

NOW, it is

ADJUDGED, that the first, second, sixteenth and eighteenth causes of action asserted in the verified complaint dated August 6, 2020 (NYSCEF 1) and in the amended and supplemental verified complaint dated August 16, 2021 (NYSCEF 333), and the fifth, sixth, seventh, eighth, ninth, tenth and eleventh causes of action asserted in the second amended verified complaint dated May 2, 2022 (NYSCEF 646) (“Second Amended Complaint”) are DISMISSED.

ADJUDGED, with respect to the first cause of action in the Second Amended Complaint, that defendant National Rifle Association of America (“NRA”) shall implement the following measures:

- (1) Annual Compliance Report to Members. In advance of the 2026 Members Meeting, the NRA shall issue an NRA Annual Compliance Report to Members, substantially in the form attached as Exhibit 1 hereto, which shall additionally disclose, for each annual reporting period: (i) aggregate first class travel expense, and the number of such trips; (ii) aggregate charter travel expense, and the number of such trips; (iii) the number of exceptions to the travel policy granted; and (iv) the identities of the “top five” individuals for whom travel-policy exceptions were granted (ranked by the number of exceptions). A preliminary report shall be issued in advance of the 2025 Members’ Meeting containing as many items as reasonably practicable.
- (2) Enhanced Form 990 Certification. The NRA shall direct that each year, its Executive Vice President and Treasurer execute, in connection with Form 990, a certification that based on their knowledge, the form contains no material misstatement or omission.
- (3) Secure Board Portal. The Secretary’s Office shall use best efforts to implement, by January 2025, a secure portal that will enable digital dissemination of Board, committee, and corporate documents to Board members, and shall enable convenient encrypted communication with Board members. If the secure portal is not fully operative during the time that the Form 990 covering tax-year 2023 is prepared and reviewed, a draft of that document shall be shared with Board members via other secure electronic means. The NRA shall share a draft of its 2023 Form 990 no later than three (3) weeks in advance of the anticipated filing date, and shall conduct an in-person or digital meeting, open to the entire Board of Directors, during which Board members in attendance shall receive a briefing regarding the draft tax return.
- (4) The Audit Committee Shall Be An Elected Committee of the Board. The NRA shall amend its bylaws to treat the Audit Committee as an elected committee of the Board

for purposes of N-PCL § 712(a) subject to an amended Audit Committee Charter adopted by the Board. The amendment shall be structured such that no committee is designated a “committee of the Board” until its constituents have been appointed by the Board. The President shall put forward nominations for the committee, each of which shall be voted upon individually seriatim by the Board. In the event one or more of the candidates so nominated is rejected by vote of the Board, nominations for replacement candidates shall be made from the floor.

- (5) Director Nomination Policy. The NRA shall adopt a Director Nomination Policy substantially in the form attached as Exhibit 2 hereto, and shall amend the Personal Factsheet and Biographical Questionnaire completed by each director candidate to include questions about financial conflicts, a consent to abide by directors’ legal duties and NRA Board policy, and a consent to a background check.
- (6) Additional Related-Party Transaction Restrictions. The NRA shall amend its Conflict of Interest and Related Party Transaction policy to incorporate the changes set forth in Exhibit 3 hereto, except that the amended Audit Committee Charter may specify a dollar-value threshold for related party transactions requiring Board approval. The amended policy shall be enacted by the NRA within thirty (30) days of the entry of final judgment in this action.
- (7) Consultant. The NRA shall retain Fox Rothschild, LLP, as a consultant to work with the Chief Compliance Officer and staff to make recommendations to the Board of Directors in connection with implementing any directives from the Court in the above-captioned action, as well as regarding best governance practices.
- (8) Protection for the Chief Compliance Officer. Within thirty (30) days of the entry of final judgment herein, the NRA and its Chief Compliance Officer shall execute a severance agreement substantially in the form attached as Exhibit 4 hereto. The severance agreement shall provide for a severance payment equivalent to two (2) years salary in the event of termination without cause or resignation for Good Reason. The term of the contract shall be three years.
- (9) Committee on Organization. The Committee on Organization shall study the Board composition, standardized protocols, and committee scope. The committee shall consider the voice of the members; input of the compliance office and consultant; best practices of not-for-profit organizations including purpose and scope of the organization, current and future needs, and legal and regulatory requirements. The recommendations of the committee shall reflect the diversity of ideas, experiences, capabilities and backgrounds to ensure inclusion of viewpoints and interests, thus securing the freedom of association of all NRA members. The recommendations of the committee shall be presented to the Board for consideration at its April 2025 meeting.

ADJUDGED, with respect to the second cause of action in the Second Amended Complaint, that defendant Wayne LaPierre shall pay to the NRA the sum of \$4,351,230.02, with pre-judgment interest at the rate of nine (9) percent accruing from the date of February 23, 2024, and that defendant Wayne LaPierre shall be barred from re-election as Executive Vice President of the NRA for a period of ten (10) years, from July 29, 2024, to July 28, 2034.

ADJUDGED, with respect to the fourth cause of action in the Second Amended Complaint, that defendant Wilson Phillips shall pay to the NRA the sum of \$2,000,000, with pre-judgment interest at the rate of nine (9) percent accruing from the date of February 23, 2024.

ADJUDGED, with respect to defendant John Frazer, the plaintiff attorney general's requests for relief are DENIED.

ADJUDGED, that no party is entitled to costs or disbursements in this action because the plaintiff attorney general, defendant National Rifle Association of America, defendant Wayne LaPierre, defendant Wilson Phillips and defendant John Frazer each prevailed on certain causes of action and issues in this action and the Court has determined, pursuant to CPLR 8101, that, under all of the circumstances, to allow costs or disbursements would not be equitable.

Judgment signed October ____, 2024.

Joel M. Cohen, J.S.C.