Libertarian National Judicial Committee

Petitioner: Hector Roos

vs

Respondent: Libertarian National Committee

Re: TO VOID THE ADOPTION OF THE SPECIAL INVESTIGATORY COMMITTEE

September 8, 2025

Amicus brief in support the petitioner

Jonathan M. Jacobs, sustaining member

September 28, 2025

Investigatory Issues

The Special Investigatory Committee (SIC) acted like a prosecutor in search of a conviction; it overcharged. That is misrepresentation. It then, in attempt to rush to judgement, it attempted, and succeeded in part, to rush the adoption of the report through the LNC.

Overcharging does not mean that Ms. McArdle did nothing wrong. She should have disclosed that Freedom Calls (FC), which was, at least one point owned, or partly owned, by her domestic partner, Austin Padgett to comply with Section 1.08 4) of the Policy Manual. However, that is all that Ms. McArdle did in this regard. Further, we do not know if it would have led to disciplinary charges against her, and if so, if she would have been found guilty, and if so, what the penalty, if any, would have been[1]. Ms. McArdle, and Mr. Roos, has provided evidence of extenuating circumstances, which could have been introduced had there been a disciplinary trial.

The amicus will leave an analysis of the cost and benefits of FC out of this filing. He will, however, note that the SIC did not establish if there was a sole owner of FC, or any duplicity regarding the filing of tax forms. The SIC stated, "Accordingly, unless the LLC filed Form 8832, <u>which is unlikely</u>, the owner's name should be on Line 1 and Freedom Calls LLC on Line 2, and the owner's EIN or social security number should be given. (p. 24 emphasis added)." Form 8832[2] includes the option for partnerships giving the option, "You can elect to be classified as a partnership or an association taxable as a corporation." It is possible, and certainly not "unlikely," that FC was a partnership or an association taxable as a corporation, since it was, in fact, a limited liability corporation.

Here we see an example of misrepresentation thought not the most serious one; characterizing the filing of tax documents as a corporation by a corporation as being "unlikely," is silly. This is one part, but only one part, of the substantial and pervasive misrepresentation found in the SIC Report.

The SIC Report cited DC Statute § 29–406.70[3] on p. 34. However, a plain reading of the text of that indicates that it is only applicable if the officer or director has a financial interest, not to if someone relate to that person has a financial interest as per Part A of the Code:

(a) A contract or transaction between a nonprofit corporation and one or more of its members, directors, members of a designated body, or officers or between a nonprofit corporation and any other entity in which one or more of its directors, members of a designated body, or officers are directors or officers, hold a similar position, or have a financial interest, shall not be void or voidable solely for that reason, or solely because the member, director, member of a designated body, or officer is present at or participates in the meeting of the board of directors that authorizes the contract or transaction, or solely because his or their votes are counted for that purpose.

To trigger this provision, SIC would have had to demonstrate that McArdle was an officer, director, or owner of FC; something that was never proven or even suggested. The last clause of the section notes that "(c) This section shall be applicable except as otherwise restricted in the articles of incorporation or bylaws." The Policy Manual is neither an article of incorporation nor a bylaw. When SIC cited this statute as applicable, it engaged in an act of misrepresentation.

The SIC claimed Swing Vote Strategist (SVS), which Padgett owned and which handled the Joint Fundraising Agreement, was a conflict of interest which should be reported. At the time of the first billing, October 18, 2024, the JFA was in place, it had been adjudicated before the LPJC (SIC, p. 62). The money was paid from an outside source, and was money that would not go into the Party coffers. It was fully authorized and by mid-October, no action would need to be taken.

Policy Manual Section 1.07 begins:

> Each LNC Member shall disclose to the LNC situations in which such person's own economic or other interests, or duties to others, might conflict with the interests of the Party in the discharge of their duties. Any such disclosure shall be made at the earliest opportune moment, prior to the discharge of such duties and clearly set forth the details of the conflict of interest, in a written disclosure statement provided to the Secretary. No LNC member shall: (a) transact business with the Party unless the transaction is fair and equitable to the Party; or (b) use information gained in the discharge of Party duties to the disadvantage of the Party.

There could be no conflict at this point, because the action was authorized. It could not affect the discharge of duties, because McArdle's duties as chair and a member of the LNC had been fully carried out. The SIC engaged in misrepresentation when it made this claim. There is no requirement for LNC members to disclose all sources of income.

We also have the case of Dylan Allman, a contractor. The supposed conflict of interest is that he lived just under a mile from the home that McArdle and Padgett share and that he uses the same US Post Office as Padgett. There is no suggestion that McArdle even knew Allman; there is obviously no references in the policy manual requiring reporting based on geography (pp. 80-82). This goes well beyond misrepresentation. It is a shoddy attempt at guilt by association more worthy of Joe McCarthy than a modern political organization that expects to be taken seriously.

Finally, we have a conclusion:

> Based on the findings and conclusions in this report, and the strength of the evidence supporting them, the SIC recommends that the LNC adopt a resolution finding Angela McArdle unfit to serve as an officer of the Libertarian Party in the future. The SIC recommends that the LNC adopt a resolution declaring that no LNC board or staff member shall have any contact or contract with Angela McArdle, Austin Padgett or any corporation or entity closely held or controlled by either one.

While the resolutions to enforce this clause were subject to a point of order and voided, this does show that this was intended to be disciplinary action against McArdle and Padgett. This was

reinforced by an email sent to Nicholas Sarwark from the current LNC Chair, Steven Nekhaila, in which he revealed items from executive session[4]. He claimed:

> We had felt that all the goals of Ms. Vest had apparently been achieved, namely 1) McArdle is no longer Chair as she resigned and 2) the body has made a resolution that McArdle is unfit to serve as an officer thereby satisfying denial of any future position, she me seek on the board.

First, the only way of "satisfying denial of any future position," would be by either a disciplinary action or by adopting a bylaw amendment prohibiting McArdle from holding office. Second, the LNC does not possess the ability to either amend the bylaws or take disciplinary action against a member[5]. This does show an effort at misrepresentation, on the part of Mr. Nekhaila and in the SIC report, as this was sent not to only to Mr. Sarwark but also to the entire LNC. Mr. Nekhaila was a member of the SIC as well as being chair of the LNC.

Reply to the LNC Response

The amicus agrees with the respondent for the LNC, Jonathan McGee, that the notice requirement for the considering the SIC Report was met. He also agrees with Mr. McGee's comment that, "At worst, members had limited time for review, …." Why was it necessary to limit this review to the whole LNC, when the SIC took more than three months to compile the data? There was a rush to judgement, with the full LNC not being given the chance to consider that these were misrepresentations of fact. Whether or not it was the intent of the SIC create an environment where these misrepresentations could flourish, their actions certainly had that effect.

Mr. McGee suggests that, if misrepresentation is used, that the standard should be "intentional misrepresentation." The Statement of Principles does have a prohibition on something "intentional," fraud. That term alone should cover any act of "intentional

misrepresentation." However, the Statement of Principles just says "misrepresentation." In this case, however, the pervasiveness of the misrepresentations should be enough to establish that it is intentional, even if that were the standard.

Mr. McGee also wrote that, "The documents provided by Jake Porter clearly show that Austin Padgett was the sole proprietor of Freedom Calls, LLC and that over the course of a year at least $45k was paid to Freedom Calls." Apparently, no one on the SIC, nor the LNC as a whole, attempted to very that the document in question, the filing for incorporation of FC in Delaware, was legitimate. Mr. Roos has indicated that it requires an attorney to get a copy. The LNC does have counsel on retainer, but there is no suggestion that his services were used.

We, the SIC, the LNC, LPJC, and the Party members cannot independently determine if the Delaware corporation filing presented by Mr. Porter is legitimate. We only know that he could not have gotten it on his own. We cannot tell if Mr. Porter published an altered form, perhaps one altered by his source, because the SIC did not check with the state of Delaware. While this may not be a material to the case, it does indicate the shoddiness of the investigation.

Mr. McGee also claimed that, "The petitioner also requests that the SIC report be declared null and void for being in violation of Article 3 of the National Bylaws via the Statement of Principles." That itself is a misrepresentation. The relief requested was, "Void the adoption of the SIC report as an official record or finding of the LNC <u>and remanding its consideration to the LNC</u> [emphasis added]." This is based on the LPJC's ruling in Phillies, et al., vs. LNC (12/3/24), which remanded a disciplinary case back to the investigatory committee of that day. This is a request for the LNC to take actions in accord with the Bylaws.

As per the initial filing, the amicus encourages the LPJC to void the adoption of the report and remand the matter back to the LNC.

End Notes

[1] In a disciplinary process, there is first a determination of guilt, which in the LNC requires a majority vote. Suspension, leading to removal from office, is one penalty, but there are others, including suspension of some rights or duties of office, either for a limited time or until the term ends. The penalty of censure is also an option. It is also possibly to have a finding of guilt and not have any penalty inflicted (see "Punishments," *National Parliamentarian*, Fall 2024, pp. 6-9: https://issuu.com/parliamentarians/docs/nap_np86-1-wwwfinal

Because there would be extenuating circumstances and a higher vote threshold to suspend, 11 of the 16 members, it is possible that there would have been no penalty, even if there was a finding of guilt.

[2] Exhibit J-1 IRS Form 8832

[3] Exhibit J-2 DC Statute Sec.29-406-70: https://code.dccouncil.gov/us/dc/council/code/sections/29-406.70

[4] This email was published on Third Party Watch: https://thirdpartywatch.com/2025/08/16/a-remarkable-email-thread-sarwark-and-lnc/

The amicus will note that the one action that RONR specifically states is the subject of disciplinary action is a violation of executive session (9:27). The same strictures mentioned in End Note 1 would apply.

[5] See "The Special 'Special Meeting,'" *National Parliamentarian*, "The Special 'Special Meeting,'" Spring 2023 pp. 9-11: https://issuu.com/parliamentarians/docs/nap_np84-3-wwwfinal/11

This article was Exhibit 12 in Jacobs, Et Al. vs. LNC

Exhibit J-1

Form **8832**
(Rev. December 2013)
Department of the Treasury
Internal Revenue Service

Entity Classification Election

OMB No. 1545-1516

▶ **Information about Form 8832 and its instructions is at *www.irs.gov/form8832*.**

Type or Print	Name of eligible entity making election	**Employer identification number**
	Number, street, and room or suite no. If a P.O. box, see instructions.	
	City or town, state, and ZIP code. If a foreign address, enter city, province or state, postal code and country. Follow the country's practice for entering the postal code.	

▶ Check if: ☐ Address change ☐ Late classification relief sought under Revenue Procedure 2009-41
☐ Relief for a late change of entity classification election sought under Revenue Procedure 2010-32

Part I Election Information

1 **Type of election** (see instructions):

a ☐ Initial classification by a newly-formed entity. Skip lines 2a and 2b and go to line 3.
b ☐ Change in current classification. Go to line 2a.

2a Has the eligible entity previously filed an entity election that had an effective date within the last 60 months?

☐ **Yes.** Go to line 2b.
☐ **No.** Skip line 2b and go to line 3.

2b Was the eligible entity's prior election an initial classification election by a newly formed entity that was effective on the date of formation?

☐ **Yes.** Go to line 3.
☐ **No.** Stop here. You generally are not currently eligible to make the election (see instructions).

3 Does the eligible entity have more than one owner?

☐ **Yes.** You can elect to be classified as a partnership or an association taxable as a corporation. Skip line 4 and go to line 5.
☐ **No.** You can elect to be classified as an association taxable as a corporation or to be disregarded as a separate entity. Go to line 4.

4 If the eligible entity has only one owner, provide the following information:

a Name of owner ▶ ____________________
b Identifying number of owner ▶ ____________________

5 If the eligible entity is owned by one or more affiliated corporations that file a consolidated return, provide the name and employer identification number of the parent corporation:

a Name of parent corporation ▶ ____________________
b Employer identification number ▶ ____________________

For Paperwork Reduction Act Notice, see instructions. Cat. No. 22598R Form 8832 (Rev. 12-2013)

Exhibit J-2

§ 29–406.70. Conflicting interest transactions; voidability.

(a) A contract or transaction between a nonprofit corporation and one or more of its members, directors, members of a designated body, or officers or between a nonprofit corporation and any other entity in which one or more of its directors, members of a designated body, or officers are directors or officers, hold a similar position, or have a financial interest, shall not be void or voidable solely for that reason, or solely because the member, director, member of a designated body, or officer is present at or participates in the meeting of the board of directors that authorizes the contract or transaction, or solely because his or their votes are counted for that purpose, if:

(1) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors and the board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors even though the disinterested directors are less than a quorum;

(2) The material facts as to the relationship or interest of the member, director, or officer and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon, if any, and the contract or transaction is specifically approved in good faith by vote of those members; or

(3) The contract or transaction is fair as to the corporation as of the time it is authorized, approved, or ratified by the board of directors or the members.

(b) Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board that authorizes a contract or transaction specified in subsection (a) of this section.

(c) This section shall be applicable except as otherwise restricted in the articles of incorporation or bylaws.