -- Pete Brownell's  
24 signature?

25 A. Yes, it is.

1 Q. And below Mr. Brownell's signature, is that  
2 Carolyn Meadows' signature?

3 A. That's correct.

4 Q. Do you recall where this contract was signed?

5 A. So May of -- it was -- it was at the hotel  
6 wherever the annual meeting was that year. I think it  
7 was in Dallas, but that I'm not sure of.

8 Q. To your -- to your knowledge -- strike that.

9 The contract was signed in May of 2018 and  
10 it did not take effect until December of 2018; is that  
11 correct?

12 A. That's correct.

13 Q. Was there any reason for the large gap in  
14 between the time it was signed to the time it went into  
15 effect?

16 MR. GEISLER: Objection, form.

17 MR. CORRELL: Joins the objection

18 A. I think the -- the idea was we had just hired,  
19 uh, the guy that was supposed to be my replacement and  
20 they wanted some time to, uh, get to know him better,  
21 but there was -- there was also at the same time, uh,  
22 there was -- there was a request from Oliver North who I  
23 think who was second vice-president at the time, but he,  
24 uh, for me not to announce I was leaving until September  
25 instead of announcing it at this May meeting.

1 MR. CORRELL: Join the objection.

2 A. They knew that -- the last ones you mentioned,  
3 uh, knew that I was working on post retirement work.  
4 They might not have known specifically of the existence  
5 of this contract.

6 Q. And you said Mr. LaPierre should have known  
7 about the existence of this contract; is that correct?

8 MR. CORRELL: Objection to form.

9 MR. GEISLER: Join.

10 A. That's -- that's my opinion.

11 Q. What is the basis of that opinion?

12 A. He -- he was -- he was standing there, uh, with  
13 us when -- when, uh, Mr. Brownell and Ms. Meadows signed  
14 the contract.

15 Q. He was in the same room -- Mr. LaPierre was in  
16 the same room as you, Mr. Brownell, Ms. Meadows when  
17 this contract was signed?

18 A. Yes.

19 MR. CORRELL: Objection to form,

20 THE WITNESS: Sorry.

21 Q. Who negotiated the terms of this contract?

22 A. Finally, on my -- on my behalf it was, uh, the  
23 attorney, Mr. Dycio. And, uh, I don't know who he  
24 worked with.

25 Q. Do you know if a business case analysis was

1 Q. Is that -- is that echo still there or it's  
2 gone?

3 A. No, it's gone.

4 Q. Okay. The first activity you mentioned, uh, was  
5 a program with Liberty University with respect to on-  
6 line education for safety; is that right?

7 A. Uh, it was not with Liberty. It was with people  
8 that had developed Liberty's program and one has since  
9 retired and the other was a consultant during the  
10 process.

11 Q. Is that a program focused on on-line education?

12 A. Yes.

13 Q. Do you have any experience with on-line  
14 education?

15 A. No.

16 Q. Did you actually develop an on-line education  
17 system for the NRA based or similar to the program that  
18 was developed at Liberty University?

19 A. We had -- we had worked on, uh, developing --  
20 that -- that program. They had -- they had the system  
21 and we had the -- the materials and technical knowledge  
22 at least for the safety and education programs.

23 Q. So is there currently an on-line education  
24 system at the NRA?

25 A. I don't know.

1 Q. Did you develop the Young Guns program in Texas  
2 that you had discussed earlier?

3 A. We stopped working on that when I stopped being  
4 paid.

5 Q. When did you stop, uh, when did you stop  
6 receiving payments under the terms of this consulting  
7 contract?

8 A. I think it was after the May, after the May  
9 payment, May, 2018.

10 Q. Do you mean May, 2019?

11 A. No, I was gone then. May, 2018.

12 Q. The -- the terms --

13 A. Wait, wait, wait, I'm sorry. It's 2019. You're  
14 correct. Sorry.

15 Q. So you said you stopped working on it. What  
16 work had you done on it up until the point where you  
17 stopped?

18 A. Just discussions with the local advancement  
19 representative. We were just starting to flesh it out  
20 and that's how it would work, nothing formal.

21 Q. So those were discussions with Mr. Pond; is that  
22 correct?

23 A. Mr. Pond, right, and I had a few lunches with  
24 him.

25 Q. Did you ever identify prospective members of the



1 Young Guns program?

2 A. I had a few in mind and he had more.

3 Q. Did you share the prospective members you had in  
4 mind with Mr. Pond?

5 A. Yeah. We both knew the same people.

6 Q. Did you reach out to any of these people to  
7 discuss whether or not they'd be interested in joining a  
8 Young Guns program?

9 A. No.

10 Q. The third activity you discussed was maintaining  
11 contact with local donors. Did you actually raise funds  
12 for the NRA under the consulting agreement with local  
13 donors?

14 A. No, I was not. George was the fundraiser. I  
15 was not a fundraiser.

16 Q. During the period of time, January of 2019 to  
17 May of 2019, did you refer any prospective donors to  
18 Mr. Pond?

19 A. No.

20 Q. Did you have any substantive discussions with  
21 Mr. Pond other than the lunches you had mentioned you  
22 had with Mr. Pond?

23 A. No. That's when we had the substantive --  
24 substantive discussions were at lunch.

25 Q. Did you -- did you provide invoices for your

1 services to the NRA?

2 A. Yes, I did.

3 Q. And you said those invoices were paid until May  
4 of 2019; is that correct?

5 A. Correct. They -- they may have paid them as  
6 late as July, but they were for -- for May services.

7 Q. Did you ever report progress on your activities  
8 either through the online education program or through  
9 the Young Guns program to anyone at the NRA?

10 A. Not that I recall.

11 Q. If you and Mr. Pond knew the same people, uh,  
12 what would be the purpose of your involvement in that  
13 fundraiser?

14 MR. GEISLER: Objection, form.

15 MR. CORRELL: Join in the objection.

16 A. I think you misunder- -- misunderstood. This  
17 was not a specific fundraising activity. It was to  
18 develop a pro- -- continuing program for involvement.

19 Q. Did you prepare any documents that outlined the  
20 terms or the, uh, procedures for which this program --  
21 under which this program would work?

22 A. No. We didn't get that far.

23 Q. How did the NRA know that you were doing any  
24 work under the terms of this agreement?

25 MR. GEISLER: Objection, form.

1 MR. CORRELL: Join.

2 A. I don't know.

3 Q. Did your invoices specify any of the services  
4 you provided?

5 A. No.

6 Q. What is WHIT, LLC?

7 A. That was just an LLC I set up to, uh, manage  
8 the, uh, the work under the contract.

9 Q. And your invoices you were -- you were paid  
10 through the LLC; is that correct?

11 A. I -- I know after -- after February I was. I'm  
12 not sure -- I can't recall what January and February,  
13 how they were paid.

14 Q. Do you know what led to the discontinuation of  
15 those payments?

16 A. I do not.

17 Q. Did you have any conversations with anyone at  
18 the NRA why those payments were discontinued?

19 A. No.

20 Q. So you're -- you're being paid \$30,000 a month  
21 for 5 months and then those payments stopped coming.  
22 You didn't want to ask someone why those payments  
23 stopped coming?

24 MR. GEISLER: Objection, form.

25 MR. CORRELL: Join.

1           A.   Okay.   Can you restate the question?

2           Q.   Yeah.   Did it raise any kind of concern why, uh,  
3   the terms of this contract were not being abided by --  
4   by the NRA?

5                   MR. GEISLER:   Objection, form.

6                   MR. CORRELL:   Objection, form.

7           A.   Sorry.   Sure.   The, uh, not -- you know, the  
8   first two months kind of normal for summertime, slow  
9   down to 60 days or 90 days even on payment of invoices.  
10   And, uh, after that I knew that, uh, the -- and I don't  
11   know how I knew, but I knew word of mouth that, uh, that  
12   none of the those retirement contracts were being paid  
13   and nobody -- nobody told me that officially.

14           Q.   So you said through word of mouth.   Did you  
15   speak to anybody in particular who mentioned that to  
16   you?

17           A.   I can't remember.

18           Q.   Did you receive any emails?   Did you have any  
19   telephone conversations about the discontinuation of  
20   these payments?

21           A.   No.

22           Q.   So at -- at first you thought they were just  
23   being late with the payments; is that correct?

24           A.   That's correct.

25           Q.   And at some point when the payments never came,

1 Q. There's a specific -- the Campfire Club of  
2 America has a specific location; is that correct?

3 A. Yes.

4 Q. And where is that located?

5 A. It's in, uh, Chappaqua, New York.

6 Q. You testified that your funds raising and  
7 development programs and ideas were all centered around  
8 Texas, right?

9 MR. CORRELL: Objection, form.

10 MR. GEISLER: Objection, form.

11 A. Well, they weren't restricted to any --  
12 anywhere, but, you know, my -- the current work was --  
13 in -- in the Dallas area, but I had -- I had a network  
14 of, uh, supporters that was all over the country that  
15 was useful to maintain relationships with them.

16 Q. The third entry in this spreadsheet says,  
17 2/15/19 and Parkland Knight Lease --

18 A. Yes.

19 Q. -- for a charge of 3500. What is that?

20 A. That was the rent. I took some office space  
21 here to work on some of these things from and that was  
22 the lease. That was the lease that was in the contract.  
23 Eventually, it got paid not through an expense report.  
24 It got paid separately with -- with the, uh, monthly  
25 payment to me.

1 Q. So your office space payments were paid January  
2 through May; is that correct?

3 A. I'm trying to remember. It's possible that I  
4 had to keep going longer, but I, uh, I asked for  
5 reimbursement through May, and I think that I was able  
6 to get it -- get the lease to end there because they  
7 needed the space. The landlord needed the space.

8 MR. WANG: Mr. -- Mr. Conley, can you  
9 upload Exhibit No. 5? I'm checking. You may have  
10 already done that. Oh, it's already uploaded.

11 (Phillips Exhibit No. 5 was marked.)

12 Q. So, Mr. Phillips, if you can open up what has  
13 been marked as Exhibit No. 5?

14 A. Working on it.

15 Q. Do you have that open?

16 A. Yeah, it's just opened. Here we go. Yep.

17 Q. So, Mr. Phillips, I placed before you through  
18 the Exhibit Share a 19-page document that has been  
19 marked Exhibit 5 Phillips.

20 A. Yes, I have it.

21 Q. Yeah. It bears the Bates stamp NRA-BK-00040371.  
22 Do you see that document?

23 A. I see it, yes.

24 Q. At the top of the first page, it says, "WHiP  
25 LLC, 2525 Knight Street, Suite 400 ..." Do you see

1 that?

2 A. Correct.

3 Q. Is this document familiar to you?

4 A. Yes, it is.

5 Q. What is it?

6 A. It was my, uh, it was my -- the bill for my  
7 contract services and -- and the rent's in there, too.

8 Q. If I ask you to turn to the second page of this  
9 document, do you see the second page of this document,  
10 Mr. Phillips?

11 A. I do.

12 Q. On the second page of the document it says on  
13 the top left-hand corner, "First Preston HT, 2525 Knight  
14 St., Suite 450 ..."

15 A. Right.

16 Q. Do you see that?

17 A. Yes.

18 Q. What is First Preston HT?

19 A. It was, uh, one of the major tenants in the  
20 building, but, uh, its -- its owner was also partial  
21 owner in the building.

22 Q. Do you know who the owner of First Preston HT  
23 was?

24 A. Uh, yes. It was Nancy Richards.

25 Q. Do you have a personal relationship with

1 MR. WANG: That's fine. I will do so.

2 MR. WERBNER: Thank you.

3 Q. (By Mr. Wang) Mr. Phillips, I'm just going to go  
4 back to the subject of Nancy Richards for a couple of  
5 questions. Ms. Richard's, she is also the principal of  
6 an entity called HomeTelos; is that correct?

7 A. That's correct.

8 Q. And were you in a romantic relationship with Ms.  
9 Richards at any point in time during your time as NRA  
10 CFO and Treasurer?

11 A. At, uh, at one time I was, and we just became  
12 friends.

13 Q. Do you recall the period of time in which that  
14 relationship was of a -- of a romantic nature?

15 A. Sometime in the 1990s and -- yeah. I don't -- I  
16 don't have a date on it, but, yes, certainly over 10  
17 years -- over 10 years ago or maybe -- maybe even 15  
18 years ago. It became just friendly and we're good  
19 friends.

20 Q. So the -- the ballpark time period of the end of  
21 that relationship as a romantic relationship is around  
22 2005 to 2010?

23 A. Yes, that's -- that's fair.

24 Q. Mr. Phillips, your compensation as the NRA CFO  
25 and Treasurer is set by the Officer's Compensation



1           A. I don't -- I don't know the answer to that.  
2           I -- I do know that Ms. -- Ms. Richards and I were not  
3           the ones that brought them in. The, uh -- they -- they  
4           were brought into the NRA with a former head of our  
5           general operations named Don -- Don Rakestraw.

6                           THE WITNESS: That's R-a-k-e-s-t-r-a-w.

7           A. And, uh, he had worked on some government  
8           contracts with them and knew what their capabilities  
9           were.

10          Q. Can you open Exhibit 20?

11                           (Phillips Exhibit No. 20 was marked.)

12          A. (Pause)

13          Q. Do you have that open?

14          A. Coming. It's contract review signatures. Yeah,  
15          I've got it.

16          Q. Mr. Phillips, I've placed before you a 17-page  
17          document that has been marked Exhibit 20 Phillips. On  
18          the bottom right-hand corner the document bears the  
19          Bates stamp NRA NYAG 00011261. The top of the page is a  
20          header that says, "CONTRACT REVIEW SIGNATURE SHEET."

21          A. Right.

22          Q. Does this -- is this document familiar to you?

23          A. Uh, yes.

24          Q. What is it?

25          A. It's a Contract Review Signature Sheet for the,

1 uh, HomeTelos contract.

2 Q. And it says that it was negotiated by -- I can't  
3 read the first name, but is that your name in the  
4 second?

5 A. Uh, yeah, it's Tony Hayes. And I put my name on  
6 there, too.

7 Q. Under "Responsible Officer Approval," is that  
8 your signature?

9 A. Yes.

10 Q. And under "Financial & Business Review," is that  
11 your signature?

12 THE WITNESS: There it is.

13 A. Yep.

14 Q. And under "[Treasurer's Office]," is that your  
15 signature?

16 A. That's correct.

17 Q. If you could turn to the second page. The  
18 second page bears a header that says, "Business Case  
19 Analysis Sheet."

20 A. Correct.

21 Q. And it says, "Analysis Prepared by: Wilson H.  
22 Phillips, Jr." dated September 2nd, 2014; is that  
23 correct?

24 A. That's what it says.

25 Q. Do you recall preparing this, uh, Business Case

1 Analysis?

2 A. (Reading) I don't recall doing it, but I recall  
3 at least getting input on it. So it's possible I put it  
4 all together on this page.

5 Q. Below -- below this page is a copy of the  
6 contract between the NRA and HomeTelos. The signature  
7 page is on page 11 of the document. The Bates stamp of  
8 that page is -- ends in 272. Can you scroll to that  
9 page?

10 A. It's coming. Okay.

11 Q. Is that your signature above the name "Wilson  
12 Phillips"?

13 A. Yes, it is.

14 Q. So you signed this contract on behalf of the  
15 NRA?

16 A. I did.

17 (Phillips Exhibit No. 21 was marked.)

18 Q. If you can open Exhibit 21.

19 A. (Pause)

20 Q. Do you have Exhibit 21 open?

21 A. Not yet. Yeah, it's coming.

22 THE WITNESS: Is this it?

23 A. Yes.

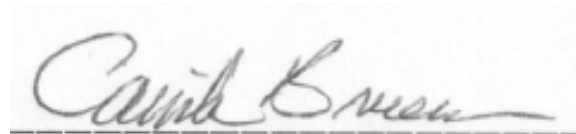
24 Q. Mr. Phillips, I've placed before you a 2-page  
25 document that has been marked Exhibit 21 Phillips. The

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I further certify that I am neither counsel for, related to, nor employed by any of the parties in the action in which this proceeding was taken, and further that I am not financially or otherwise interested in the outcome of the action.

Certified to by me this 13th day of August, 2021.



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