NATIONAL RIFLE ASSOCIATION OF AMERICA

FINANCIAL STATEMENTS

as of December 31, 2025 and 2024

AND

REPORT THEREON

NATIONAL RIFLE ASSOCIATION OF AMERICA

TABLE OF CONTENTS

	Page
Report of Independent Auditors	1 - 2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 36

Aprio

Independent Auditor's Report

To the Board of Directors
The National Rifle Association of America
Fairfax, Virginia

Opinion

We have audited the accompanying financial statements of **The National Rifle Association of America** (a nonprofit organization), which comprise the Statements of Financial Position as of December 31, 2025 and 2024, and the related Statements of Activities and Changes in Net Assets, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **The National Rifle Association of America** as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1 to the financial statements, the accompanying financial statements are those of the **National Rifle Association of America** only and are not those of the primary reporting entity. The consolidated financial statements of **NRA** and its affiliates have been issued as the general purpose financial statements of the reporting entity and should be read in conjunction with the parent-only statements. Our opinion is not modified with respect to this matter.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **The National Rifle Association of America** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **The National Rifle Association of America**'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **The National Rifle Association of America**'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **The National Rifle Association of America**'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Aprio, LLP

Rockville, Maryland
September 17, 2026

NATIONAL RIFLE ASSOCIATION OF AMERICA
STATEMENTS OF FINANCIAL POSITION
as of December 31, 2025 and 2024

ASSETS

	2025	2024
Cash and cash equivalents	$ 5,693,483	$ 15,099,916
Restricted cash	19,398	809,541
Investments	37,388,605	32,507,600
Members' dues receivable, net	2,174,424	3,652,330
Accounts receivable, net	6,874,695	9,549,027
Due from affiliates	45,858,847	38,735,958
Inventories and supplies, net	6,229,494	5,614,462
Prepaid expenses	2,263,224	3,473,401
Property and equipment, net	23,381,496	22,316,572
Finance lease right-of-use assets, net	1,714,698	1,744,657
Other assets	3,576,308	3,626,918
Total assets	$ 135,174,672	$ 137,130,382

LIABILITIES AND NET ASSETS

Accounts payable	$ 9,071,089	$ 12,861,489
Accrued liabilities	25,631,748	30,633,680
Finance lease liability	1,781,073	1,798,603
Note payable and lines of credit	18,909,114	25,559,776
Deferred revenue	45,932,613	50,572,059
Total liabilities	101,325,637	121,425,607
Net assets (deficit):		
Without donor restrictions		
Net assets without donor restrictions	(34,191,314)	(38,810,461)
Cumulative pension liability	(11,908,900)	(13,385,536)
Total net asset (deficit) without donor restrictions	(46,100,214)	(52,195,997)
With donor restrictions	79,949,249	67,900,772
Total net assets	33,849,035	15,704,775
Total liabilities and net assets	$ 135,174,672	$ 137,130,382

The accompanying notes are an integral
part of these financial statements.

NATIONAL RIFLE ASSOCIATION OF AMERICA
STATEMENTS OF ACTIVITIES
for the years ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support:						
Members' dues	$ 47,928,946	$ -	$ 47,928,946	$ 51,702,106	$ -	$ 51,702,106
Program fees	4,878,595	-	4,878,595	5,000,836	-	5,000,836
Contributions	47,769,455	4,298,030	52,067,485	58,846,429	2,412,233	61,258,662
Contributions from interrelated entity	-	10,156,488	10,156,488	-	9,375,440	9,375,440
Advertising	16,124,719	-	16,124,719	18,764,180	-	18,764,180
Member and merchandise sales	2,010,765	-	2,010,765	2,212,760	-	2,212,760
Shows and exhibits	13,808,496	-	13,808,496	13,371,056	-	13,371,056
Investment income, net	(319,148)	3,893,159	3,574,011	5,671,727	1,299,626	6,971,353
Insurance administration fees	5,690,850	-	5,690,850	5,980,557	-	5,980,557
Other	2,980,999	-	2,980,999	1,886,125	-	1,886,125
Assets released from restrictions	12,502,931	(12,502,931)	-	11,860,817	(11,860,817)	-
Total revenue and other support	153,376,608	5,844,746	159,221,354	175,296,593	1,226,482	176,523,075
Expenses:						
Program services:						
Legislative programs	13,466,932	-	13,466,932	17,393,622	-	17,393,622
Publications	28,843,332	-	28,843,332	29,219,942	-	29,219,942
Public affairs	832,048	-	832,048	1,294,177	-	1,294,177
Shows and exhibits	6,306,757	-	6,306,757	5,981,703	-	5,981,703
Competitions	2,429,424	-	2,429,424	2,169,776	-	2,169,776
Education and training	3,621,039	-	3,621,039	3,530,499	-	3,530,499
Hunter services	1,132,672	-	1,132,672	934,411	-	934,411
Field services	1,489,057	-	1,489,057	1,424,198	-	1,424,198
Law enforcement	2,567,121	-	2,567,121	2,274,725	-	2,274,725
Recreational shooting	5,454,352	-	5,454,352	5,355,075	-	5,355,075
	66,142,734	-	66,142,734	69,578,128	-	69,578,128
Member services and acquisition	32,476,704	-	32,476,704	38,586,058	-	38,586,058
Administrative	17,449,110	-	17,449,110	45,751,631	-	45,751,631
Executive office	11,461,781	-	11,461,781	14,076,074	-	14,076,074
Fundraising	19,421,077	-	19,421,077	21,242,904	-	21,242,904
Total expenses	146,951,406	-	146,951,406	189,234,795	-	189,234,795
Change in net assets before other changes	6,425,202	5,844,746	12,269,948	(13,938,202)	1,226,482	(12,711,720)
Unrealized gain (loss) on investments, net	739,738	883,377	1,623,115	(5,862,400)	1,199,547	(4,662,853)
Legal settlement (costs) gains	(2,211,131)	-	(2,211,131)	6,881,918	-	6,881,918
Reimbursement of legal / settlement costs	-	-	-	600,000	-	600,000
Gain on interest in interrelated entity	-	5,320,354	5,320,354	-	3,364,045	3,364,045
Net periodic pension cost other than service costs	(334,662)	-	(334,662)	(1,253,072)	-	(1,253,072)
Other net pension plan gain	1,476,636	-	1,476,636	1,353,294	-	1,353,294
Change in net assets	6,095,783	12,048,477	18,144,260	(12,218,462)	5,790,074	(6,428,388)
Net assets (deficit), beginning of year	(52,195,997)	67,900,772	15,704,775	(39,977,535)	62,110,698	22,133,163
Net assets (deficit), end of year	$ (46,100,214)	$ 79,949,249	$ 33,849,035	$ (52,195,997)	$ 67,900,772	$ 15,704,775

The accompanying notes are an integral part of these financial statements.

NATIONAL RIFLE ASSOCIATION OF AMERICA
STATEMENTS OF FUNCTIONAL EXPENSES
for the years ended December 31, 2025 and 2024

2025

	Legislative Programs	Publications	Public Affairs	Shows & Exhibits	Competitions	Education & Training	Hunter Services	Field Services	Law Enforcement	Recreational Shooting	Total Program Expenses	Member Services and Acquisition	Administrative	Executive Office	Fundraising	Total
Salaries, benefits and taxes	$ 7,041,550	$ 7,479,316	$ 230,382	$ 945,758	$ 866,284	$ 1,109,593	$ 476,137	$ 583,653	$ 1,340,898	$ 1,441,620	$ 21,515,191	$ 2,295,374	$ 3,355,271	$ 7,094,140	$ 2,371,778	$ 36,631,754
Office supplies	668,409	112,530	-	188,917	191,478	42,406	53,432	54,038	39,060	73,560	1,423,830	158,287	82,781	76,420	201,461	1,942,779
Travel & entertainment	483,852	425,669	-	195,967	82,071	67,271	25,483	174,044	393,237	50,949	1,898,563	102,378	50,380	99,839	264,377	2,415,537
Fulfillment material	-	-	-	-	242,532	214,784	-	-	156,141	74,080	687,537	3,107,745	-	-	2,974,866	6,770,148
Occupancy	983,524	546,640	-	89,800	227,351	341,383	11,403	44,923	224,500	1,674,842	4,144,366	620,760	1,008,468	617,910	589,402	6,980,906
Data processing	267,153	238,794	-	144,701	149,200	357,629	23,617	127,930	128,207	69,352	1,526,583	438,977	123,333	986,292	257,538	3,332,723
Printing and publications	-	19,402,468	-	-	-	-	-	-	-	-	19,402,468	-	-	-	-	19,402,468
Member communications	281,718	-	-	-	-	-	-	-	-	-	281,718	23,741,235	-	-	6,275,720	30,298,673
Advertising	148,557	-	-	-	-	-	-	-	-	-	148,557	-	-	-	4,207,693	4,356,250
Committee & annual mtgs	20,823	-	-	-	-	-	-	-	-	-	20,823	-	-	2,723,053	-	2,743,876
Legal, audit and taxes	2,494,485	-	-	-	-	-	-	-	-	-	2,494,485	-	9,980,960	-	656,408	13,131,853
Professional services and other	680,200	344,641	600,261	4,686,387	570,744	813,817	430,228	-	145,110	1,084,693	9,356,101	1,782,651	2,361,624	(447,736)	1,397,540	14,450,180
Depreciation & amortization	254,720	225,500	1,385	44,073	71,411	90,007	20,118	430,849	61,941	487,393	1,687,397	152,333	196,162	225,022	148,599	2,409,513
Cost of merchandise sold	-	-	-	-	165	541,823	90,840	-	50,193	290,299	973,320	-	-	-	-	973,320
Interest expense	121,941	67,774	-	11,134	28,188	42,326	1,414	73,620	27,834	207,564	581,795	76,964	290,131	86,841	75,695	1,111,426
	$ 13,466,932	$ 28,843,332	$ 832,048	$ 6,306,757	$ 2,429,424	$ 3,621,039	$ 1,132,672	$ 1,489,057	$ 2,567,121	$ 5,454,352	$ 66,142,734	$ 32,476,704	$ 17,449,110	$ 11,461,781	$ 19,421,077	$ 146,951,406
Net periodic pension cost other than service costs	64,330	68,332	2,105	8,640	7,914	10,137	4,350	5,332	12,250	13,170	196,560	20,970	30,653	64,811	21,668	334,662
	$ 13,531,262	$ 28,911,664	$ 834,153	$ 6,315,397	$ 2,437,338	$ 3,631,176	$ 1,137,022	$ 1,494,389	$ 2,579,371	$ 5,467,522	$ 66,339,294	$ 32,497,674	$ 17,479,763	$ 11,526,592	$ 19,442,745	$ 147,286,068

2024

	Legislative Programs	Publications	Public Affairs	Shows & Exhibits	Competitions	Education & Training	Hunter Services	Field Services	Law Enforcement	Recreational Shooting	Total Program Expenses	Member Services and Acquisition	Administrative	Executive Office	Fundraising	Total
Salaries, benefits and taxes	$ 8,326,220	$ 7,330,975	$ 390,682	$ 674,865	$ 645,672	$ 1,002,561	$ 337,207	$ 567,755	$ 1,193,077	$ 1,005,981	$ 21,474,995	$ 2,616,953	$ 3,046,097	$ 6,640,244	$ 2,319,900	$ 36,098,189
Office supplies	748,144	105,334	-	212,836	248,140	44,981	179,108	52,258	53,919	77,503	1,722,223	180,506	58,253	89,702	178,695	2,229,379
Travel & entertainment	731,410	396,662	-	475,249	75,375	38,399	16,787	157,619	373,423	44,853	2,309,777	91,099	54,858	218,278	326,056	3,000,068
Fulfillment material	-	-	-	-	71,434	187,101	-	-	105,741	64,535	428,811	2,750,194	-	-	2,332,617	5,511,622
Occupancy	1,067,774	593,465	-	97,492	246,826	370,625	12,380	51,488	243,731	1,818,308	4,502,089	673,935	1,094,854	670,840	639,890	7,581,608
Data processing	341,888	234,479	-	65,902	164,937	320,770	8,738.00	128,194	90,296	36,046	1,391,250	593,480	115,419	898,595	254,141	3,252,885
Printing and publications	-	19,878,117	-	-	-	-	-	-	-	-	19,878,117	-	-	-	-	19,878,117
Member communications	431,579	-	-	-	-	-	-	-	-	-	431,579	29,492,609	-	-	7,311,995	37,236,183
Advertising	47,258	-	-	-	-	-	-	-	-	-	47,258	-	-	-	4,825,992	4,873,250
Committee & annual mtgs	10,894	-	-	-	-	-	-	-	-	-	10,894	-	-	2,759,544	-	2,770,438
Legal, audit and taxes	3,812,474	-	-	-	-	-	-	-	-	-	3,812,474	-	37,076,936	-	566,354	41,455,764
Professional services and other	1,424,656	365,123	900,973	4,402,371	582,491	780,272	243,468	-	97,855	1,091,656	9,888,865	1,919,246	3,738,134	2,483,245	2,214,611	20,244,101
Depreciation & amortization	252,014	205,010	2,522	34,790	77,386	74,809	5,748	376,618	53,763	484,114	1,566,774	142,239	304,311	186,262	151,488	2,351,074
Cost of merchandise sold	-	-	-	-	11,442	641,800	128,664	-	17,425	392,817	1,192,148	-	-	-	-	1,192,148
Interest expense	199,311	110,777	-	18,198	46,073	69,181	2,311	90,266	45,495	339,262	920,874	125,797	262,769	129,364	121,165	1,559,969
	$ 17,393,622	$ 29,219,942	$ 1,294,177	$ 5,981,703	$ 2,169,776	$ 3,530,499	$ 934,411	$ 1,424,198	$ 2,274,725	$ 5,355,075	$ 69,578,128	$ 38,586,058	$ 45,751,631	$ 14,076,074	$ 21,242,904	$ 189,234,795
Net periodic pension cost other than service costs	289,027	254,479	13,562	23,427	22,413	34,802	11,705	19,708	41,415	34,921	745,459	90,842	105,739	230,502	80,530	1,253,072
	$ 17,682,649	$ 29,474,421	$ 1,307,739	$ 6,005,130	$ 2,192,189	$ 3,565,301	$ 946,116	$ 1,443,906	$ 2,316,140	$ 5,389,996	$ 70,323,587	$ 38,676,900	$ 45,857,370	$ 14,306,576	$ 21,323,434	$ 190,487,867

The accompanying notes are an integral part of these financial statements.

NATIONAL RIFLE ASSOCIATION OF AMERICA

STATEMENTS OF CASH FLOWS

for the years ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 18,144,260	$ (6,428,388)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	1,873,041	1,950,615
Amortization of finance lease right-of-use assets	536,472	400,459
Provision for losses on accounts receivable	61,941	2,061,941
Contributions restricted for long-term investment	(1,001,766)	(835,646)
Net unrealized and realized gain on investments	(4,387,383)	(1,443,069)
Net gain on pension obligation	(1,476,636)	(1,353,294)
Net loss on disposal of property and equipment	40,454	39,268
Net loss on disposal of right-of-use assets	-	41,613
Changes in assets and liabilities:		
Decrease in members' dues receivable, net	1,477,906	991,233
Decrease (increase) in accounts receivable, net	2,612,391	(3,211,694)
Increase in due from affiliates	(7,122,889)	(2,366,208)
(Increase) decrease in inventories and supplies, net	(615,032)	945,892
Decrease in prepaid expenses	1,210,177	988,681
Decrease in other assets	50,610	987,041
Decrease in accounts payable	(3,790,400)	(315,912)
Decrease in accrued liabilities	(3,525,296)	(3,029,659)
(Decrease) increase in deferred revenue	(4,639,446)	3,538,661
Total adjustments	(18,695,856)	(610,078)
Net cash used in operating activities	(551,596)	(7,038,466)
Cash flows from investing activities:		
Sales of investments	30,006,028	46,327,765
Purchases of investments	(30,471,437)	(5,007,563)
Purchases of property and equipment	(2,978,419)	(989,958)
Net cash (used in) provided by investing activities	(3,443,828)	40,330,244
Cash flows from financing activities:		
Principal payments on note payable	(554,595)	(527,928)
Principal payments on lines of credit	(52,278,519)	(28,000,000)
Draw downs on lines of credit and proceeds on note payable	46,182,452	4,459,813
Principal payments on life insurance policy	(28,213)	(49,289)
Payments on finance lease liability	(524,043)	(400,061)
Contributions restricted for long-term investment	1,001,766	835,646
Net cash used in financing activities	(6,201,152)	(23,681,819)
Net (decrease) increase in cash and cash equivalents and restricted cash	(10,196,576)	9,609,959
Cash and cash equivalents and restricted cash at beginning of year	15,909,457	6,299,498
Cash and cash equivalents and restricted cash at end of year	$ 5,712,881	$ 15,909,457
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 1,113,575	$ 1,562,015
Cash paid for taxes	$ 1,288,661	$ 1,053,749
Recognition of finance lease right-of-use assets	$ 508,733	$ 1,100,812
Recognition of finance lease liability	$ 508,733	$ 1,100,812

The accompanying notes are an integral part of these financial statements.

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

The National Rifle Association of America (NRA), founded in 1871, is a not-for-profit corporation supported by the membership fees of public-minded citizens and clubs. Its primary purpose is to protect and defend the Constitution of the United States of America, especially the political, civil and inalienable rights of the American people to keep and bear arms as a common law and Constitutional right of the individual citizen.

The NRA's Board of Directors formed the Institute for Legislative Action (ILA) in 1975 as an internal division of the NRA. The purpose of ILA is to prevent the passage of laws and regulations restricting firearms ownership, as well as pursuing changes to existing restrictions imposed by federal, state and local governments. ILA is supported principally by contributions from NRA members.

On November 24, 2020, Sea Girt, LLC was formed to facilitate the NRA's efforts to reorganize in Texas. The reorganization effort was put on hold during 2021. There was no financial activity in Sea Girt, LLC for the years ended December 31, 2025 and 2024.

Basis of Presentation

The NRA publishes financial statements in the NRA's annual report that include the financial statements of certain affiliated entities, which are its primary financial statements for the years ended December 31, 2025 and 2024. These financial statements for the years ended December 31, 2025 and 2024 are not intended to be the general purpose financial statements of the NRA and have been prepared in conformity with accounting principles that would otherwise be considered a departure from accounting principles generally accepted in the United States of America because certain affiliated organizations are not consolidated.

Affiliates of the NRA whose financial activities are not included in these financial statements of the NRA include the following: the NRA Foundation, Inc. (Foundation), the NRA Civil Rights Defense Fund (CRDF), the NRA Political Victory Fund (PVF), the NRA Special Contribution Fund (SCF), the NRA Freedom Action Foundation (FAF), and the NRA Victory Fund (VF).

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and other support and expenses during the reporting period. Actual results could differ from those estimates.

Classification of Net Assets

To identify the observance of limitations and restrictions placed on the use of the resources available to the NRA, the accounts of the NRA are maintained in two separate classes of net assets: without donor restrictions, and with donor restrictions, based on the existence or absence of donor-imposed restrictions.

Net assets without donor restrictions represent resources that are not restricted by donor-imposed stipulations. They are available for support of the NRA's general operations.

Net assets with donor restrictions represent contributions and other inflows of assets whose use by the NRA for its programs are limited by donor-imposed stipulations. Some donor-imposed restrictions are temporary in that they either expire by passage of time or can be fulfilled and removed by actions of the NRA pursuant to those stipulations. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

Highly liquid investments, consisting principally of money market funds, under the control of the NRA's investment managers, are considered investments. However, the NRA considers any other investments with an original maturity of three months or less at the date of purchase to be cash equivalents. The NRA generally invests these excess funds in repurchase agreements for U.S. government securities. The maturity date of these repurchase agreements is the next day of business. Due to the short-term nature of these agreements, the NRA does not take possession of the securities, which are instead held by the NRA's principal bank from which it purchases the securities. The carrying value of the investments approximates fair value because of the short maturity of the agencies. The NRA believes that it is not exposed to any significant risk on its investments in repurchase agreements. Substantially all the cash and cash equivalents were held at two financial institutions in Virginia at December 31, 2025 and 2024.

	2025	2024
Cash and cash equivalents	$ 5,693,483	$ 15,099,916
Restricted cash	19,398	809,541
Total cash and cash equivalents and restricted cash	$ 5,712,881	$ 15,909,457

Concentrations of Credit Risk

The NRA maintains cash balances at two financial institutions, these balances can exceed the FDIC insured deposit limit of $250,000 per financial institution. At December 31, 2025 and 2024, the NRA's cash balances held at the financial institutions exceeded the FDIC limit by approximately $5,530,000 and $14,975,000, respectively. The NRA has not experienced any losses through the date when the financial statements were available to be issued.

The NRA maintains a cash balance in excess of federally insured limits in an interest bearing account. The NRA's policy is to deposit funds only in financially sound institutions. Nevertheless, these deposits are subject to some degree of credit risk. Investments are maintained in financial institutions.

Concentrations of credit risk with respect to accounts receivable that are not collateralized are limited due to the large number of members comprising the NRA's membership base and their dispersion across many different geographies.

The NRA invests in a professionally managed portfolio that primarily contains money market funds, equity securities, fixed income securities, and alternative investments. Such investments are exposed to various risks, such as market and credit. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term would materially affect investment balances and the amounts reported in the financial statements.

Investments

Investments consist primarily of money market funds, equity securities, fixed income securities, and alternative investments. Investments in money market funds, equity securities and fixed income securities are carried at fair value as determined by an independent market valuation service using the closing prices at the end of the period. In calculating realized gains and losses, the cost of securities sold is determined by the specific-identification method. To adjust the carrying value of the investments, the change in fair value is included in other changes in the statements of activities. Interest income and dividends are recorded on the accrual basis.

Alternative investments are valued at fair value based on the applicable net asset value per share as of the measurement date, which is a practical expedient, as determined by the NRA. In determining fair value, the NRA utilizes valuations provided by the fund managers. The underlying investments value securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the underlying investments, which may include private placements and other securities for which prices are not readily available, are determined by the general partner of the investment and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized.

Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The fair value of the NRA's alternative investments generally represents the amount the NRA would expect to receive if it were to liquidate its investment excluding any redemption charges that may apply.

Pledges Receivable

Pledges which are considered unconditional promises to give that are expected to be collected in the future are recorded at net realizable value which is the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met. In subsequent periods, the discount rate is unchanged and the valuation adjustment is reassessed and adjusted if necessary.

Members' Dues Receivable

Members' Dues receivable represent those members who elect billing plans upon joining the NRA. These dues receivable are recorded at the fair value of the total amount owed and discounted at current rates in order to determine the present value of the receivable.

Accounts Receivable

Advertising and other accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for credit losses is the NRA's best estimate of the amount of probable credit losses in existing accounts receivable. The NRA determines allowances based on historical write-off experience and specific identification. The allowances for credit losses are reviewed monthly and accounts receivable balances are written off against the allowance when the NRA feels probable the receivable will not be recovered.

Inventories and Supplies

Inventories and supplies are stated at the lower of cost or net realizable value, with costs determined using the first-in, first-out method. Provisions are made to reduce the inventories to net realizable value in cases of obsolescence.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Donated assets are recorded at the appraised or estimated fair value at the time of donation. Expenditures for maintenance and repairs, which do not prolong the useful lives of the assets, are expensed. Depreciation is computed on the straight-line method over the assets' estimated useful lives. Buildings and improvements are depreciated over useful lives ranging from 20 to 45 years, other property and equipment is depreciated over two to ten years. The NRA capitalizes complete desktop and laptop computers greater than $500 and all other fixed assets greater than $1,500.

Museum Collections

The NRA has capitalized their museum collections, consisting principally of purchased firearms. The items accessioned into the collection are capitalized at cost. The NRA's museum collections are included in other assets in the statements of financial position. Museum collections are not depreciated as appropriate measures are taken to perpetually preserve their cultural and historic value.

Revenue Recognition

The NRA recognized revenue in accordance with *Revenue from Contracts with Customers (ASC 606 or Topic 606).*

The standard outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied. The five-step model is outlined below:

Step 1: Identify the contract(s) with a customer.
Step 2: Identify the performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

Members' Dues

The NRA members' dues have elements of both an exchange transaction and a contribution. The magazine subscription is deemed the portion of the transaction that is an exchange transaction. The defense of the Constitutional right to keep and bear arms for citizens whether members or not, which represents the remainder of the dues, is treated as the contribution portion of the transaction. Members' dues are non-refundable.

The NRA estimates the value of the magazine subscription and recognizes revenue over the term of the membership. The remaining portion of the dues is recognized as a contribution. Contributions that are collected at the time the member joins are recognized immediately. Contributions that are expected to be collected in the future are recorded at net realizable value which is the present value of their estimated future cash flows.

Member's Dues revenue for the years ended December 31, 2025 and 2024 consisted of the following:

	2025	2024
Recognized as a contribution	$ 41,311,257	$ 44,814,035
Exchange transaction recognized over time	6,617,689	6,888,071
Total Members' Dues	$ 47,928,946	$ 51,702,106

Program Fees

Program fees consist of revenues associated with competition entry fees, school, conference and workshop registration fees, training fees, association and alliance fees, and sponsorships. The NRA hosts various competitions throughout the year which include event location, referees, and support staff which are considered one performance obligation. Entry fees are collected in advance of the event and recorded as deferred revenue on the statements of financial position. The NRA has the primary duty and responsibility to fulfill the obligation of the event and therefore is considered a principal to the transaction. Program revenue from event-driven revenues are recognized at the point in time when the event takes place. Program revenue from instructor certifications are recognized over the period of certification.

The NRA hosts various schools, conferences and workshops throughout the year which include instructors and materials which are considered one performance obligation. Registration fees are collected in advance of the event and recorded as deferred revenue on the statements of financial position. The NRA has the primary duty and responsibility to fulfill the obligation of the event and therefore is considered a principal to the transaction. Revenue is recognized at the point in time when the event takes place.

The NRA offers clubs and ranges the opportunity to join an alliance of other clubs and ranges in order to gain access to recruiting, club awards, educational resources, range grants and discounts for various business expenses (such as credit card fees). The NRA sees this opportunity as one performance obligation. The fees collected are for multiple year affiliations and therefore are recorded as deferred revenue on the statements of financial position. Revenue is recognized over the time period of the affiliation.

The NRA receives sponsorships for various events throughout the year which generally include various obligations of the NRA to include recognition of the sponsor at the event and on any fliers, event programs or banners and a table, if applicable. Sponsorships are collected in advance of the event and as recorded deferred revenue on the statements of financial position. The NRA has the primary duty to hold the event to fulfill the obligation and therefore is considered a principal to the transaction. Revenue is recognized at the point in time when the event takes place.

Program fees revenue for the years ending December 31, 2025 and 2024, consisted of the following:

	2025	2024
Recognized at a point in time	$ 2,348,224	$ 2,366,699
Recognized over time	2,530,371	2,634,137
Total Program Fees	$ 4,878,595	$ 5,000,836

Advertising

The NRA sells advertising space in its magazines. The performance obligation of the NRA is to publish the magazine with the agreed upon ad in the proper space which is seen as one performance obligation. Advertising fees are billed at the time of the production of the publication and recorded as a receivable on the statements of financial position and recognized as revenue at the point in time when the receivable is created.

Member and Merchandise Sales

The NRA sells various merchandise at events and through on-line sales. Fees are collected at the time of purchase or at the point in time when an item is shipped. The NRA elects to exclude from the measurement of the transaction price all taxes assessed by a government authority. The NRA has the primary duty and responsibility to fulfill the obligation of providing the merchandise and therefore is considered a principal to the transaction. Revenue is recognized at the point in time for when the transaction takes place. NRA has elected to treat shipping as a fulfillment cost.

Shows and Exhibits

The NRA hosts various shows and exhibits for which fees are collected for exhibit booth rentals, banquets, and sponsorships related to each show. For exhibit booth space rental, the NRA is obligated to hold the event, provide the amount of space and location agreed upon which are considered one performance obligation. For banquet sales, the NRA generally provides a meal and/or entertainment which are considered one obligation. Sponsorships for these events generally recognition of the sponsor at the event and on any fliers, event programs, or banners and a table, if applicable which are considered one performance obligation. The NRA has the primary duty and responsibility to fulfill the obligation of the event and therefore is considered a principal to the transaction. The fees are collected in advance of these events and recorded as deferred revenue on the statements of financial position. Revenue is recognized at the point in time when the events take place.

Insurance administration fees

The NRA offers various life, accident and health insurance products through an affinity program with a licensed insurance broker to its members. The insurance broker creates, introduces, markets, offers, delivers, manages, maintains, and administers all aspects of the program. The NRA's responsibilities include granting limited license to use trademarks, providing mail lists and giving authority to solicit members over the course of the agreement which is seen as one performance obligation. The NRA has the primary duty and responsibility to fulfill the obligation and therefore is considered a principal to the transaction. The NRA receives royalty payments as the performance takes place and recognizes revenue at a point in time.

Other

The NRA has various other income for which fees are collected and the NRA has an obligation for a specific activity. The NRA has the primary duty and responsibility to fulfill the obligation and therefore is considered a principal to the transaction. Revenue associated with these other payments is recognized at the point in time when the activity takes place.

Contract costs

Contract costs generally include direct costs such as allocated salaries and benefits, materials, event, and shipping costs related to member dues and program fees. Cost are expensed as incurred.

Contract balances

Contract assets include accounts receivable for services or goods provided for which consideration has not yet been received and totaled $2,553,961, $1,933,584, and $1,561,298 as of January 1, 2024, December 31, 2024, and December 31, 2025 respectively. Contract liabilities include deferred revenue associated with prepayments for services or goods which have not yet been provided to customer and totaled $47,033,398, $50,572,059, and $45,932,613 as of January 1, 2024, December 31, 2024, and December 31, 2025 respectively.

Contributions

Unconditional contributions, whether without donor restrictions or with donor restrictions, are recognized as revenue when received and classified in the appropriate net asset category. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Valuation of Long-Lived Assets

Long-lived assets and certain identifiable intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less cost to sell. The NRA had no impairments of long-lived assets during 2025 or 2024.

Outstanding Legacies

The NRA is the beneficiary under various wills and other agreements, the total realizable amounts of which are not presently determinable. The NRA's share of such amounts is not recorded until the NRA has an irrevocable right to the bequest and the proceeds are measurable.

Functional Allocation of Expenses

The costs of providing program services and supporting activities have been accounted for on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities. Such allocations are determined by management on an equitable basis. Occupancy and interest expenses are allocated based on square footage. Certain depreciation is directly charged to applicable areas and certain depreciation is allocated based on square footage or number of employees. Data processing and certain executive salaries and benefits are allocated based on time and effort.

Advertising Expenses

The NRA uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed the first time the advertising takes place. During 2025 and 2024, advertising expense was $4,356,250 and $4,873,250, respectively.

Tax Status

The NRA is exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code and from state income taxes. The NRA activities that cause imposition of the unrelated business income tax provision of the Code result in no significant tax liability.

The NRA follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the NRA may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the NRA's tax positions and concluded that the NRA had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Tax years from 2022 through the current year remain open for examination by tax authorities.

The NRA incurred excess executive compensation excise tax that totaled $0 and $21,351 for the years ended December 31, 2025 and 2024, respectively. Excess executive compensation excise tax is for any employee that received compensation of more than $1 million during the year.

Recently adopted accounting pronouncements

The NRA has adopted ASU 2025-05, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. The NRA elected to apply the practical expedient permitted under the ASU for estimating expected credit losses on accounts of receivable and contract assets. Under this practical expedient, the NRA assumes that current conditions as of the statements of financial position date do not change over the remaining life of the asset.

Subsequent Events

The NRA evaluated subsequent events through September 17, 2026, which is the date the financial statements were available to be issued.

2. AVAILABILITY AND LIQUIDITY

The following represents NRA's financial assets and liquidity resources at December 31, 2025 and 2024:

Financial assets at year-end:	2025	2024
Cash and cash equivalents	$ 5,693,483	$ 15,099,916
Members' dues receivable available within one year, net	1,153,176	2,202,594
Accounts receivable available within one year, net	6,873,895	9,547,606
Due from affiliates	23,809,562	16,826,459
Investments	37,388,605	32,507,600
Total financial assets	74,918,721	76,184,175
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(57,899,164)	(45,989,852)
	(57,899,164)	(45,989,852)
Financial assets available to meet general expenditures over the next twelve months	$ 17,019,557	$ 30,194,323

The NRA maintains a policy of structuring its financial assets to be available as its general operating expenses come due. In addition, to manage liquidity the NRA maintains a line of credit with a bank that is drawn upon as needed during the year to manage cash flows (Note 8).

The NRA has experienced net losses in 2024. For 2025, there was a gain. To reduce debt and provide funding for operations, the NRA liquidated some of its investments in 2024. Expenses continue to be monitored and the NRA has met the cash demands of its operations and expenses as they come due.

3. INVESTMENTS

Investments as of December 31, 2025 and 2024 consist of:

	2025	2024
Money market funds	$ 463,037	$ 125,343
Equity securities	23,454,422	20,173,345
Fixed income securities	12,797,439	9,454,390
Alternative investments	531,975	2,641,004
Other, net	141,732	113,518
	$ 37,388,605	$ 32,507,600

4. MEMBERS' DUES RECEIVABLE

Members' dues receivable as of December 31, 2025 and 2024 consist of:

	2025	2024
Members' dues	$ 2,359,125	$ 3,974,607
Less: discount	(184,701)	(322,277)
	$ 2,174,424	$ 3,652,330

Members' dues due in more than one year have been recorded at the present value of estimated cash flows, discounted by rates ranging from 3.47% to 4.18% and 4.25% to 4.58% for the years ended December 31, 2025 and 2024, respectively.

5. ACCOUNTS RECEIVABLE

Accounts receivable as of December 31, 2025, and 2024 consist of:

	2025	2024
Contributions	$ 4,028,409	$ 724,079
Advertising	1,561,298	1,933,584
Other (a)	3,663,839	9,220,837
	9,253,546	11,878,500
Less: allowance for credit losses	(2,378,851)	(2,329,473)
	$ 6,874,695	$ 9,549,027

(a) Judgments included in Other accounts receivable (See Note 13).

Following are the changes in the allowance for credit losses during the years ended December 31, 2025 and 2024, respectively:

	2025	2024
Allowance at beginning of year	$ 2,329,473	$ 267,532
Provision for losses on accounts receivable	61,941	2,061,941
Write-offs, net of recoveries	(12,563)	-
Allowance at end of year	$ 2,378,851	$ 2,329,473

6. INVENTORIES AND SUPPLIES

Inventories and supplies as of December 31, 2025 and 2024 consist of:

	2025	2024
Sales inventories	$ 854,455	$ 1,051,411
Supplies:		
Magazine paper	916,046	1,563,260
Fulfillment and promotional materials	4,916,761	3,468,620
Other	28,970	28,970
	6,716,232	6,112,261
Less: obsolescence allowance	(486,738)	(497,799)
	$ 6,229,494	$ 5,614,462

7. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2025 and 2024 consist of:

	2025	2024
Land	$ 5,380,792	$ 5,380,792
Buildings and improvements	60,446,382	58,085,235
Furniture, fixtures and equipment	16,152,911	15,956,258
	81,980,085	79,422,285
Less: accumulated depreciation	(58,598,589)	(57,105,713)
	$ 23,381,496	$ 22,316,572

Depreciation expense for the years ended December 31, 2025 and 2024 was $1,873,041 and $1,950,615, respectively.

8. NOTES PAYABLE AND CREDIT AGREEMENTS

On March 13, 2019, the NRA entered into a credit agreement with a bank which expires on March 12, 2029. Under the terms of this agreement the NRA paid a fixed rate of 4.85%. On June 5, 2020, the NRA amended the agreement. Under the terms of this amended agreement (the "term loan"), the NRA pays a fixed rate of 4.50%. At December 31, 2025 and 2024, $15,005,180 and $15,559,776 respectively, was payable under the term loan.

On June 5, 2020, the NRA entered into a $20,000,000 building line of credit agreement (this agreement and amendments thereto are collectively the "building line"), which was reduced to $10,000,000 on June 4, 2021 and expired on September 27, 2024. On September 11, 2024, the NRA amended the agreement, which changed the expiration to September 27, 2025; the building line was further amended on September 19, 2025 to adjust the expiration to September 27, 2026. Under the amended terms, the NRA makes monthly interest payments on the daily outstanding principal at a variable rate based on the one-month CME term SOFR rate plus 1.0%. At December 31, 2025 and 2024, $3,903,934 and $10,000,000 was payable under the building line at an interest rate of 4.70% and 5.34%, respectively.

The NRA maintained a $28,000,000 line of credit agreement (this agreement and amendments thereto are the "LOC") with a bank which expired September 27, 2022. On September 27, 2022, the NRA amended the LOC, which was set to expire on September 24, 2024. Under the amended terms, the NRA made monthly interest payments on the daily outstanding principal at a variable rate based on the one-month CME term SOFR rate plus 1.0%. In January 2024, the NRA liquidated $28,000,000 of NRA's investment portfolio to pay off the LOC. The LOC was terminated effective January 26, 2024.

The NRA has pledged a Deed of Trust on the NRA Headquarters Building as collateral for the building line. Additionally, the NRA is subject to financial covenants associated with the term loan and the building line. The NRA must maintain deposit accounts and securities accounts with the bank with an average annual balance of at least $10,000,000. The NRA has met the requirements at December 31, 2025 and 2024. The NRA must also maintain a maximum loan to value ratio that does not exceed 60%. NRA has received a waiver for the maximum loan to value ratio through July 24, 2029.

The aggregate maturities of such required principal payments under the above agreements at December 31, 2025 are as follows:

2026	$ 4,484,369
2027	607,478
2028	634,007
2029	13,183,260
Total minimum future payments	$ 18,909,114

Interest expense for the years ended December 31, 2025 and 2024, was $1,111,426 and $1,559,969 respectively.

9. FAIR VALUE MEASUREMENTS

The NRA follows the Codification on *Fair Value Measurement,* which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; and fair value is determined through the use of models or other valuation methodologies.

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The NRA's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

In determining the appropriate levels, the NRA performs a detailed analysis of the assets and liabilities that are subject to fair value measurements. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

The estimated fair values of the NRA's short-term financial instruments, including receivables and payables arising in the ordinary course of operations, approximate their individual carrying amounts due to the relatively short period of time between their origination and expected realization.

The carrying value of the NRA's note payable and credit agreement approximates fair value as the interest rate on the credit agreement's underlying instruments fluctuate with market rates.

The tables below present the balances of each class of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy.

	As of December 31, 2025		
	Total	Level 1	Level 2
Equity securities:			
Communication services	$ 1,883,225	$ 1,883,225	$ -
Consumer discretionary	2,521,459	2,521,459	-
Consumer staples	1,291,284	1,291,284	-
Energy	1,102,954	1,102,954	-
Financial services	4,167,422	4,167,422	-
Healthcare	2,157,005	2,157,005	-
Industrials	2,672,449	2,672,449	-
Information technology	5,497,663	5,497,663	-
Materials	1,238,260	1,238,260	-
Multi-strategy mutual funds	55,789	55,789	-
Real Estate	457,493	457,493	-
Utilities	409,419	409,419	-
Total equity securities	23,454,422	23,454,422	-
Fixed income securities:			
Multi-strategy bond funds	12,797,439	12,797,439	-
Money market	463,037	463,037	-
Investments at fair value	$ 36,714,898	$ 36,714,898	$ -
Other investments	141,732		
Alternative investments:			
Multi-strategy fund-of-funds [measured using a net asset value per share (or its equivalent) practical expedient]	531,975		
Total investments	$ 37,388,605		
Other assets – multi-strategy mutual funds:			
Deferred compensation plan	$ 2,649,611	$ 2,649,611	$ -
Total other assets	2,649,611	2,649,611	-
Total assets	$ 40,038,216	$ 39,364,509	$ -
Deferred compensation liability	$ (2,649,611)	$ -	$ (2,649,611)
Total liabilities	$ (2,649,611)	$ -	$ (2,649,611)

	As of December 31, 2024		
	Total	Level 1	Level 2
Equity securities:			
Communication services	$ 1,924,757	$ 1,924,757	$ -
Consumer discretionary	2,310,323	2,310,323	-
Consumer staples	1,398,537	1,398,537	-
Energy	918,089	918,089	-
Financial services	3,533,496	3,533,496	-
Healthcare	2,072,307	2,072,307	-
Industrials	2,124,672	2,124,672	-
Information technology	3,751,084	3,751,084	-
Materials	1,197,875	1,197,875	-
Multi-strategy mutual funds	129,938	129,938	-
Real Estate	485,805	485,805	-
Utilities	326,462	326,462	-
Total equity securities	20,173,345	20,173,345	-
Fixed income securities:			
Multi-strategy bond funds	9,454,390	9,454,390	-
Money market	125,343	125,343	-
Investments at fair value	$ 29,753,078	$ 29,753,078	$ -
Other investments	113,518		
Alternative investments:			
Multi-strategy fund-of-funds [measured using a net asset value per share (or its equivalent) practical expedient]	2,641,004		
Total investments	$ 32,507,600		
Other assets – multi-strategy mutual funds:			
Deferred compensation plan	$ 2,702,621	$ 2,702,621	$ -
Total other assets	2,702,621	2,702,621	-
Total assets	$ 35,210,221	$ 32,455,699	$ -
Deferred compensation liability	$ (2,702,621)	$ -	$ (2,702,621)
Total liabilities	$ (2,702,621)	$ -	$ (2,702,621)

Money market funds, equity securities and fixed income securities are classified as Level 1 instruments as they are actively traded on public exchanges.

Deferred compensation plan and supplemental executive retirement plan assets are based upon the fair market value of those assets, which are observable inputs and classified as Level 1. The deferred compensation liability is not publicly traded and is, therefore, considered Level 2.

The table below presents additional information regarding the alternative investments.

	2025 Fair Value	2024 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Multi-strategy fund-of-funds (a)	$ 531,975	$ 2,641,004	$ -	semi-annually	105 days
	$ 531,975	$ 2,641,004	$ -		

(a) This class invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge fund-of-funds' composite portfolio for this class includes investments in private investment companies (investment in global, distressed/credit, domestic healthcare and other) and securities (common stock). The fair value of the investments in this class have been estimated using the net asset value per share of the investments.

10. NET ASSETS WITH DONOR RESTRICTIONS AND DONOR RESTRICTED ENDOWMENT

Net assets with donor restrictions are available for the following purposes:

	2025	2024
Legislative programs	$ 30,164,781	$ 26,902,874
National Firearms Museum	13,674,236	12,127,441
Education and training	10,169,233	9,079,232
Hunter services	7,033,617	6,126,834
Recreational shooting	4,599,843	2,838,620
Competitions	1,880,424	1,759,640
Law enforcement	1,306,253	1,152,287
Field services	445,127	379,939
Community outreach	13,513	11,865
Other	7,407,124	6,460,508
Other, passage of time	3,255,098	1,061,532
Total	$ 79,949,249	$ 67,900,772

The NRA follows the Codification subtopic *Reporting endowment funds.* The Codification addresses accounting issues related to guidelines in the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), which was adopted by the National Conferences of Commissioners on Uniform State Laws in July 2006 and enacted in the Commonwealth of Virginia on July 1, 2008 and by the State of New York on September 17, 2010. The Management of the NRA has interpreted UPMIFA as requiring the preservation of the fair value of original donor-restricted endowment gifts as of the date of the gift absent explicit donor stipulations to the contrary. As a result of this interpretation, the NRA classifies as net assets with donor restrictions (a) the original value of cash gifts donated to permanent donor restricted endowment and (b) the discounted value of future gifts promised to permanent donor restricted endowment, net of allowance for uncollectible pledges. The remaining portion of donor restricted endowment funds not classified in net assets with donor restrictions is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the NRA in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the NRA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the NRA and donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the NRA
- The investment policies of the NRA

The NRA has adopted investment and spending policies for donor-restricted endowment assets that attempt to provide a predictable stream of funding to the programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. The investment policy of the NRA is to achieve, at a minimum, a real (inflation adjusted) total net return that exceeds spending policy requirements. Investments are diversified both by asset class and within asset classes. The purpose of diversification is to minimize unsystematic risk and to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the total portfolio. The amount appropriated for expenditure ranges from 1% to 5% of the endowment fund's fair value as of either the beginning or the end of the preceding year, per each endowment's governing documents, as long as the value of the endowment does not drop below the original contribution(s). All earnings of the endowment are reflected as net assets with donor restrictions until appropriated for expenditure in the form of program spending.

The NRA's endowment is composed of donor restricted funds and board designated quasi endowed funds. The changes in endowment net assets for the years ended December 31, 2025 and 2024 are as follows:

	December 31, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 2,728,998	$ 66,763,223	$ 69,492,221
Interest and dividends, net	-	1,583,717	1,583,717
Net appreciation	365,935	9,337,937	9,703,872
Contributions	-	1,001,766	1,001,766
Amount appropriated for expenditure	-	(2,716,256)	(2,716,256)
Other changes	-	(50,932)	(50,932)
Endowment net assets, end of year	$ 3,094,933	$ 75,919,455	$ 79,014,388
Donor-restricted endowments	$ -	$ 75,919,455	$ 75,919,455
Board designated endowment	3,094,933	-	3,094,933
Total endowments	$ 3,094,933	$ 75,919,455	$ 79,014,388

	December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 2,517,961	$ 60,153,070	$ 62,671,031
Interest and dividends, net	-	1,502,268	1,502,268
Net appreciation	274,678	5,191,293	5,465,971
Contributions	-	835,646	835,646
Amount appropriated for expenditure	(63,641)	(918,722)	(982,363)
Other changes	-	(332)	(332)
Endowment net assets, end of year	$ 2,728,998	$ 66,763,223	$ 69,492,221
Donor-restricted endowments	$ -	$ 66,763,223	$ 66,763,223
Board designated endowment	2,728,998	-	2,728,998
Total endowments	$ 2,728,998	$ 66,763,223	$ 69,492,221

The related assets are included in due from affiliates, investments and pledges receivable.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the NRA to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States, deficiencies of this nature that are reported in net assets with donor restrictions. There were no such deficiencies at December 2025 and 2024.

11. RETIREMENT PLANS

Certain NRA employees participate in a non-contributory, defined benefit retirement plan (the Plan). Benefits under the Plan are generally based on years of service and final average pay. The NRA's policy is to fund pension costs as accrued. Effective January 1, 2008, the NRA amended the Plan so that employees hired on or after January 1, 2008, will not be eligible to participate in the Plan. Effective December 31, 2018, the NRA froze the Plan and employees no longer earn additional benefits under the Plan.

The primary investment objectives of the Plan are to provide a long-term, risk-controlled approach using diversified investment options. The NRA may consider all asset classes allowed by the Employee Retirement Income Security Act of 1974 and other applicable law as acceptable investment options.

The net periodic pension costs for the years ended December 31, 2025 and 2024 consist of the following:

	2025	2024
Interest cost on projected benefit obligation	$ 5,321,091	$ 5,216,753
Return on plan assets	(5,582,459)	(4,844,708)
Recognized net actuarial loss	596,030	881,027
Net periodic benefit cost	334,662	1,253,072
Other changes	(1,476,636)	(1,353,294)
Total recognized in the statements of activities	$ (1,141,974)	$ (100,222)

The following table sets forth the changes in the defined benefit pension plan's funded status and the amount of accrued pension costs for the plan years ended December 31, 2025 and 2024 (utilizing a measurement date of December 31):

	2025	2024
Change in benefit obligation:		
Projected benefit obligation at beginning of year	$ 95,361,940	$ 98,745,641
Interest cost	5,321,091	5,216,753
Actuarial loss/(gain)	2,218,940	(1,289,925)
Benefits paid	(7,459,416)	(7,310,529)
Projected benefit obligation at end of year	$ 95,442,555	$ 95,361,940

	2025	2024
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 72,161,529	$ 72,644,554
Actual return on plan assets	8,682,005	4,027,050
Employer contributions	3,066,448	2,800,454
Benefits paid	(7,459,416)	(7,310,529)
Fair value of plan assets at end of year	$ 76,450,566	$ 72,161,529
Accrued pension costs reflected in the statements of financial position in accrued liabilities	$ (18,991,989)	$ (23,200,411)
Amounts recognized in net assets without donor restrictions:		
Total net loss	$ 11,908,900	$ 13,385,536
Total	$ 11,908,900	$ 13,385,536

The loss related to the change in the benefit obligation for the period ending December 31, 2025 was due to experience and the decrease in the discount rate. The gain related to the change in the benefit obligation for the period ending December 31, 2024 was due to the increase in the discount rate.

The total net loss and prior service cost for the defined pension plan that will be amortized from net assets into the net periodic benefit cost over the next year are $324,814 and $510,523, as of December 31, 2025 and 2024, respectively.

In accordance with ASU 2017-07, the NRA reports the service cost component separately from the other components of net periodic cost (benefit). The service cost component is reported in the same line of the statement of activities as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net periodic cost (benefit) are reported as non-operating activities.

The following weighted-average assumptions were used in calculating the above benefit obligations, net periodic benefit cost and fair value of plan assets at December 31, 2025 and 2024:

	2025	2024
Discount rate used to determine benefit obligation	5.60%	5.75%
Discount rate used to determine net periodic benefit cost	5.75%	5.35%
Rate of compensation increase	N/A	N/A
Expected return on plan assets	8.70%	8.70%

The basis used to determine the overall expected long-term rate of return on assets utilizing the target asset allocations established within the plan is based on historical returns.

The asset allocation strategy is based on several factors including:

- The relationship between the current and projected assets of the Plan and the projected actuarial liability stream;
- The historical performance of capital markets adjusted for the perception of future short- and long-term capital market performance;

- The perception of future economic conditions, including inflation and interest rate assumptions.

The asset allocation strategy shall identify target allocations to eligible asset classes and, where appropriate, suitable ranges within which each asset class can fluctuate as a percent of the total fund. Each asset class is to remain suitably invested at all times in either cash (or cash equivalents) or permitted securities within each asset class. The asset classes may be rebalanced from time to time to take advantage of tactical misvaluations across major asset classes or investment styles, or to align the current asset mix with strategic targets.

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2025 and 2024.

Multi-strategy equity and fixed income mutual funds and Pooled separate accounts (PSA): Primarily valued at the net asset value (NAV) per share based on quoted market prices of the underlying investments as reported by the investment advisor using the audited financial statements of the underlying investments. The individual annuities invest in separate accounts, which track the performance of the specific underlying mutual funds. A valuation agent is selected for each mutual fund and PSA. The valuation agent calculates the net assets of the account on each open market day.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain results in a different fair value measurement at the reporting date.

Investments measured at net asset value (or equivalent) as a practical expedient have not been classified in the fair value hierarchy. The amounts of investments are included below.

At December 31, 2025 and 2024, the fair value and the asset allocation of the NRA's pension plan assets was as follows:

	2025		2024	
Asset category:				
Multi-strategy equity Mutual funds/PSAs	$ 47,781,294	62.5%	$ 44,623,090	61.8%
Multi-strategy fixed income Mutual funds/ PSAs	28,577,935	37.4	27,504,962	38.1
Cash	91,337	0.1	33,477	0.1
	$ 76,450,566	100.0%	$ 72,161,529	100.0%

The NRA contributes to the plan based on actuarially determined amounts necessary to provide assets sufficient to meet benefits to be paid to plan members. NRA annually funds the minimum required contribution.

For 2026, the estimated contribution requirement is expected to be approximately $4.4M.

The following plan year benefit payments, which reflect expected future service, as appropriate, are expected to be paid over the next 10 fiscal years:

2026	$ 7,422,000
2027	$ 7,435,000
2028	$ 7,338,000
2029	$ 7,274,000
2030	$ 7,292,000
2031 – 2035 (total)	$ 35,839,000

In addition, in 1997, the NRA established a 401(k) plan for employees. The plan, available to all employees after 90 days of service, permits participants to contribute a portion of their salary on a pre-tax basis. The NRA matched participant contributions based on plan provisions. NRA's 401k employer match is 100% for the first 3% of employee contributions and then 50% for the next 2% of employee contributions. Participants are 100% vested in employer contributions after three years of service. The vested balance is available to participants at termination, retirement, death, disability, hardships or through eligible loans. Employer contributions to the 401(k) plan totaled $1,181,797 and $1,159,790 for the years ended December 31, 2025 and 2024, respectively.

The NRA also maintains a deferred compensation agreement (the Agreement) for certain officers and employees. The Agreement is offered at the sole discretion of its Board of Directors, which may amend or terminate the Agreement at any time. The Agreement is funded through whole life insurance policies on the plan beneficiaries. The NRA is the policy owner and beneficiary.

Currently, several past employees are enrolled in the Agreement. Management believes that no unfunded liability exists under the Agreement. At December 31, 2025 and 2024, the NRA had assets relating to the cash surrender values of the whole life insurance policies of $3,031,795 and $3,019,749, respectively. At December 31, 2025 and 2024, the NRA had loans against the whole life insurance policies of $2,890,064 and $2,906,231, respectively. The whole life insurance policies and the related loans are included on a net basis in investments on the statements of financial position. The policies serve as the underlying collateral for the loans and interest on the loans accrued at the rate from a range of 5.1% to 5.85%. Deferred compensation net benefit for the years ended December 31, 2025 and 2024 was $12,046 and $39,616 respectively.

The NRA has established a 457(b) deferred compensation plan for the benefit of certain employees. This plan is employee funded, and therefore, the NRA did not contribute to this plan during the years ended December 31, 2025 and 2024. At December 31, 2025 and 2024, the NRA held assets, and had related obligations, relating to this plan of $2,649,611 and $2,702,621. The assets are included in other assets and the liabilities are included in accrued liabilities on the statements of financial position.

12. RENTAL OPERATIONS AS LESSOR

The NRA leases a portion of its headquarters building and adjacent property to tenants under various operating leases. These leases include renewal options. Rental income is recognized on a straight-line basis over the term of the lease. Rental income is included in other on the statements of activities.

The following is a schedule of minimum future rentals on non-cancellable operating leases as of December 31, 2025:

2026	$ 514,418
2027	553,157
2028	612,131
2029	256,920
2030	93,612
2031 & Thereafter	611,548
Total minimum future rentals	$ 2,641,786

Total rental income for the years ended December 31, 2025 and 2024 was $922,989 and $936,359, respectively.

13. COMMITMENTS AND CONTINGENCIES

Finance Leases

The NRA leases vehicles, copiers, and IT equipment under leases classified as finance leases. The leased vehicle, copiers, and IT equipment are depreciated on a straight line basis over 2 to 4 years. Finance lease assets and accumulated amortization are included in finance lease right-of-use assets, net on the statements of financial position.

	2025	2024
Right-of-Use assets	$ 2,843,018	$ 2,334,284
Accumulated amortization	(1,128,320)	(589,627)
Net book value	$ 1,714,698	$ 1,744,657

The future minimum payments related to these finance leases as of December 31, 2025 are as follows:

2026	$ 844,556
2027	453,802
2028	378,824
2029	159,187
2030	55,434
Total minimum lease payments	1,891,803
Less amount representing interest	(110,730)
Present value of minimum lease payments	$ 1,781,073

The present values of the minimum lease payments have been discounted using rates ranging from 2.87% to 4.79%. The finance lease liability is included in finance lease liability on the statements of financial position.

Amortization expense for the years ended December 31, 2025 and 2024 was $536,472 and $400,459, respectively.

Litigation and claims

The NRA and a number of its affiliates are or have recently been involved in several lawsuits. These lawsuits include, but are not limited to, (1) People of the State of New York, by Letitia James, **Attorney General of the State of New York** v. NRA et al., No. 451625/2020 (N.Y. Supreme Court, New York County, Commercial Division); (2) **Dell'Aquila** et al. v. NRA, No. 3:19-cv-00679 (M.D. Tenn.); (3) **Marion P. Hammer** v. National Rifle Association of America, No. 1:25-cv-01557 (E.D. Va.); (4) National Rifle Association of America v. **Ackerman McQueen**, Inc. et al., Civil Action No. 3:22-CV-1944-G (United States District Court for the Northern District of Texas); (5) **Giffords** v. NRA-PVF, No. 1:21-cv-02887 (District of D.C.); (6) **Under Wild Skies** v. NRA (Fairfax County Circuit Court); (7) **Oliver L. North** v. National Rifle Association of America, Lapierre, Wayne R., Jr., and King, Thomas H. (Circuit Court for Clarke County, Virginia), Case No. CL25-184; (8) **Lisa Supernaugh** v. National Rifle Association of America (Circuit Court for the County of Fairfax), Case No. 2025-00009577; (9) **Bert Riddick**, et al.,v. **NRA**, No. 2:24-cv-08596 (C.D. Cal.); (10) **Craig Jones and Dalyana Jones** v. National Rifle Association of America and an Exhibitor; (11) National Rifle Association of America, Inc., William Bachenberg, And Douglas Hamlin Vs. The NRA **Foundation,** Inc.. **United States District Court For The District Of Columbia**, Case No.:1:26-cv-00015; National Rifle Association of America, Inc., William Bachenberg, and Douglas Hamlin V. The 1791 **Foundation**, Inc., Formerly Known As The NRA Foundation, Inc., **Superior Court** Of The District Of Columbia, Case No. 2026-CAB-004346; and The 1791 **Foundation**, Inc. F/K/A The NRA Foundation, Inc v. THE NATIONAL RIFLE ASSOCIATION OF AMERICA, INC. and John Doe NRA Officer, United States District Court For The **Eastern District Of Virginia** Alexandria Division, Case 1:26-cv-01823-PTG-IDD.

The NRA is vigorously defending the claims asserted against it in these lawsuits.

The outcomes of legal proceedings and regulatory matters are often difficult to predict. A determination that the NRA's or its affiliates' operations or activities are not, or were not, in compliance with applicable laws or regulations could result in monetary damages or injunctive relief.

The aforementioned lawsuits are summarized below:

People of the State of New York, by Letitia James, Attorney General of the State of New York v. NRA et al., No. 451625/2020 (N.Y. Supreme Court, New York County, Commercial Division)

On August 6, 2020, the New York Attorney General brought an action against the National Rifle Association of America and certain former and current executives. The complaint named as defendants the NRA, Wayne LaPierre (former Executive Vice President), Wilson Phillips (former Treasurer and Chief Financial Officer), Joshua Powell (former Executive Director of General Operations), and John Frazer (Secretary and former General Counsel).

After a six-week jury trial in January and February 2024, the jury found that the NRA failed to properly administer the organization and its assets between March 20, 2014, and May 2, 2022. The jury determined that Wayne LaPierre caused $5,400,000 in monetary harm to the NRA, of which $1,048,770 had been repaid, and that Wilson Phillips caused $2,000,000 in harm. The jury found no monetary harm caused by John Frazer.

Following a non-jury trial in July 2024, the Court denied the NYAG's request for a court-appointed monitor. On December 9, 2024, the Court entered a Final Judgment requiring the NRA to implement various reforms including annual compliance reporting, enhanced certifications, board portal implementation, and director nomination policy changes. Wayne LaPierre was ordered to pay $4,351,230 plus interest and barred from fiduciary positions for ten years, while Wilson Phillips was ordered to pay $2,000,000 plus interest with the same bar.

Mr. LaPierre's appeal to NY's intermediate appellate was unsuccessful. His appeal to NY's highest court is pending and he faces a narrow and difficult path there.

Based on the information available at this time, the NRA does not believe a loss contingency is probable. NRA believes the range of the loss contingency is zero to $4,695,573. While the upper limit could be considered $5,744,343 ($1,048,770 plus $4,695,573), the notice of appeal seeks restitution of "money paid by [LaPierre] to the NRA under the Final Judgment..." and that amount is $4,351,230 plus interest, and NRA believes the amount LaPierre reimbursed ($1,048,770) has already been documented and agreed to as excess benefit.

Dell'Aquila et al. v. NRA, No. 3:19-cv-00679 (M.D. Tenn.)

On August 6, 2019, former NRA donor David Dell'Aquila filed a putative class action complaint alleging fraud and racketeering claims related to NRA fundraising and expenditures. On September 30, 2020, the court dismissed all claims against Wayne LaPierre and The NRA Foundation, and the RICO claim against the NRA, allowing only the fraud claim against the NRA to proceed.

On June 25, 2024, Dell'Aquila filed a Third Amended Complaint alleging fraud, RICO violations, RICO conspiracy, breach of contract, and tortious interference with contract against the NRA. On August 2, 2024, the NRA filed a motion to dismiss all claims, asserting multiple defenses including failure to state a claim, failure to allege reasonable reliance, and statute of limitations bars.

On March 26, 2025, the court denied NRA's Motion to Dismiss and Motion for Oral Argument. The NRA filed its Answer to the Third Amended Complaint on May 16, 2025.

Discovery is ongoing.

Because this case is a putative class action the outcome is difficult to predict. There has not yet been a hearing on certification as a class action. NRA believes there are good arguments against class certification which could severely limit damages to only those proven by the few named plaintiffs.

Marion P. Hammer v. National Rifle Association of America, No. 1:25-cv-01557 (E.D. Va.) and No. 4:25-cv-00219 (N. D. Fla.)

In 2024, NRA Board Member Marion Hammer made claims based on NRA's termination of her consulting contract and threatened litigation. Hammer's contract, originally executed in December 2017 for $168,000 annually and amended in April 2018 to extend for 10 years at $220,000 annually, was terminated by Interim Executive Vice President Arulanandam on April 22, 2024, with 30 days' notice.

On May 8, 2025, Hammer filed a complaint in U.S. District Court in Florida's Northern District alleging breach of contract, violation of Florida statutes regarding unauthorized use of name and likeness, invasion of privacy, unjust enrichment, conversion, and deceptive trade practices. The complaint seeks damages, interest, and attorney's fees.

On June 27, 2025, NRA filed motions to transfer venue to the Eastern District of Virginia based on choice of law and jurisdiction provisions in the contract. On September 9, 2025, the Florida court granted transfer of the contract claim only to Virginia, with other claims remaining in Florida. Because we do not assess that the remaining Florida claims meet the test for materiality, they will be omitted from further discussion here.

In the Virginia case, NRA filed a motion to dismiss the contract claim on October 1, 2025, and filed counterclaims on December 5, 2025, including breach of contract, breach of fiduciary duty, unjust enrichment, conspiracy, conversion, and fraud. The NRA's 2024 Form 990 filing classified the entire contract term as an excess benefit transaction.

Ms. Hammer's attorney informed NRA and the court that she will no longer be able participate in the case. NRA filed motions for default judgements but on August 27, 2026 the judge instead decided to stay the case for six months.

National Rifle Association of America v. Ackerman McQueen, Inc. et al. , Civil Action No. 3:22-CV-1944-G (N. D. Tex.)

In March 2022, NRA entered a confidential settlement agreement to end litigation against its former advertising firm Ackerman McQueen. A dispute remains regarding whether the settlement requires dismissal of the Under Wild Skies case and indemnification of NRA for related losses.

On September 1, 2022, NRA filed a complaint demanding that Ackerman pay NRA's costs of defending the UWS case and any resulting judgments. The complaint was later amended to add claims against Anthony Makris based on payments received from NRA through supplemental invoices submitted under the UWS logo.

On July 2, 2024, NRA filed a Third Amended Complaint alleging diversity jurisdiction, with claims including breach of settlement agreement seeking reimbursement of approximately $740,000 in UWS losses, and multiple claims against Makris regarding his supplemental invoicing scheme involving approximately 50 invoices of about $100,000 each.

On April 1, 2025, the court confirmed subject matter jurisdiction and vacated the stay. Court-ordered mediation on June 30, 2025, did not result in agreement.

NRA subsequently filed a motion to dismiss the case. The judge granted the motion conditioned on NRA paying defendants' costs and fees.

Ackerman McQueen and Mercury Group is claiming fees of $1,199,896 and costs of $33,564. Makris is claiming $468,053 in fees and $8,227 in costs. The amount of fees claimed by Makris is disputed by NRA which is asserting Makris is due only half the amount stated above. Ackerman McQueen and Mercury Group have also filed a Motion for Sanctions claiming NRA should have more expressly disclosed its decision not to appeal an underling issue. The NRA prevailed on the Motion for Sanctions and in the dispute over the amount of the fees. In August 2026, NRA paid the judgement amounts of $1,243,312 and $237,753, to Ackerman McQueen and Mercury Group and Anthony Makris, respectively. The judgement amounts have been accrued into these financial statements.

Giffords v. National Rifle Association of America Political Victory Fund, et al. , No. 1:21-cv-02887 (D. D.C.)

Giffords v. NRA-PVF (and Giffords v. Fed. Elec. Comm'n): On or about November 3, 2021, the gun-control group Giffords filed a complaint against the NRA and NRA-PVF in the U.S. District Court for the District of Columbia. The complaint alleges unlawful coordination of tens of millions of dollars of independent expenditures by NRA and NRA-PVF in connection with the 2014, 2016, and 2018 federal elections, in violation of the Federal Election Campaign Act 30109(a)(8)(A). It was authorized by the District of D.C. in a separate action (the "delay suit"), a 2019 action in the District of D.C., which alleged that the FEC unlawfully failed to act on numerous matters under review, or MURs (MURs 7427, 7497, 7524, and 7553). Giffords and Campaign Legal Center (CLC) initiated those MURs against the NRA and NRA-PVF in 2018 and 2019.

In consultation with counsel, the NRA parties opted to litigate the citizen suit rather than attempt to intervene and appeal in the 2019 delay suit. On January 28, 2022, the NRA parties filed a motion to dismiss under Federal Rules of Civil Procedure 12(b)(1) and (6) for lack of subject-matter jurisdiction, lack of standing, and the statute of limitations having run. The subject-matter jurisdiction argument is that the court's order in the delay suit was improvidently granted because the FEC had in fact acted within the meaning of the governing statute, and that fact was concealed from the court. The standing argument is that Giffords has not alleged a cognizable competitive or informational injury because of the NRA parties' alleged violations. The plaintiff filed a motion in opposition on February 12, 2022. The NRA parties and other defendants filed replies on March 4, 2022.

In September of 2022, the FEC finally notified the NRA Parties that it had successfully voted to close the files in the MURs that underlie both suits. The NRA Parties filed a notice of subsequent developments informing the court of this fact, as well as the existence of a statement of reasons by the controlling commissioners, which is helpful to NRA's arguments. In November, 2022, the NRA Parties filed a motion for a status conference or an order to show cause why the case should be dismissed. On November 16, 2022, the court issued a minute order denying the motion for a status conference in light of the pending motions to dismiss. The NRA has been awaiting a ruling on the NRA parties' motion to dismiss ever since. In December of 2023, the case was stayed pending the outcomes of similar cases being heard by the D.C. Circuit. The citizen suit remained stayed until December of 2024.

On January 26, 2024, the NRA parties filed a motion for relief from judgment under Fed. Rule Civ. Pro. 60 in the delay suit, Giffords v. Fed. Elec. Comm'n. The Rule 60 motion argued that the district court lacked subject-matter jurisdiction in that case based upon mootness and lack of adversity between the parties. The delay suit was also stayed pending the outcome of cases in the D.C. Circuit, and remained stayed until November of 2024.

The litigation in both cases currently remains active, with significant appellate proceedings ongoing in the D.C. Circuit. The outcome of these proceedings may have broader implications for the interpretation of FECA citizen suit provisions and the jurisdictional authority of district courts in similar cases. If the NRA ultimately prevails in the delay suit in the D.C. Circuit, we expect that it will moot the citizen suit.

The NRA parties intend to continue to vigorously defend these matters. Because the suits are ideologically motivated, the prospects for a negotiated settlement on reasonable terms are assessed as very low. At this stage, it is impossible to predict the likelihood of success for either party, or the amount of any potential loss.

Under Wild Skies, Inc. v. NRA of Am., 304 Va. 310, 915 S.E.2d 514 (2025) (Fairfax County Circuit Court & Virginia Supreme Court)

Under Wild Skies, Inc. (UWS) is a television production company that produced an eponymous hunting show, that had been sponsored by the NRA.

UWS filed suit against NRA on September 11, 2019, alleging breach of contract after a dispute arose between the parties regarding the metrics of the show. UWS is seeking damages in excess of $17 million.

The case went to trial on September 12, 2022.

On September 19, 2022, the jury found the NRA liable for two counts for breach of contract and awarded $550,000 (the amount of the installment payments that the NRA allegedly did not make), plus pre-judgment and post-judgment interest. The jury found no liability for the NRA on UWS's anticipatory repudiation claims, and no liability for UWS on the NRA's counterclaims for breach of contract. The court so-ordered the jury's findings in a Final Order, dated October 13, 2022.

UWS filed appeals, in an effort to get a larger judgment. On May 29, 2025 the *Virginia Supreme Court ruled in favor of NRA* and affirmed the decision of the Virginia Court of Appeals. In June 2025, NRA paid the judgement amount, including interest, that arose from the trial court of $739,930 to Under Wild Skies.

Oliver L. North v. National Rifle Association of America, Lapierre, Wayne R., Jr., and King, Thomas H. (Circuit Court for Clarke County, Virginia), Case No. CL25-184

On May 5, 2025, Oliver North filed a complaint against the National Rifle Association of America (NRA), Wayne LaPierre, and Thomas King in the Circuit Court for Clarke County, Virginia, alleging claims arising from actions against North. His claims include malicious prosecution, conspiracy, and punitive damages and seeking damages not less than $20,000,000.

The possible range of loss is from zero to millions of dollars. However, NRA believes North does not have a strong legal case. The parties are discussing settlement.

Lisa Supernaugh v. National Rifle Association of America (Circuit Court for the County of Fairfax), Case No. 2025-00009577

On June 30, 2025, Lisa Supernaugh filed a complaint against the NRA in the Circuit Court for the County of Fairfax alleging (i) violation of Virginia whistleblower protection law (Va. Code Section 40.1-27.3) and (ii) wrongful constructive discharge.

Ms. Supernaugh is seeking in excess of $1.2M. However, NRA believes her claim has little merit and NRA has strong defenses.

The parties are currently engaged in mediation.

Bert Riddick, et al.,v. NRA, No. 2:24-cv-08596 (C.D. Cal.)

On October 7, 2024, NRA was sued in the United States District Court for the Central District of California. The litigation is a putative class action alleging that the NRA "treat[s] consumers unequally based on their sex" in violation of California law. The complaint asserts that NRA offered a discount to women, while denying the same discounts to men and non-binary persons. The complaint alleges violations of California Civil Code §51 (Unruh Civil Rights Act), §51.5, and §51.6 (Gender Tax Repeal Act of 1995).

The putative class is defined as all male and nonbinary persons who, while in California, either (1) purchased a one-year, three-year, five-year, or life NRA membership and were denied any of the membership discounts provided only to females, or (2) had a bona fide intent to purchase such memberships but did not because they encountered terms or conditions excluding them from women-only discounts, with alleged discrimination occurring from October 8, 2021, through the date of trial.

Plaintiffs seek class certification, statutory damages, costs, and injunctive relief.

Plaintiffs are seeking statutory damages of $4,000 for each offense and attorneys' fees.

NRA believes the plaintiffs face significant hurdles on the issues of class certification and applicability of the statute to the facts. Putative class actions are not well suited for forecasting losses, but NRA believes it has effective defenses.

Craig Jones and Dalyana Jones v. National Rifle Association of America and an Exhibitor

In February 2025, the NRA received a letter from counsel for an attendee at the 2025 Great American Outdoor Show relating to injuries allegedly sustained when the attendee was bitten by an exhibitor's dog.

In late September 2025, the attendee and his spouse filed a lawsuit against the NRA and the exhibitor, and the NRA was served on September 10, 2025.

The lawsuit seeks a maximum of $150,000 in total damages for claims of negligence and loss of consortium.

NRA filed its answer and crossclaims on September 29, 2025.

The matter was settled in August 2026 for an immaterial amount.

National Rifle Association of America, Inc., William Bachenberg, and Douglas Hamlin vs NRA Foundation, Inc., United States District Court for the District of Columbia, Case No.:1:26-cv-00015;

National Rifle Association of America, Inc., William Bachenberg, and Douglas Hamlin vs The 1791 Foundation, Inc., formerly known as the NRA Foundation, Inc., Superior Court of the District of Columbia, Case No. 2026-CAB-004346; and

The 1791 Foundation, Inc. F/K/A The NRA Foundation, Inc. v. THE NATIONAL RIFLE ASSOCIATION OF AMERICA, INC. and John Doe NRA Officer, United States District Court for the Eastern District of Virginia Alexandria Division, Case 1:26-cv-01823-PTG-IDD

These three cases arise out of the same general dispute between the NRA and the 1791 Foundation. The first was filed on January 5, 2026 by NRA seeking injunctive relief and damages asserting trademark, contract, equity and governance related claims. The second was a refiling of the non-trademark related claims in DC Superior court (filed June 24, 2026). The third was a filing by the 1791 Foundation alleging defamation and RICO claims (filed June 29, 2026). The Foundation has also asserted various counter claims including, but not limited to, Unfair Competition, Breach of Trademark License, Breach of Contract, and Wrongful License Termination. The Foundation seeks declaratory and injunctive relief and damages.

These cases are at their early stages. Thus, it is not possible to predict the loss of any specific amount. However, NRA as the plaintiff in the initial lawsuit believes it will prevail. Additional information regarding the relationship and transactions between the NRA and the NRA Foundation is included in Note 14.

14. RELATED PARTIES

The NRA and the NRA Foundation are financially interrelated entities as the NRA is able to influence the Foundation's operating and financial decisions as well as the NRA having ongoing economic interest in the net assets of the Foundation. The NRA is affiliated with CRDF, SCF and the FAF by virtue of the control vested with the NRA's Board of Directors to appoint the Board of Trustees of each affiliate. The PVF is a separately unincorporated political action committee of the NRA whose five officers are NRA employees. The VF is a separately incorporated super political action committee of the NRA whose three officers are NRA employees. The NRA provides certain benefits to the affiliates at no cost, among which are the use of office space and other administrative and support services. Management has determined that the fair value of these benefits is minimal, and accordingly, no amounts are reflected in these financial statements.

The Foundation reimburses the NRA for certain expenses, such as salaries, benefits, and general operating expenses, paid by the NRA on the Foundation's behalf. These expenses totaled $10,759,726 and $10,709,942 for the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, $44,596,830 and $38,052,092 respectively, was owed to the NRA and included in due from affiliates for reimbursements and the NRA's beneficial interest in the net assets of the Foundation. The net gain on the NRA's beneficial interest in the net assets of the Foundation totaled $5,320,354 and $3,364,045 for the years ended December 31, 2025 and 2024, respectively. In addition, certain qualified NRA programs were funded by Foundation grants totaling $8,001,733 and $7,219,321 for the years ended December 31, 2025 and 2024, respectively.

The CRDF reimburses the NRA for general operating expenses paid by the NRA on the CRDF's behalf. These expenses totaled $11,745 and $16,929 for years ended December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, $3,007 and $2,613, respectively, was owed to the NRA for general operating expenses and included in due from affiliates. The CRDF reimbursed the NRA for qualified legal costs totaling $515,590 and $505,000 for the years ended December 31, 2025 and 2024, respectively. The CRDF owes NRA $388,000 and $360,000 for promised grant funding for the years ended December 31, 2025 and 2024, respectively.

All permanent employees of the SCF are maintained as employees of the NRA and the SCF reimburses the NRA for the total employee costs including benefits. The SCF reimburses the NRA for certain other expenses paid by the NRA on the SCF's behalf. These expenses totaled $2,320,165 and $2,222,483 for the years ended December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, $359,426 and $321,253, respectively, was owed to the NRA for salaries, insurance and benefits net of certain other expenses owed by the NRA to the SCF and included in due from affiliates.

The FAF reimbursed the NRA for qualified legal costs totaling $1,500,000 and $1,492,500 for the years ended December 31, 2025 and 2024, respectively.

The NRA paid administrative and fundraising expenses of $173,071 and $308,305 for the years ended December 31, 2025 and 2024, respectively, on behalf of the PVF. The PVF reimbursed the NRA for salary expenses that totaled $18,962 and $77,789 for the years ended December 31, 2025 and 2024, respectively. Additionally, the PVF paid NRA $24,000 in both 2025 and 2024 for web hosting services.

While members of the NRA Board of Directors serve as uncompensated volunteers, some directors receive compensation from the NRA, either directly or through business organizations, for other professional services provided to the NRA. Other directors receive membership recruitment commissions (personally or through other entities) on the same terms as available to any other recruiter and in amounts that are not material for the purposes of these statements.

To ensure that individuals are adequately represented in connection with investigations or litigation arising from their service to the NRA, the NRA from time to time advances or reimburses legal expenses to certain officers, directors, or employees.

On January 16, 2026, NRA Patriot Fund, Inc. was formed under the laws of West Virginia to be operated exclusively in support of charitable, scientific, and educational purposes as a non-profit organization. The NRA Patriot Fund, Inc. will be supported primarily by volunteer-driven Friends of NRA fundraising events and other charitable contributions.