

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

THE PEOPLE OF THE STATE OF NEW YORK, by  
LETITIA JAMES, Attorney General of the State of New York,

Plaintiff,

-against-

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

Defendants.

Index No. 451625/2020

**STIPULATION**

This Stipulation (“Stipulation”) is made and entered into as of the 8th day of July, 2024, by and among Defendant Wilson Phillips (“Phillips”) and the People of the State of New York, by Attorney General Letitia James (“Plaintiff” and, together with Phillips, the “Parties”). Plaintiff is represented by the Office of the New York State Attorney General Letitia James:

WHEREAS the above-captioned action was commenced against Phillips, the National Rifle Association of America (“NRA”), Wayne LaPierre, John Frazer and Joshua Powell on August 6, 2020 in the Supreme Court of the State of New York (the “Action”). On May 2, 2022, Plaintiff filed a Verified Second Amended Complaint (“Complaint”) in the Action, in which, *inter alia*, Plaintiff asserted claims against Phillips pursuant to the Not-For Profit Corporation Law (“N-PCL”) §§ 715, 717 and 720 and the Estates, Powers, and Trusts Law (“EPTL”) § 8-1.4 (the “Action”);

WHEREAS, the Action proceeded to trial, which was bifurcated and the first phase of the trial was held before a jury from January 8 through February 23, 2024 (“Trial Phase 1”), NYSCEF No. 3212;

WHEREAS on February 23, 2024, the jury returned a verdict in Trial Phase 1, finding, *inter alia*, that Plaintiff proved by a preponderance of the evidence that:

1. “between March 20, 2014 and December 31, 2018 (the date of his retirement), Defendant Wilson Phillips violated his statutory obligation to discharge the duties of his position in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances,” and further found that “the monetary harm sustained by the NRA as a result of. . . Phillips’ violation(s) of his statutory duties of care and good faith” is \$2,000,000, NYSCEF No. 3212 at 5; and
2. “Defendant Wilson Phillips’s post-employment consulting contract [was] a related party transaction” that “was not properly approved in advance by the NRA Board or authorized committee” and was not properly ratified by the NRA Board or an authorized committee”, but that the NRA sustained no monetary damage as a result of that violation, NYSCEF No. 3212 at 8-9;

WHEREAS, on April 5, 2024, Phillips moved to set aside the verdict and for judgment as a matter of law concerning only the jury’s determination of damages against Phillips (the “Damages Verdict”), and not challenging the jury’s liability determination, and that motion was denied by Decision & Order entered on June 7, 2024, *see* NYSCEF No 3302;

WHEREAS, Plaintiff’s demands for non-monetary relief against Phillips, including Plaintiff’s demands for injunctive relief against Phillips (“Plaintiff’s Injunctive Relief Demands”) remain to be adjudicated;

NOW, THEREFORE, the Parties stipulate that, in light of the verdict in Trial Phase 1 on the causes of action against Phillips, the appropriate non-monetary relief as to Mr. Phillips is as follows:

1. A bar on Mr. Phillips for a period of ten (10) years from the Effective Date from service as an officer, director or trustee or in any position, whether paid or unpaid, where he has any fiduciary responsibilities for any not-for-profit or charitable organization incorporated, registered, operating or soliciting contributions in New York, or for any other individual or entity that holds charitable assets or solicits charitable contributions in the State of New York, including,

but not limited to, responsibility for financial and/or management oversight of any New York charitable entity.

2. After the expiration of the ten (10) year period from the Effective Date, a bar on Mr. Phillips from service as an officer, director or trustee or in any position, whether paid or unpaid, where he has any fiduciary responsibilities for any not-for-profit or charitable organization incorporated, registered, operating or soliciting contributions in New York, or for any other individual or entity that holds charitable assets or solicits charitable contributions in the State of New York, including, but not limited to, responsibility for financial and/or management oversight of any New York charitable entity without (a) notifying the OAG in writing, (b) completing a training program on the duties and responsibilities of a fiduciary of a not-for-profit or charitable organization that is approved by the Office of the Attorney General and (c) providing the OAG with proof of the successful completion of such approved training program. (*See, e.g.*, BoardSource Leadership Certificate Programs ([www.boardsource.org](http://www.boardsource.org)) for educational programs on nonprofit governance, and the roles and responsibilities of board members to exercise financial and legal oversight,).

3. The Parties agree that this Stipulation shall have no effect on the Damages Verdict, including Plaintiff's rights to obtain entry of and to enforce a judgment against Phillips in accord with the Damages Verdict and any rights the Parties have with respect to obtaining review of the Damages Verdict.

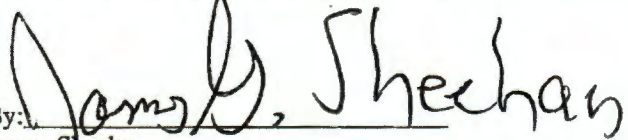
4. This Stipulation, upon being so ordered by the Court, will resolve the outstanding Injunctive Relief Demands by Plaintiff against Phillips relating to the subject matter of the Action. Nothing in this Stipulation shall affect or limit Plaintiff's continuing claims against the NRA, LaPierre and Frazer, the remaining defendants in the Action.

5. The "Effective Date" shall be the date the Stipulation is so ordered by the Court.

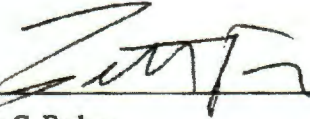
IN WITNESS WHEREOF, this Stipulation is executed by the parties hereto on July 8

2024.

LETITIA JAMES  
Attorney General of the State of New York

By:   
James Sheehan  
Chief, Charities Bureau  
28 Liberty Street  
New York, NY 10005

Wilson Phillips

By:   
Seth C. Farber  
Lisa M. Coutu  
Winston & Strawn LLP  
200 Park Avenue  
New York, NY 10166

SO ORDERED:

\_\_\_\_\_  
Hon. Joel M. Cohen  
Justice of the Supreme Court of the State of New York