

August 5, 2019

**John Frazer
Secretary and General Counsel
National Rifle Association of America
11250 Waples Mill Rd.
Fairfax, VA 22030
(703) 267-1254
john.frazer@nrahq.org**

Re: Referral for Ethics Committee – Request to Expel LtCol Oliver North from NRA

Dear Mr. Frazer:

Over the past several months, there have been numerous unfounded claims and false allegations made about the NRA and its CEO & Executive Vice President (EVP), Wayne LaPierre. Many of these claims stem from an apparent extortion demand delivered to Mr. LaPierre by LtCol Oliver North during the afternoon of Wednesday, April 24, 2019. News of that demand deeply affects our Association, our board of directors, and the more than 5 million members we serve.

Before we address the extortion demand and ensuing damage it is causing, we must appreciate that the demand itself was, in many ways, the culmination of a series of ethical breaches committed by LtCol North, his employer, Ackerman McQueen (“Ackerman”), and others. I believe these actions individually and cumulatively necessitate LtCol North’s expulsion as a member of the NRA.

Put directly, I believe LtCol North’s actions over the past several months were undertaken to protect his own financial and personal interests and to insulate his employer, Ackerman, from review and scrutiny of its billing practices as a vendor to the NRA. These actions subject the NRA to legal, regulatory, financial and reputational risks – and can now be seen for what they were: part of a conspiracy that is unlike any other in the history of our organization.

Motivating Factor: Greed

As has been frequently discussed with the board of directors, in early 2018, our leadership undertook an analysis of our compliance with the regulations and rules that guide us. This effort, which was begun to ensure that our Association fully complied with New York nonprofit law, took on added importance when a group of “whistleblowers” expressed their concern that some NRA vendors were not properly documenting billing records and possibly failing to provide the services for which they bill our Association.

Undertaken at Mr. LaPierre’s direction, compliance analysis involved requesting books and records from our most significant vendors. Although many complained, we have been

informed that every vendor complied with the NRA's request with the exception of one: Ackerman.

As we know, after months spent attempting to convince Ackerman to comply with its contractual obligations, the NRA was forced to take legal action against the agency on April 12, 2019.

Against that backdrop, we recently learned that LtCol North entered into a multi-year, multimillion-dollar "employment agreement" with Ackerman. I have been told that although the NRA requested his contract with the agency for over *six months*, LtCol North stonewalled the NRA and would not turn it over. Although LtCol North entered into this agreement on May 15, 2018, he did not provide the NRA a written copy of the contract until the middle of April of this year.

I understand it was only then that Mr. LaPierre became aware of the provisions of the contract -- which made LtCol North an actual *employee* of Ackerman, not a third-party contractor as he had originally represented.¹ This means LtCol North has fiduciary duties to Ackerman that supersede his duties to the NRA. The arrangement also gave Ackerman enormous leverage and influence over the NRA; one of its employees was now president of the organization.

Although I have not seen LtCol North's employment agreement, my understanding is that he is compensated directly by Ackerman -- money that was ultimately reimbursed by the NRA. Such an arrangement is not only a clear conflict of interest, but is unprecedented. The board president has always been a volunteer position. Many others have served in this role at great financial and personal sacrifice.

I understand from Mr. LaPierre (confirmed in a number of documents) that LtCol North, starting last fall, began taking actions to derail the investigation of Ackerman. This investigation relates to claims made by virtually all the CPAs in our accounting offices that the agency was taking advantage of the NRA by systematic over-charging. Mr. North repeatedly took actions to interfere with the NRA's hiring and retention of the Brewer law firm, which is the firm that we all know has been laboring with others to ensure that our Association is in compliance with its obligations as a New York not for profit. LtCol North at first attempted to frustrate our relationship with the Brewer firm by alleging it was not retained in accordance with NRA policy. That was proven false by the Office of the General Counsel.

Undeterred, LtCol North then called for an examination of the Brewer firm's legal bills. This request was not only unwarranted but unprecedented. The day-to-day activities of this law firm (and other significant vendors, for that matter) are directed by the Office of the CEO & EVP. Furthermore, the Brewer firm's bills are reviewed and approved by the Office of the General Counsel, the CFO, and other senior executives of the NRA.

¹ NRA General Counsel John Frazer saw the contract in Ackerman's counsel's office in February. Importantly, LtCol North initially failed to declare his conflict in his annual NRA Board disclosure form, as is required under NRA Bylaws.

On multiple occasions, Mr. LaPierre requested that LtCol North stop interfering with the activities administered and directed by the Office of the CEO and EVP. LtCol North refused – determined to interfere with the activities of the NRA senior leadership team, frustrate the investigation being pursued by the Brewer firm, and create obstacles to protect the employer with whom he has a multimillion-dollar contract. There can be no question this conduct violates the duties we have as board members and fiduciaries of this organization.

It is obvious that Mr. North was motivated in his actions by a desire to protect his employer and ensure he would continue to reap millions of dollars of benefits.

Incredibly, in a letter to then NRA Audit Committee Chairman Charles Cotton and NRA General Counsel and Secretary John Frazer, dated April 11, 2019, LtCol North admits that he was not working with Ackerman to produce the series, “American Heroes,” the television program for which the NRA agreed to fund LtCol North’s affiliation with Ackerman.²

A Premeditated and Illegal Scheme – Pursued by LtCol North and Others

Although it now appears that the conspiracy to blackmail Mr. LaPierre (and the NRA) began well before April 2019, it proceeded in earnest when Ackerman Chief Financial Officer William Winkler voluntarily sent correspondence to certain NRA personnel “requesting details” for various expenditures, under the guise of attempting to comply with a books and records request that had been initiated by the NRA in August 2018.

Mr. Winkler copied Steve Hart on his communication. Mr. Hart was previously counsel to the NRA for, inter alia, board matters. Not surprisingly, Mr. Hart forwarded to LtCol North this communication and related documents – the same documents that eventually made their way into the public domain.

Although he acknowledged that Ackerman had for years provided accounting and payables support in connection with certain matters (when confidentiality and security was desired), Mr. Winkler’s communications disingenuously implied that Ackerman believed that the NRA executives from whom he was requesting documents somehow acted improperly. It is worth noting that it was Mr. Winkler, as CFO at Ackerman, who oversaw the administration of the accounting accommodations – and whose office sought reimbursement for many of the expenditures from the NRA.

I understand that this practice was agreed upon by all parties involved, including the treasurer of the NRA. Importantly, there is no claim by Ackerman that any of the expenses in question were improper.

LtCol North’s Extortion Demand

In the days leading up to the NRA Board Meeting in Indianapolis, the scheme to remove Mr. LaPierre by blackmailing him with an ultimatum came into full view.

² See letter from LtCol North to Charles Cotton and John Frazer, dated April 11, 2019.

That ultimatum – aptly described by Mr. LaPierre as an extortion demand – was apparently a mandate to Mr. LaPierre to resign from his position as CEO and EVP of the NRA and support LtCol North in his bid to continue as president of the NRA – or else.³ Mr. LaPierre reportedly was later informed he also had to meet a third condition: arrange for the NRA to drop its lawsuit against Ackerman.

It is reported that LtCol North informed Mr. LaPierre's long-time colleague that unless Mr. LaPierre acceded to these demands, he would become the victim of a public relations campaign meant to embarrass him and our Association through the revelation of negative information. That threat was reportedly made directly by LtCol North, who assured Mr. LaPierre (through senior advisors) that if he acted upon the ultimatum *immediately*, these embarrassing allegations would not surface.

LtCol North suggested that he could “make it all go away” by speaking with Ackerman CEO Angus McQueen, the purported architect of the then imminent smear campaign. In a shocking revelation that likely merits investigation by criminal justice authorities, LtCol North reportedly sought to induce Mr. LaPierre to succumb to his demands by claiming he could “negotiate” an “excellent retirement” for Mr. LaPierre. I interpret this to mean that LtCol North was willing to provide direct compensation to Mr. LaPierre (with NRA funds) if he would support LtCol North's plan to extend his presidency, which would insure no disruption to his incredibly lucrative employment with Ackerman.⁴

As we discussed at length in the NRA Board of Directors meeting on April 29, 2019, Mr. LaPierre rejected LtCol North's offer. Clearly, he did so in the best interest of the Association. At the same time, he, like many other board members, hoped this sordid affair might fade and we would emerge a stronger, more unified board of directors.

Unfortunately, LtCol North, his employer and other co-conspirators have not allowed that to happen.

Within days after LtCol North delivered his threat, the reputational attack he promised had become a dark reality. There has been a steady drumbeat of negative media reports fueled by misleading and scandalously false information about Mr. LaPierre and the Association.⁵ Confidential documents have been leaked and an untruthful narrative has emerged.⁶

As reported in *The New York Times* on May 13, 2019, “...Mr. North's threat effectively came to fruition in the recent leaks...”⁷ Reporting of these unfounded allegations embolden our adversaries, mislead our millions of loyal members, and distract us from our core mission of defending the Second Amendment.

³ See letter from Wayne LaPierre, dated April 25, 2019.

⁴ See *Wall Street Journal* article, “New York Attorney General Probes NRA as Oliver North Exits as President,” dated April 27, 2019.

⁵ See *Wall Street Journal* article, “NRA Chief Wayne LaPierre Questioned on Travel Expenses,” dated May 2, 2019.

⁶ See *Wall Street Journal* article, “Leaked Letters Reveal Details of NRA Chief's Alleged Spending,” dated May 11, 2019.

⁷ See *New York Times* article, “At the N.R.A., a Cash Machine Sputtering,” dated May 14, 2019.

Of course, the actions of LtCol North require that he be expelled as a member of the NRA.

Pursuant to Article III, Sec. 11 of the NRA Bylaws, I am submitting this formal complaint against LtCol North and his conduct should be subject to action. Based on the facts as they have been presented to the board of directors, I request that the Committee recommend that LtCol North's membership with the NRA be revoked, effective immediately.⁸

As we know, LtCol North, without warning, left our meetings in Indianapolis under the guise of not being invited to continue his tenure as president of the NRA. However, Nominating Committee Chair Jay Printz reported during the board proceedings that he never spoke with LtCol North about his nomination for president, nor gave any indication that the Nominating Committee had predetermined not to consider LtCol North for such a role. Regardless, it remains unclear as to why LtCol North abruptly left town and did not fulfill his obligation to participate in the meeting in question. I suspect it was to avoid examination of his extortionate actions.

According to the NRA Bylaws, Article III, Sec. 11(b): "Any individual or organization member may be disciplined, suspended, or expelled for good cause, including but not limited to, any conduct as a member that is contrary to or in violation of the Bylaws of the Association; for having obtained membership in the Association by any false or misleading statement; or, without limitation, conduct disruptive of the orderly operation of the Association in pursuit of its goals; violating one's obligation of loyalty to the Association and its objectives; or willfully making false statements or misrepresentations about the Association or its representatives."

Even as he was writing the board of directors immediately following Mr. LaPierre's letter, dated April 25, 2019, LtCol North did not refute Mr. LaPierre's claim regarding the demands made by LtCol North and his employer.⁹ He also did not deny the allegations made against him in written statements presented on his behalf by Richard Childress at the NRA Members Meeting and the NRA Board of Directors Meeting, dated April 27 and 29, respectively.¹⁰ In fact, as I recall, during the NRA board proceedings, Mr. Childress curiously commented that, to the extent LtCol North placed an extortion demand upon Mr. LaPierre, he might have done so "to protect the Association."

In retrospect, LtCol North's actions violated his obligation of loyalty to the Association for almost all of his term, while jeopardizing the reputation of the NRA and our mission to support Second Amendment freedoms. Although LtCol North has yet to answer for his actions, I submit the following timeline of key events for your consideration.

Timeline of Key Events

- On April 22, 2019, Ackerman CFO William Winkler sent communications to former outside NRA board counsel Steve Hart advising of requests to NRA executives for

⁸ See NRA Bylaws, Section 11: "Involuntary Termination of Membership and Disciplinary Proceedings."

⁹ See letter from LtCol North to NRA Board of Directors, dated April 25, 2019.

¹⁰ See written comments from LtCol North, dated April 27, 2019.

documents and information relating to payment arrangements *previously endorsed by Ackerman*.

- Mr. Hart subsequently forwards those communications to LtCol North.
- On April 24, 2019, Dan Boren sends a text message to Ms. Millie Hallow that seeks to advise Mr. LaPierre of a pending public relations attack on him by Ackerman unless he immediately resigns.
- According to a letter Mr. LaPierre sent to the board on April 25, 2019, LtCol North placed a telephone call to Ms. Hallow on April 24. We understand Ms. Hallow returned the call and took detailed notes.
- According to Mr. LaPierre's letter, LtCol North stated that the purpose of the call was to relay the contents of a letter drafted by Ackerman. LtCol North reportedly stated that he was advised by Mr. Boren – a member of the Board and an employee of Ackerman's client, the Chickasaw Nation – that unless Mr. LaPierre immediately resigned as CEO and EVP of the Association, Ackerman would transmit a "letter" damaging to the Association, Mr. LaPierre, and others.
- Col. North reportedly stated that if Mr. LaPierre were to resign as CEO and EVP and support LtCol North's continued tenure as president, he would ensure that the reputational attack did not occur and he would "negotiate" an "excellent retirement" for Mr. LaPierre.
- I understand there are witnesses, including NRA President Carolyn Meadows, to the ultimatum LtCol North placed upon Mr. LaPierre.
- On April 25, LtCol North sent an email to NRA General Counsel John Frazer with a "confidential" memorandum for the NRA Executive Committee.¹¹ It stated that LtCol North had formed a new board committee on Crisis Management, although the matters he wished that committee would consider were clearly contrived as part of a public relations stunt. In addition, those "matters to reportedly be considered by the committee" fall under the jurisdiction of *existing committees*. Not surprisingly, this memo was later shared with the full board and the public.
- The memorandum attached the letters sent from Ackerman on April 22, 2019, to certain NRA executives.
- On April 25, Mr. LaPierre sent his letter to members of the board, in which he detailed the alleged extortion attempt that occurred the day prior. Mr. LaPierre stated that he "refused the offer" by LtCol North and that it was "regrettable that threats now emanate from our fiduciaries and friends."

¹¹ See memorandum from LtCol North to NRA Executive Committee, dated April 25, 2019.

- On April 25, LtCol North sent a communication to the board in which he commented on written communications from Mr. LaPierre – but LtCol North failed to address allegations that he had placed an ultimatum upon Mr. LaPierre.
- On April 29, Mr. LaPierre was unanimously reelected as CEO and EVP. Ms. Meadows was selected to be the next president of the NRA, replacing LtCol North.
- During the Board meeting, Mr. Childress read a second letter from LtCol North. Again, LtCol North did not deny the allegation that he attempted to blackmail Mr. LaPierre. Specifically, LtCol North did not address the reputational attack he promised would come unless Mr. LaPierre complied with the demands of his employer.¹²
- Right on cue, three days later, on May 2, *The Wall Street Journal* published an article, “NRA Chief Wayne LaPierre Questioned on Travel Expenses.” The article detailed the contents of LtCol North’s “crisis communications” memo and letters and documentation regarding NRA executives’ travel expenses. The article did not identify whom had leaked the confidential memorandum to the news media.
- On May 10, additional documents were leaked, including correspondence from LtCol North regarding legal fees paid to the NRA’s outside counsel, a matter of discussion at our April 29, board meeting. It was only hours later that the *Wall Street Journal* published the article, “Leaked Letters Reveal Details of NRA Chief’s Alleged Spending,” and news of unfounded allegations involving the NRA went viral.
- On May 30, 2019, the NRA Audit Committee adopted a resolution rescinding prior approval of LtCol North’s contract with Ackerman. The Committee also determined that, as an employee of Ackerman, LtCol North has an irreconcilable conflict of interest. Correspondence from Mr. Frazer to counsel for LtCol North, dated May 31, 2019, directed LtCol North to resign either from Ackerman or from the Board of Directors and Executive Council.¹³
- On June 6, 2019, LtCol North requested that the NRA indemnify him for legal fees incurred in responding to subpoenas in connection with lawsuits filed by the NRA against Ackerman – and for requests for information from congressional representatives.¹⁴
- On June 12, 2019, LtCol North attorney Brendan Sullivan advised that LtCol North declines the NRA’s request to resign from the NRA Board of Directors and Executive Council.¹⁵

¹² This letter was read by Mr. Childress during the Executive Session of the Board Meeting on April 29, 2019. However, a copy of the letter was not distributed to the Board.

¹³ See correspondence, dated May 31, 2019, and attached NRA Audit Committee Resolution.

¹⁴ See correspondence to John Frazer from Brendan Sullivan, dated June 6, 2019.

¹⁵ See correspondence from Brendan Sullivan to John Frazer, dated June 12, 2019.

- On June 19, 2019, the NRA filed a New York lawsuit against LtCol North in connection with his request for indemnification and advancement in connection with a judicial subpoena and a congressional inquiry.¹⁶

Expulsion to Address Conduct Unbecoming of a Member – and Protect the Association

It is incumbent upon all of us as board members to fully understand claims and allegations that impact our fellow members, the NRA, and the values for which we stand. It is equally important for us to protect the legal, regulatory and reputational interests of the Association.

There should be no question that we will not tolerate conduct such as LtCol North's. Further, we must work in partnership – and refrain from being associated, in any way, with actions that are detrimental to the Association. Here is what we know about LtCol North's conduct.

1. For months, LtCol North refused to submit a written copy of his employment agreement with Ackerman. He only provided a copy in the days leading up to the NRA Annual Meeting in Indianapolis. My understanding is that LtCol North was given conditional approval to pursue an engagement with Ackerman by the NRA executive leadership – but such approval was based on the premise that he would be a third-party contractor, not a full-time employee with fiduciary duties to Ackerman.¹⁷
2. LtCol North admits he failed to meet his contractual obligations in connection with his employment agreement. He produced only a fraction of the “American Heroes” episodes for which he was compensated in his first 12 months, even though neither he nor his employer provided financial reimbursement to the NRA. Nor did he facilitate a report from Ackerman about the production costs it is charging for the failing series.
3. In an apparent effort to protect his personal interests – and the interests of his employer – LtCol North took active measures to frustrate the NRA's effort to undertake a Compliance Review process directed toward Ackerman.
4. LtCol North participated in a scheme to publicly distribute false and misleading information about Mr. LaPierre and the NRA. It is my understanding that the NRA has given Ackerman the opportunity to sign declarations confirming that agency representatives did not participate in the campaign to “leak” confidential information – but the agency's representatives refused to provide the NRA with the assurance it seeks.
5. To force Mr. LaPierre from his position as CEO and EVP of the NRA, LtCol North threatened Mr. LaPierre with an extortion demand. To this day, LtCol North has not disputed that he placed such a demand upon Mr. LaPierre.

¹⁶ See lawsuit, dated June 19, 2019.

¹⁷ See NRA lawsuit against Ackerman, dated May 22, 2019.


6. When Mr. LaPierre did not accede to the extortion demand, LtCol North made good on his threat. He and others conspired to affect a scorched earth campaign aimed at Mr. LaPierre. The campaign has caused significant legal, regulatory, business and reputational harm for the NRA.
7. LtCol North's actions continue to harm Mr. LaPierre and the NRA. Our Association has been the subject of numerous inaccurate and damaging media reports – and has been advised of a congressional inquiry relating to LtCol North's false allegations against us.¹⁸
8. Given an opportunity to resign either from Ackerman or the NRA Board of Directors in the face of his clear and irreconcilable conflicts, LtCol North again put his own interests above that of the Association – refusing to meet his fiduciary obligations to the NRA or give up a lucrative contract with a terminated vendor, Ackerman.
9. LtCol North's actions have damaged the NRA and the interests of our members. On behalf of the Association, they have been forced to incur significant legal expenses, fund LtCol North's pursuit of a failing video series, and shoulder the burden of reputational damage that has distracted us from our core mission: protecting the Second Amendment.

There is an established record that LtCol North has engaged in “conduct disruptive of the orderly operation of the Association in pursuit of its goals; violating one's obligation of loyalty to the Association and its objectives...” It is clear that LtCol North's entire term as president is now an embarrassment to the Association – as his position was obtained by fraud and in violation of our Bylaws.

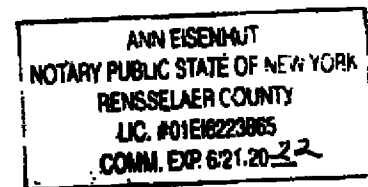
For these reasons, I write to request that LtCol North be expelled from the NRA. We must act immediately upon this situation. Doing so honors the principles upon which we were elected, helps ensure the protection of the NRA's confidential information, and appropriately positions us with our key stakeholders – members, donors, enforcement agencies, and others.

Please confirm receipt of this communication at your earliest convenience and advise as to when this matter will be referred to the NRA Board of Directors Ethics Committee. I appreciate your prompt attention to these matters.

Sincerely,



Board Member, National Rifle Association of America



Ann Eisenhut
8/9/2019

¹⁸ See letter from Senators Wyden, Whitehouse and Menendez, U.S. Senate Committee on Finance, dated May 3, 2019.

informed that every vendor complied with the NRA's request with the exception of one: Ackerman.

As we know, after months spent attempting to convince Ackerman to comply with its contractual obligations, the NRA was forced to take legal action against the agency on April 12, 2019.

Against that backdrop, we recently learned that LtCol North entered into a multi-year, multimillion-dollar "employment agreement" with Ackerman. I have been told that although the NRA requested his contract with the agency for over *six months*, LtCol North stonewalled the NRA and would not turn it over. Although LtCol North entered into this agreement on May 15, 2018, he did not provide the NRA a written copy of the contract until the middle of April of this year.

I understand it was only then that Mr. LaPierre became aware of the provisions of the contract -- which made LtCol North an actual *employee* of Ackerman, not a third-party contractor as he had originally represented.¹ This means LtCol North has fiduciary duties to Ackerman that supersede his duties to the NRA. The arrangement also gave Ackerman enormous leverage and influence over the NRA; one of its employees was now president of the organization.

Although I have not seen LtCol North's employment agreement, my understanding is that he is compensated directly by Ackerman -- money that was ultimately reimbursed by the NRA. Such an arrangement is not only a clear conflict of interest, but is unprecedented. The board president has always been a volunteer position. Many others have served in this role at great financial and personal sacrifice.

I understand from Mr. LaPierre (confirmed in a number of documents) that LtCol North, starting last fall, began taking actions to derail the investigation of Ackerman. This investigation relates to claims made by virtually all the CPAs in our accounting offices that the agency was taking advantage of the NRA by systematic over-charging. Mr. North repeatedly took actions to interfere with the NRA's hiring and retention of the Brewer law firm, which is the firm that we all know has been laboring with others to ensure that our Association is in compliance with its obligations as a New York not for profit. LtCol North at first attempted to frustrate our relationship with the Brewer firm by alleging it was not retained in accordance with NRA policy. That was proven false by the Office of the General Counsel.

Undeterred, LtCol North then called for an examination of the Brewer firm's legal bills. This request was not only unwarranted but unprecedented. The day-to-day activities of this law firm (and other significant vendors, for that matter) are directed by the Office of the CEO & EVP. Furthermore, the Brewer firm's bills are reviewed and approved by the Office of the General Counsel, the CFO, and other senior executives of the NRA.

¹ NRA General Counsel John Frazer saw the contract in Ackerman's counsel's office in February. Importantly, LtCol North initially failed to declare his conflict in his annual NRA Board disclosure form, as is required under NRA Bylaws.

On multiple occasions, Mr. LaPierre requested that LtCol North stop interfering with the activities administered and directed by the Office of the CEO and EVP. LtCol North refused – determined to interfere with the activities of the NRA senior leadership team, frustrate the investigation being pursued by the Brewer firm, and create obstacles to protect the employer with whom he has a multimillion-dollar contract. There can be no question this conduct violates the duties we have as board members and fiduciaries of this organization.

It is obvious that Mr. North was motivated in his actions by a desire to protect his employer and ensure he would continue to reap millions of dollars of benefits.

Incredibly, in a letter to then NRA Audit Committee Chairman Charles Cotton and NRA General Counsel and Secretary John Frazer, dated April 11, 2019, LtCol North admits that he was not working with Ackerman to produce the series, “American Heroes,” the television program for which the NRA agreed to fund LtCol North’s affiliation with Ackerman.²

A Premeditated and Illegal Scheme – Pursued by LtCol North and Others

Although it now appears that the conspiracy to blackmail Mr. LaPierre (and the NRA) began well before April 2019, it proceeded in earnest when Ackerman Chief Financial Officer William Winkler voluntarily sent correspondence to certain NRA personnel “requesting details” for various expenditures, under the guise of attempting to comply with a books and records request that had been initiated by the NRA in August 2018.

Mr. Winkler copied Steve Hart on his communication. Mr. Hart was previously counsel to the NRA for, inter alia, board matters. Not surprisingly, Mr. Hart forwarded to LtCol North this communication and related documents – the same documents that eventually made their way into the public domain.

Although he acknowledged that Ackerman had for years provided accounting and payables support in connection with certain matters (when confidentiality and security was desired), Mr. Winkler’s communications disingenuously implied that Ackerman believed that the NRA executives from whom he was requesting documents somehow acted improperly. It is worth noting that it was Mr. Winkler, as CFO at Ackerman, who oversaw the administration of the accounting accommodations – and whose office sought reimbursement for many of the expenditures from the NRA.

I understand that this practice was agreed upon by all parties involved, including the treasurer of the NRA. Importantly, there is no claim by Ackerman that any of the expenses in question were improper.

LtCol North’s Extortion Demand

In the days leading up to the NRA Board Meeting in Indianapolis, the scheme to remove Mr. LaPierre by blackmailing him with an ultimatum came into full view.

² See letter from LtCol North to Charles Cotton and John Frazer, dated April 11, 2019.

That ultimatum – aptly described by Mr. LaPierre as an extortion demand – was apparently a mandate to Mr. LaPierre to resign from his position as CEO and EVP of the NRA and support LtCol North in his bid to continue as president of the NRA – or else.³ Mr. LaPierre reportedly was later informed he also had to meet a third condition: arrange for the NRA to drop its lawsuit against Ackerman.

It is reported that LtCol North informed Mr. LaPierre's long-time colleague that unless Mr. LaPierre acceded to these demands, he would become the victim of a public relations campaign meant to embarrass him and our Association through the revelation of negative information. That threat was reportedly made directly by LtCol North, who assured Mr. LaPierre (through senior advisors) that if he acted upon the ultimatum *immediately*, these embarrassing allegations would not surface.

LtCol North suggested that he could “make it all go away” by speaking with Ackerman CEO Angus McQueen, the purported architect of the then imminent smear campaign. In a shocking revelation that likely merits investigation by criminal justice authorities, LtCol North reportedly sought to induce Mr. LaPierre to succumb to his demands by claiming he could “negotiate” an “excellent retirement” for Mr. LaPierre. I interpret this to mean that LtCol North was willing to provide direct compensation to Mr. LaPierre (with NRA funds) if he would support LtCol North's plan to extend his presidency, which would insure no disruption to his incredibly lucrative employment with Ackerman.⁴

As we discussed at length in the NRA Board of Directors meeting on April 29, 2019, Mr. LaPierre rejected LtCol North's offer. Clearly, he did so in the best interest of the Association. At the same time, he, like many other board members, hoped this sordid affair might fade and we would emerge a stronger, more unified board of directors.

Unfortunately, LtCol North, his employer and other co-conspirators have not allowed that to happen.

Within days after LtCol North delivered his threat, the reputational attack he promised had become a dark reality. There has been a steady drumbeat of negative media reports fueled by misleading and scandalously false information about Mr. LaPierre and the Association.⁵ Confidential documents have been leaked and an untruthful narrative has emerged.⁶

As reported in *The New York Times* on May 13, 2019, “...Mr. North's threat effectively came to fruition in the recent leaks...”⁷ Reporting of these unfounded allegations embolden our adversaries, mislead our millions of loyal members, and distract us from our core mission of defending the Second Amendment.

³ See letter from Wayne LaPierre, dated April 25, 2019.

⁴ See *Wall Street Journal* article, “New York Attorney General Probes NRA as Oliver North Exits as President,” dated April 27, 2019.

⁵ See *Wall Street Journal* article, “NRA Chief Wayne LaPierre Questioned on Travel Expenses,” dated May 2, 2019.

⁶ See *Wall Street Journal* article, “Leaked Letters Reveal Details of NRA Chief's Alleged Spending,” dated May 11, 2019.

⁷ See *New York Times* article, “At the N.R.A., a Cash Machine Sputtering,” dated May 14, 2019.

Of course, the actions of LtCol North require that he be expelled as a member of the NRA.

Pursuant to Article III, Sec. 11 of the NRA Bylaws, I am submitting this formal complaint against LtCol North and his conduct should be subject to action. Based on the facts as they have been presented to the board of directors, I request that the Committee recommend that LtCol North's membership with the NRA be revoked, effective immediately.⁸

As we know, LtCol North, without warning, left our meetings in Indianapolis under the guise of not being invited to continue his tenure as president of the NRA. However, Nominating Committee Chair Jay Printz reported during the board proceedings that he never spoke with LtCol North about his nomination for president, nor gave any indication that the Nominating Committee had predetermined not to consider LtCol North for such a role. Regardless, it remains unclear as to why LtCol North abruptly left town and did not fulfill his obligation to participate in the meeting in question. I suspect it was to avoid examination of his extortionate actions.

According to the NRA Bylaws, Article III, Sec. 11(b): "Any individual or organization member may be disciplined, suspended, or expelled for good cause, including but not limited to, any conduct as a member that is contrary to or in violation of the Bylaws of the Association; for having obtained membership in the Association by any false or misleading statement; or, without limitation, conduct disruptive of the orderly operation of the Association in pursuit of its goals; violating one's obligation of loyalty to the Association and its objectives; or willfully making false statements or misrepresentations about the Association or its representatives."

Even as he was writing the board of directors immediately following Mr. LaPierre's letter, dated April 25, 2019, LtCol North did not refute Mr. LaPierre's claim regarding the demands made by LtCol North and his employer.⁹ He also did not deny the allegations made against him in written statements presented on his behalf by Richard Childress at the NRA Members Meeting and the NRA Board of Directors Meeting, dated April 27 and 29, respectively.¹⁰ In fact, as I recall, during the NRA board proceedings, Mr. Childress curiously commented that, to the extent LtCol North placed an extortion demand upon Mr. LaPierre, he might have done so "to protect the Association."

In retrospect, LtCol North's actions violated his obligation of loyalty to the Association for almost all of his term, while jeopardizing the reputation of the NRA and our mission to support Second Amendment freedoms. Although LtCol North has yet to answer for his actions, I submit the following timeline of key events for your consideration.

Timeline of Key Events

- On April 22, 2019, Ackerman CFO William Winkler sent communications to former outside NRA board counsel Steve Hart advising of requests to NRA executives for

⁸ See NRA Bylaws, Section 11: "Involuntary Termination of Membership and Disciplinary Proceedings."

⁹ See letter from LtCol North to NRA Board of Directors, dated April 25, 2019.

¹⁰ See written comments from LtCol North, dated April 27, 2019.

documents and information relating to payment arrangements *previously endorsed by Ackerman*.

- Mr. Hart subsequently forwards those communications to LtCol North.
- On April 24, 2019, Dan Boren sends a text message to Ms. Millie Hallow that seeks to advise Mr. LaPierre of a pending public relations attack on him by Ackerman unless he immediately resigns.
- According to a letter Mr. LaPierre sent to the board on April 25, 2019, LtCol North placed a telephone call to Ms. Hallow on April 24. We understand Ms. Hallow returned the call and took detailed notes.
- According to Mr. LaPierre's letter, LtCol North stated that the purpose of the call was to relay the contents of a letter drafted by Ackerman. LtCol North reportedly stated that he was advised by Mr. Boren – a member of the Board and an employee of Ackerman's client, the Chickasaw Nation – that unless Mr. LaPierre immediately resigned as CEO and EVP of the Association, Ackerman would transmit a "letter" damaging to the Association, Mr. LaPierre, and others.
- Col. North reportedly stated that if Mr. LaPierre were to resign as CEO and EVP and support LtCol North's continued tenure as president, he would ensure that the reputational attack did not occur and he would "negotiate" an "excellent retirement" for Mr. LaPierre.
- I understand there are witnesses, including NRA President Carolyn Meadows, to the ultimatum LtCol North placed upon Mr. LaPierre.
- On April 25, LtCol North sent an email to NRA General Counsel John Frazer with a "confidential" memorandum for the NRA Executive Committee.¹¹ It stated that LtCol North had formed a new board committee on Crisis Management, although the matters he wished that committee would consider were clearly contrived as part of a public relations stunt. In addition, those "matters to reportedly be considered by the committee" fall under the jurisdiction of *existing committees*. Not surprisingly, this memo was later shared with the full board and the public.
- The memorandum attached the letters sent from Ackerman on April 22, 2019, to certain NRA executives.
- On April 25, Mr. LaPierre sent his letter to members of the board, in which he detailed the alleged extortion attempt that occurred the day prior. Mr. LaPierre stated that he "refused the offer" by LtCol North and that it was "regrettable that threats now emanate from our fiduciaries and friends."

¹¹ See memorandum from LtCol North to NRA Executive Committee, dated April 25, 2019.

- On April 25, LtCol North sent a communication to the board in which he commented on written communications from Mr. LaPierre – but LtCol North failed to address allegations that he had placed an ultimatum upon Mr. LaPierre.
- On April 29, Mr. LaPierre was unanimously reelected as CEO and EVP. Ms. Meadows was selected to be the next president of the NRA, replacing LtCol North.
- During the Board meeting, Mr. Childress read a second letter from LtCol North. Again, LtCol North did not deny the allegation that he attempted to blackmail Mr. LaPierre. Specifically, LtCol North did not address the reputational attack he promised would come unless Mr. LaPierre complied with the demands of his employer.¹²
- Right on cue, three days later, on May 2, *The Wall Street Journal* published an article, “NRA Chief Wayne LaPierre Questioned on Travel Expenses.” The article detailed the contents of LtCol North’s “crisis communications” memo and letters and documentation regarding NRA executives’ travel expenses. The article did not identify whom had leaked the confidential memorandum to the news media.
- On May 10, additional documents were leaked, including correspondence from LtCol North regarding legal fees paid to the NRA’s outside counsel, a matter of discussion at our April 29, board meeting. It was only hours later that the *Wall Street Journal* published the article, “Leaked Letters Reveal Details of NRA Chief’s Alleged Spending,” and news of unfounded allegations involving the NRA went viral.
- On May 30, 2019, the NRA Audit Committee adopted a resolution rescinding prior approval of LtCol North’s contract with Ackerman. The Committee also determined that, as an employee of Ackerman, LtCol North has an irreconcilable conflict of interest. Correspondence from Mr. Frazer to counsel for LtCol North, dated May 31, 2019, directed LtCol North to resign either from Ackerman or from the Board of Directors and Executive Council.¹³
- On June 6, 2019, LtCol North requested that the NRA indemnify him for legal fees incurred in responding to subpoenas in connection with lawsuits filed by the NRA against Ackerman – and for requests for information from congressional representatives.¹⁴
- On June 12, 2019, LtCol North attorney Brendan Sullivan advised that LtCol North declines the NRA’s request to resign from the NRA Board of Directors and Executive Council.¹⁵

¹² This letter was read by Mr. Childress during the Executive Session of the Board Meeting on April 29, 2019. However, a copy of the letter was not distributed to the Board.

¹³ See correspondence, dated May 31, 2019, and attached NRA Audit Committee Resolution.

¹⁴ See correspondence to John Frazer from Brendan Sullivan, dated June 6, 2019.

¹⁵ See correspondence from Brendan Sullivan to John Frazer, dated June 12, 2019.

- On June 19, 2019, the NRA filed a New York lawsuit against LtCol North in connection with his request for indemnification and advancement in connection with a judicial subpoena and a congressional inquiry.¹⁶

Expulsion to Address Conduct Unbecoming of a Member – and Protect the Association

It is incumbent upon all of us as board members to fully understand claims and allegations that impact our fellow members, the NRA, and the values for which we stand. It is equally important for us to protect the legal, regulatory and reputational interests of the Association.

There should be no question that we will not tolerate conduct such as LtCol North's. Further, we must work in partnership – and refrain from being associated, in any way, with actions that are detrimental to the Association. Here is what we know about LtCol North's conduct.

1. For months, LtCol North refused to submit a written copy of his employment agreement with Ackerman. He only provided a copy in the days leading up to the NRA Annual Meeting in Indianapolis. My understanding is that LtCol North was given conditional approval to pursue an engagement with Ackerman by the NRA executive leadership – but such approval was based on the premise that he would be a third-party contractor, not a full-time employee with fiduciary duties to Ackerman.¹⁷
2. LtCol North admits he failed to meet his contractual obligations in connection with his employment agreement. He produced only a fraction of the “American Heroes” episodes for which he was compensated in his first 12 months, even though neither he nor his employer provided financial reimbursement to the NRA. Nor did he facilitate a report from Ackerman about the production costs it is charging for the failing series.
3. In an apparent effort to protect his personal interests – and the interests of his employer – LtCol North took active measures to frustrate the NRA's effort to undertake a Compliance Review process directed toward Ackerman.
4. LtCol North participated in a scheme to publicly distribute false and misleading information about Mr. LaPierre and the NRA. It is my understanding that the NRA has given Ackerman the opportunity to sign declarations confirming that agency representatives did not participate in the campaign to “leak” confidential information – but the agency's representatives refused to provide the NRA with the assurance it seeks.
5. To force Mr. LaPierre from his position as CEO and EVP of the NRA, LtCol North threatened Mr. LaPierre with an extortion demand. To this day, LtCol North has not disputed that he placed such a demand upon Mr. LaPierre.

¹⁶ See lawsuit, dated June 19, 2019.

¹⁷ See NRA lawsuit against Ackerman, dated May 22, 2019.

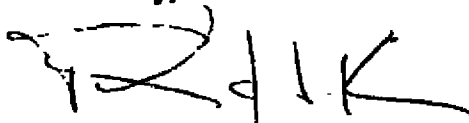
6. When Mr. LaPierre did not accede to the extortion demand, LtCol North made good on his threat. He and others conspired to affect a scorched earth campaign aimed at Mr. LaPierre. The campaign has caused significant legal, regulatory, business and reputational harm for the NRA.
7. LtCol North's actions continue to harm Mr. LaPierre and the NRA. Our Association has been the subject of numerous inaccurate and damaging media reports – and has been advised of a congressional inquiry relating to LtCol North's false allegations against us.¹⁸
8. Given an opportunity to resign either from Ackerman or the NRA Board of Directors in the face of his clear and irreconcilable conflicts, LtCol North again put his own interests above that of the Association – refusing to meet his fiduciary obligations to the NRA or give up a lucrative contract with a terminated vendor, Ackerman.
9. LtCol North's actions have damaged the NRA and the interests of our members. On behalf of the Association, they have been forced to incur significant legal expenses, fund LtCol North's pursuit of a failing video series, and shoulder the burden of reputational damage that has distracted us from our core mission: protecting the Second Amendment.

There is an established record that LtCol North has engaged in “conduct disruptive of the orderly operation of the Association in pursuit of its goals; violating one's obligation of loyalty to the Association and its objectives...” It is clear that LtCol North's entire term as president is now an embarrassment to the Association – as his position was obtained by fraud and in violation of our Bylaws.

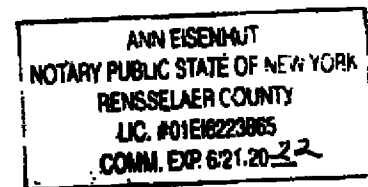
For these reasons, I write to request that LtCol North be expelled from the NRA. We must act immediately upon this situation. Doing so honors the principles upon which we were elected, helps ensure the protection of the NRA's confidential information, and appropriately positions us with our key stakeholders – members, donors, enforcement agencies, and others.

Please confirm receipt of this communication at your earliest convenience and advise as to when this matter will be referred to the NRA Board of Directors Ethics Committee. I appreciate your prompt attention to these matters.

Sincerely,



Board Member, National Rifle Association of America



Ann Eisenhut
8/9/2019

¹⁸ See letter from Senators Wyden, Whitehouse and Menendez, U.S. Senate Committee on Finance, dated May 3, 2019.