

C A M P A I G N F O R

ACCOUNTABILITY

April 5, 2023

VIA E-MAIL: eoclass@irs.gov

TEGE Referral Group
1100 Commerce Street
MC 4910 DAL
Dallas, TX 75242
FAX: (214) 413-5415

Re: Complaint Against Several Tax-Exempt Organizations Paying Excessive Compensation, Directly or Indirectly, to Leonard Leo

Dear Sir or Madam:

Campaign for Accountability (“CfA”)¹ respectfully submits this Tax-Exempt Organization Complaint to the Internal Revenue Service (“IRS”) regarding following tax-exempt organizations:

1. Rule of Law Trust (EIN: 83-1047727), a Virginia trust and Section 501(c)(4) social welfare organization (“**Rule of Law Trust**”);
2. Wellspring Committee, Inc. (EIN: 26-2046485), a Virginia nonstock corporation and Section 501(c)(4) social welfare organization (“**Wellspring Committee**”);²
3. The 85 Fund (EIN: 20-2466871), a Virginia nonstock corporation and Section 501(c)(3) tax-exempt entity (“**The 85 Fund**”);³
4. The Concord Fund (EIN: 20-2303252), a Virginia nonstock corporation and Section 501(c)(4) social welfare organization (“**The Concord Fund**”);⁴
5. The Federalist Society for Law & Public Policy Studies (EIN: 36-3235550), an Illinois not-for-profit corporation and Section 501(c)(3) tax-exempt entity (the “**Federalist Society**”);
6. Freedom and Opportunity Fund (EIN: 81-1199959), a Delaware corporation and Section 501(c)(4) social welfare organization (“**Freedom and Opportunity Fund**”);⁵ and
7. Marble Freedom Trust (EIN: 85-0784793), a Utah trust and Section 501(c)(4) social welfare organization (“**Marble Freedom Trust**”).

This complaint will refer to these seven tax-exempt entities as the “**Leo-Affiliated Nonprofits.**” Each of the Leo-Affiliated Nonprofits is either (a) directly controlled by Leonard Leo (*e.g.*, as an officer, director, or trustee) or (b) shows other signs of being controlled by Leonard Leo, including

¹ CfA is a Code Section 501(c)(3) tax exempt organization (EIN: 81-4080431) that serves as a non-partisan, nonprofit ethics watchdog.

² Wellspring Committee terminated and dissolved as of December 20, 2018.

³ The 85 Fund was formerly known as “Judicial Education Project”.

⁴ The Concord Fund was formerly known as “Judicial Crisis Network”.

⁵ Freedom and Opportunity Fund’s tax-exempt status was automatically revoked on May 15, 2022.

(i) having a small group of frequently overlapping individuals, who happen to control other Leo-Affiliated Nonprofits as its directors, officers, or trustees, (ii) public statements and major media publications identify the entity as controlled by Leonard Leo (regardless of its nominal directors, officers, or trustees), (iii) having an entity or entities controlled by Leonard Leo as one of the largest donors, and/or (iv) the same individual, who is a Leonard Leo business associate and maintains books and records for Leo-Affiliated Nonprofits where Leonard Leo is the sole or primary trustee, happens to maintain all of the books and records for the entity.

There are questions as to whether the Leo-Affiliated Nonprofits have diverted substantial portions of their income and assets, directly or indirectly, to the personal benefit of Leonard Leo. Most of these entities have either made substantial independent contractor payments one or more of his for-profit business entities or made major contributions to other Leo-Affiliated Nonprofits that made such payments. Such payments were generally listed as made in exchange alleged consulting, research, public relations, or similar services, however, CfA has reasonable questions about whether those alleged services were actually rendered at all or, if services were rendered, whether the payments made were substantially in excess of the fair market value of those services.

Unfortunately, neither CfA nor the general public is able to easily determine all of the complex, interwoven relationships among Leonard Leo's business associates, who operate several of the Leo-Affiliated Nonprofits, and Leonard Leo's for-profit businesses that receive millions of dollars in payments for alleged services. Additionally, the details of each of the business transactions, such as contracts for consulting or public relations services, are not publicly available. The IRS, however, with its summons, investigatory, and other related enforcement powers, would be able to compel the production of information necessary to unravel the web of potential private inurement, excess benefit, and/or and private benefit at the heart of these multimillion-dollar independent contractor payments.

Form 13909 is enclosed with this letter.

FACTUAL BACKGROUND

Leonard Leo

Leonard Leo is an American lawyer and legal activist who began working for the Federalist Society in 1991⁶ and is currently the Co-Chairman of its Board of Directors.⁷ During most the period examined in this Complaint (2016 through 2020), Leonard Leo worked full time at the Federalist Society (40 hours per week).⁸ In addition, in many of those years, Leonard Leo worked extensive part-time hours at other tax-exempt organizations. Illustratively, in 2019, Leonard Leo worked five hours per week as Director and President of America Engaged (EIN: 81-2072162),⁹ a Virginia nonstock corporation and Section 501(c)(4) social welfare organization, five hours per week as sole trustee of Rule of Law Trust,¹⁰ and one hour per week as President of BH Fund (EIN:

⁶ Kenneth P. Vogel, Leonard Leo Pushed the Courts Right. Now He's Aiming at American Society, *New York Times*, Oct. 12, 2022, available at <https://www.nytimes.com/2022/10/12/us/politics/leonard-leo-courts-dark-money.html>

⁷ See <https://fedsoc.org/board-of-directors>, accessed on March 8, 2023, as well as the 2020 Federalist Society Form 990 at Part VII, Section A, Line 1a.

⁸ Federalist Society Forms 990 for 2016 through 2020, Part VII, Section A, Line 1a.

⁹ America Engaged 2019 Form 990, Part VII, Section A, Line 1a.

¹⁰ Rule of Law Trust 2019 Form 990, Part VII, Section A, Line 1a.

81-1263832), a Virginia nonstock corporation and Section 501(c)(4) social welfare organization (“**BH Fund**”).¹¹

One might expect that a nonprofit executive with aggregate time commitments in excess of 50 hours per week to at least four different nonprofit organizations, including a full-time job, would not have sufficient time to perform extensive consulting, research, or public relations services worth millions of dollars to numerous other entities each year. Nevertheless, that is exactly what the Forms 990 for the Leo-Affiliated Nonprofits suggest Leonard Leo has been doing (directly or indirectly through at least two of his for-profit businesses). CfA questions whether some or all of the amounts the Leo-Associated Nonprofits reported as independent contractor payments to Leonard Leo’s businesses for research, consulting, or public relations may not have been payments for services actually rendered but rather masked Leonard Leo siphoning exempt organization income or assets for his personal use.

Beginning in 2016, Leonard Leo formed and/or reorganized two for-profit businesses to perform services for the Leo-Affiliated Nonprofit Organizations:

- BH Group, LLC, a Virginia limited liability company (“**BH Group**”), formed on August 22, 2016;
- CRC Advisors, Inc., a Virginia stock corporation (“**CRC Advisors**”), reorganized and/or rebranded on June 26, 2020 out of a pre-existing public relations firm;¹²

The precise nature of the services provided by these for-profit businesses is difficult to determine because the entities generally do not publicly market, advertise, or even describe their services.¹³ However, Leonard Leo has been widely reputed to be President Donald J. Trump’s “judge whisperer” and the main curator of the President’s list of Supreme Court nominees.¹⁴

Leonard Leo owns at least 35% or more of BH Group¹⁵ and serves as a director and the chairman of CRC Advisors.¹⁶ While his precise ownership percentage of CRC Advisors is not

¹¹ BH Fund 2019 Form 990, Part VII, Section A, Line 1a.

¹² Prior to June 26, 2020, CRC Advisors was a Virginia stock corporation called Creative Response Concepts, Inc., the president of which was Gregory Mueller. In 2020, Leonard Leo became chairman of the company and his business associate, Jonathan Bunch, took over as president. CRC Advisors 2020 Annual Report available at <https://cis.scc.virginia.gov/EntitySearch/BusinessFilings>.

¹³ See, e.g., Heidi Przybyla, [Dark money and special deals: How Leonard Leo and his friends benefited from his judicial activism](https://www.politico.com/news/2023/03/01/dark-money-leonard-leo-judicial-activism-00084864), *Politico*, Mar. 1, 2023, available at <https://www.politico.com/news/2023/03/01/dark-money-leonard-leo-judicial-activism-00084864> (“Leo’s Virginia-based CRC Advisors — a political consulting firm that was created in 2020 and for which he is chairman — declined to say what services it provided for the \$43 million payments.”); Robert Maguire, [\\$1 million mystery gift to inauguration traced to conservative legal activists](https://www.opensecrets.org/news/2018/05/mystery-gift-to-trump-inauguration-from-conservative-activists/), *McClatchy DC*, May 15, 2018, available at <https://www.opensecrets.org/news/2018/05/mystery-gift-to-trump-inauguration-from-conservative-activists/> (“the BH Group does not appear to have marketed itself as a public relations firm. The group doesn’t seem to have a website or any listings that advertise its services.”)

¹⁴ Jamal Greene, [Trump’s Judge Whisperer Promised to Take Our Laws Back to the 1930s](https://slate.com/news-and-politics/2019/05/leonard-leo-federalist-society-new-deal-trump-judges.html), *Slate*, May 27, 2019, <https://slate.com/news-and-politics/2019/05/leonard-leo-federalist-society-new-deal-trump-judges.html>.

¹⁵ Rule of Law Trust 2019 Form 990, Schedule L, Part V.

¹⁶ CRC Advisors 2022 Virginia Annual Report.

publicly available, it has been reported that he is a co-founder and owner of the reorganized firm.¹⁷ Additionally, CRC Advisors registration with the District of Columbia Department of Licensing and Protection, lists Leonard Leo as a “beneficial owner”, along with Gregory Mueller, Johnathan Bunch, and Neil Corkery.¹⁸

Since 2016, the Leo-Affiliated Nonprofits have paid at least the following amounts to BH Group and CRC Advisors:¹⁹

- BH Group

2016	2017	2018	2019	2020
\$1,697,000	\$2,096,125	\$6,193,875	\$5,047,340	\$500,000

- CRC Advisors –

2016	2017	2018	2019	2020
\$ -	\$ -	\$ 1,539,499	\$11,784,541	\$21,433,148

Potentially raising some reasonable questions about whether BH Group and CRC Advisors actually provided consulting, public relations, research, or similar services to the Leo-Affiliated Nonprofits, Leonard Leo’s Co-Chairman on the Federalist Society, Professor Steven G. Calabresi, has emphatically stated that Leonard Leo does not interface with government officials, such as the White House, in his capacity as a representative of a tax-exempt organization, but rather does so solely as a private citizen and individual.²⁰ Although the Leo-Affiliated Nonprofits have made millions of dollars in payments to Leonard Leo’s for-profit businesses, such as BH Group, investigatory journalists have raised questions about why there is no evidence that BH Group ever marketed itself as a consulting or public relations firm, had a website, or advertised its consulting or public relations services.²¹ If it were the case that Leonard Leo was either doing all of his

¹⁷ See, e.g., Jonathan Swan and Alayna Treene, Leonard Leo to shape new conservative network, *Axios*, Jan. 7, 2020, available at <https://www.axios.com/2020/01/07/leonard-leo-crc-advisors-federalist-society>; Kenneth P. Vogel, Leonard Leo’s Network Is Increasingly Powerful But It Is Not Easy to Define, *New York Times*, Oct. 12, 2022, available at: <https://www.nytimes.com/2022/10/12/us/politics/leonard-leo-network.html>.

¹⁸ District of Columbia Department of Licensing and Protection cannot be searched online without a login but a screen shot appears in **Exhibit A**.

¹⁹ Details on the source of all of these payments from the Leo-Affiliated Nonprofits’ Form 990 exempt organization returns are provided below in this complaint. Depending on the calculation method used, slight differences may arise because some of the entities follow non-calendar fiscal years.

²⁰ Lydia Wheeler, Meet the powerful group behind Trump’s judicial nominations, *The Hill*, Nov. 16, 2017, available at <https://thehill.com/regulation/court-battles/360598-meet-the-powerful-group-behind-trumps-judicial-nominations/> “Steven Calabresi, who co-founded the society in 1980 and serves as chairman of its 12-member board of directors, said Leo offers recommendations to the White House on his own time and in his private capacity as an individual citizen — not as the society’s executive vice president.”

²¹ Robert Maguire, \$1 million mystery gift to inauguration traced to conservative legal activists, *McClatchy DC*, May 15, 2018, available at: <https://www.opensecrets.org/news/2018/05/mystery-gift-to-trump-inauguration-from-conservative-activists/>.

interfacing with public individually, on personal time, or not doing it at all, it might raise questions about why the Leo-Affiliated Nonprofits have been paying BH Group and CRC Advisors millions of dollars for research, consulting, and public relations services.

Based on the vast shift in his spending patterns after 2016, a substantial portion of the millions of dollars in payments made by the Leo-Affiliated Nonprofits to BH Group and CRC Advisors may have accrued to Leonard Leo personally. From 2006 through 2016, Leonard Leo earned between \$305,000 and \$435,000 as an employee of the Federalist Society.²² Consistent with those wage levels, prior to 2016, Leonard Leo outwardly appeared to live a typical upper middle-class lifestyle for Washington, DC metropolitan area. For instance, in 2010 he purchased a \$710,000 home in McClean, Virginia.²³ Prior to that, he had rented a modest three-bedroom apartment in Arlington, Virginia.²⁴

Beginning in 2016, coinciding with the multimillion-dollar payments paid to BH Group, Leonard Leo began living more lavishly. In 2017, Leonard Leo pledged to donate \$1 million to Vatican initiatives worldwide.²⁵ In August 2018, he paid off the 30-year mortgage on the Mclean, Virginia home, most of which was still outstanding on the payoff date. Later that same year, Leonard Leo bought a \$3.3 million summer home with 11 bedrooms in Mount Desert, an affluent seaside village on the coast of Maine, using, in part, a 20-year mortgage of \$2,310,000.²⁶ Leonard Leo paid off the entire balance of that mortgage just one year later in July 2019.²⁷ In September 2021, Leonard Leo bought a second home in Mount Desert for \$1.65 million.²⁸ While spending millions of dollars on new homes, there is little to show that he slowed down spending in other areas, given that he had a reputation for wearing fine tailored suits and gold jewelry, as well as an intimate familiarity with the best and most expensive wines and restaurants in every major city in the world.²⁹

Rule of Law Trust

²² Federalist Society Forms 990, Part VII, Section A Line 1a.

²³ Located at 6231 Nelway Dr., Mclean, VA 22101. Sale information available at: <https://icare.fairfaxcounty.gov/ffxcare/datalets/datalet.aspx?mode=sales&sIndex=0&idx=1&LMparent=138>

²⁴ FEC Form 3 listing Leonard Leo's address as 4001 North Ninth Street, No. 1123, Arlington, VA 22203, available at: <https://docquery.fec.gov/cgi-bin/fecimg/?26021081147>.

²⁵ Robert O'Harrow Jr. and Shawn Boburg, [A Conservative Activist's Behind-the-Scenes Campaign to Remake the Nation's Courts](#), *Washington Post*, May 21, 2019, available at: <https://www.washingtonpost.com/graphics/2019/investigations/leonard-leo-federalists-society-courts/>;

²⁶ Robert O'Harrow Jr. and Shawn Boburg, [A Conservative Activist's Behind-the-Scenes Campaign to Remake the Nation's Courts](#), *Washington Post*, May 21, 2019, available at: <https://www.washingtonpost.com/graphics/2019/investigations/leonard-leo-federalists-society-courts/>; Details on \$2,310,000 mortgage from Bank of America available at <http://remote.co.hancock.me.us/MEHancock/AvaWeb/#/image>, by searching Leonard Leo's first and last name.

²⁷ Details on the discharge of that \$2,310,000 mortgage from Bank of America available at <http://remote.co.hancock.me.us/MEHancock/AvaWeb/#/image>, by searching Leonard Leo's first and last name.

²⁸ The actual purchaser of the property was Champlain Holdings, LLC and the information is available at: <http://remote.co.hancock.me.us/MEHancock/AvaWeb/#/image>. However, the mailing address of Champlain Holdings, P.O. Box 252, Northeast Harbor, ME 04662, is the same that Leonard Leo uses for multiple car registrations, as well as the address that Leonard Leo used when buying the Mount Desert, ME property personally.

²⁹ Jeffrey Toobin, [The Conservative Pipeline to the Supreme Court](#), *The New Yorker*, April 17, 2017, <https://www.newyorker.com/magazine/2017/04/17/the-conservative-pipeline-to-the-supreme-court>

The Rule of Law Trust paid BH Group, Leonard Leo's for-profit limited liability company, the following amounts in 2018 and 2019:

- 2018 - \$4,345,000 for reimbursement of independent contractor expenses that BH Group incurred on behalf of BH Group (with BH Group receiving no compensation);³⁰
- 2019 - \$2,100,000 for reimbursement of independent contractor expenses that BH Group incurred on behalf of BH Group (with BH Group receiving no compensation)³¹

Leonard Leo is the sole trustee of the Rule of Law Trust and presumably personally authorized these payments given that there are no employees or other members of the governing body.³² Rule of Law Trust has no conflict of interest policy and presumably would not be able to practically administer such a policy if it had one given that Leonard Leo is the sole trustee and the payments were going to entities with which Leonard Leo had a conflict.³³

Rule of Law Trust's Forms 990 provide no explanation for why the group funneled more than \$6.4 million in payments to independent contractors through BH Group, a for-profit business owned by its sole trustee, rather than paying the contractors directly. This is particularly odd in light of the fact that Rule of Law Trust paid more than \$100,000 to each of seven independent contractors in 2018 and to ten independent contractors in 2019, including the for-profit businesses and other entities that appear to be its primary legal advisors and consultants.³⁴

The 85 Fund

The 85 Fund paid CRC Advisors, Leonard Leo's for-profit corporation, the following amounts in 2020 and 2021:

- 2019 - \$5,881,250 for "consulting"³⁵
- 2020 - \$12,117,335 for "consulting/advertising"³⁶
- 2021 - \$21,715,382 for "Consulting/Public Affairs/Advertising"³⁷

The 85 Fund also paid BH Group the following amounts in 2017, 2018, and 2019:

- 2017 - \$935,125 for "consulting"³⁸
- 2018 - \$657,000 for "consulting"³⁹

³⁰ Rule of Law Trust 2018 Form 990, Schedule L, Parts IV and V.

³¹ Rule of Law Trust 2019 Form 990, Schedule L, Parts IV and V.

³² Rule of Law Trust 2019 Form 990, Part VII, Section A, Line 1a; Part V, Line 2a; and Part VI, Section A Line 1a.

³³ Rule of Law Trust 2019 Form 990, Part VI, Section B, Line 12a.

³⁴ Rule of Law Trust 2018 and 2019 Forms 990, Part VII, Section B, Lines 1 and 2.

³⁵ The 85 Fund 2019 Form 990, Part VII, Section B, Line 1.

³⁶ The 85 Fund 2020 Form 990, Part VII, Section B, Line 1.

³⁷ The 85 Fund 2021 Form 990, Part VII, Section B, Line 1 and Schedule O, Statement 1.

³⁸ Rule of Law Trust 2017 Form 990, Schedule L, Parts IV and V.

³⁹ Rule of Law Trust 2018 Form 990, Schedule L, Parts IV and V.

- 2019 - \$1,352,340 for “consulting”⁴⁰

Although the Forms 990 indicate the payments to BH Group were for “consulting,” as noted above, there is scant evidence BH Group ever publicly marketed itself as a consulting or public relations firm, had a website, or advertised its consulting or public relations services,⁴¹ raising questions about the legitimacy of the payments. BH Group’s most notable achievement is a one-million-dollar donation to the 58th Presidential Inaugural Committee of Donald Trump in 2016.⁴² While such a donation is not necessarily illegal or improper, it is a significant amount of money in relation to the publicly disclosed inflows to BH Group in 2016 and does not appear plausibly related to any conceivable research, consulting, or public relations services BH Group provided as an independent contractor.

Although Leonard Leo is not listed as either an officer or director of The 85 Fund on any publicly available records, it is generally acknowledged that he indirectly or effectively controls the organization.⁴³ Leonard Leo has also made public statements indicating he participated in rebranding The 85 Fund, called the Judicial Education Project until 2019, which would be unusual if he had no substantial control or influence over the operations of The 85 Fund.⁴⁴ Like many other Leo-Affiliated Nonprofits, the books and records of The 85 Fund are held by Leonard Leo associate, Neil Corkery, who maintains the books and records of other entities Leonard Leo controls as the sole or primary trustee, including Rule of Law Trust and Marble Freedom Trust.⁴⁵

⁴⁰ Rule of Law Trust 2019 Form 990, Schedule L, Parts IV and V.

⁴¹ Robert Maguire, [\\$1 million mystery gift to inauguration traced to conservative legal activists](https://www.mcclatchydc.com/latest-news/article210176219.html), *McClatchy DC*, May 15, 2018, available at: <https://www.mcclatchydc.com/latest-news/article210176219.html>

⁴² 58th Presidential Inaugural Committee, FEC Form 13 (Report of Donations Accepted), page 86 (available at: <https://www.documentcloud.org/documents/4255453-Trump-Inaugural-Donors.html#document/p86/a388929>)

⁴³ Brian Schwartz, [Trump ally’s fund received over \\$20 million last year, then funneled cash to other right-leaning groups](https://www.cnn.com/2021/11/18/trump-ally-leonard-leo-85-fund-received-20-million-in-2020.html), *CNN*, Nov. 18, 2021, available at: <https://www.cnn.com/2021/11/18/trump-ally-leonard-leo-85-fund-received-20-million-in-2020.html> (“Leonard Leo’s The 85 Fund received the money through the Donors Trust, a donor-advised nonprofit group that funnels money from often wealthy conservative financiers to other organizations. . . The 85 Fund is part of Leo’s extensive network of organizations that seek to influence policy, the president’s picks for the judiciary and the larger conservative movement.”)

⁴⁴ Jonathan Swan and Alayna Treene, [Leonard Leo to Shape new Conservative Network](https://www Axios.com/2020/01/07/leonard-leo-crc-advisors-federalist-society), *Axios*, Jan. 7, 2020, available at <https://www Axios.com/2020/01/07/leonard-leo-crc-advisors-federalist-society> (“Mueller and Leo say they plan to work with two existing non-profit groups, which will be rebranded as the Concord Fund and the 85 Fund, to funnel tens of millions of dollars into conservative fights around the country.”); The 85 Fund 2019 Form 990, Box B (name change).

⁴⁵ The 85 Fund 2019 Form 990, Part VI, Section C, Line 20; Marble Freedom Trust, 2021 Form 990, Part VI, Section C, Line 20; Rule of Law Trust 2019 Form 990, Part VI, Section C, Line 20.

Wellspring Committee

Wellspring Committee paid BH Group, the following amounts in 2017 and 2018:

- 2016 - \$750,000 for “public relations”⁴⁶
- 2017 - \$919,900 for “consulting”⁴⁷

As previously noted, while Wellspring Committee indicated the payments to BH Group were for “public relations” and consulting” there is little evidence BH Group ever publicly marketed consulting or public relations services, had a public website, or advertised consulting or public relations services.⁴⁸ Therefore, legitimate questions arise as to whether Wellspring Committee performed consulting or public relations services worth hundreds of thousands of dollars.

According to publicly available records, Leonard Leo had no formal role at Wellspring Committee. Notably, Wellspring Committee’s sole director and officer during the period it paid more than \$1.6 million to BH Group was long-time Leonard Leo associate Neil Corkery who (keeps the books and records for those entities where Leonard Leo is the sole or primary trustee, such as Rule of Law Trust and Marble Freedom Trust, and serves as chief financial officer of CRC Advisors.⁴⁹ Although Wellspring Committee represented that it had a conflict of interest policy and that the sole officer was required to annually disclose any conflicts, as well as comply with the conflict of interest policy,⁵⁰ Mr. Corkery, as the sole governing member and as someone with a business relationship with Leonard Leo and Leonard Leo’s other organizations seems unlikely to have disclosed the conflicts or complied with the policy.

The Concord Fund

The Concord Fund paid BH Group, Leonard Leos for-profit limited liability company, the following amounts from fiscal 2016 through 2020:⁵¹

- Fiscal 2016 - \$947,000 for “research”⁵²
- Fiscal 2017 - \$241,000 for “research”⁵³
- Fiscal 2018 - \$1,191,875 for “consulting”⁵⁴

⁴⁶ Wellspring Committee 2017 Form 990, Part VII, Section B, Line 1.

⁴⁷ Wellspring Committee 2018 Form 990, Part VII, Section B, Line 1.

⁴⁸ Robert Maguire, [“\\$1 million mystery gift to inauguration traced to conservative legal activists,” McClatchy DC](https://www.mcclatchydc.com/latest-news/article210176219.html), May 15, 2018, available at: <https://www.mcclatchydc.com/latest-news/article210176219.html>

⁴⁹ Although CRC Advisor’s Annual Reports in Virginia do not list Neil Corkery as CFO, he is listed as a Governor and beneficial owner in CRC Advisor’s District of Columbia filings (See **Exhibit A**). Additionally, he has been reported as the CFO. *See, e.g., Heidi Przybyla, “Dark money and special deals: How Leonard Leo and his friends benefited from his judicial activism,” Politico*, Mar. 1, 2023, available at: <https://www.politico.com/news/2023/03/01/dark-money-leonard-leo-judicial-activism-00084864>

⁵⁰ Wellspring Committee 2016 Part VI, Section B, Line 12c and Schedule O explanation accompanying Form 990, Part VI, Section B, Line 12c.

⁵¹ The Concord Fund follows a fiscal year beginning July 1, 2016 and ending June 30, 2017.

⁵² Judicial Crisis Network (prior name for The Concord Fund) 2016 Form 990, Part VII, Section B, Line 1.

⁵³ Judicial Crisis Network (prior name for The Concord Fund) 2017 Form 990, Part VII, Section B, Line 1.

⁵⁴ Judicial Crisis Network (prior name for The Concord Fund) 2018 Form 990, Part VII, Section B, Line 1.

- Fiscal 2019 - \$1,595,000 for “consulting”⁵⁵
- Fiscal 2020 - \$500,000 for “consulting”⁵⁶

As noted above, it does not appear BH Group has ever publicly marketed or advertised consulting, research, or public relations services, again raising legitimate questions about the bona fide nature of the claimed research or consulting services rendered to The Concord Fund.⁵⁷

The Concord Fund also paid CRC Advisors, Leonard Leo’s for-profit corporation, the following amounts in fiscal 2019 and 2020:

- 2019 - \$4,257,511 for “consulting”⁵⁸
- 2020 - \$7,679,331 for “consulting”⁵⁹

According to publicly available records, Leonard Leo had no formal role at The Concord Fund. Leonard Leo has stated publicly, however, that he played a role in rebranding the Judicial Crisis Network as The Concord Fund in 2019.⁶⁰ He also has other close connections to The Concord Fund that may equate to effective control. In certain years, nearly 30 percent of The Concord Fund’s contributions came from another tax-exempt organization controlled by Leonard Leo. For instance, in 2019, The Concord Fund reported \$20.4 million in contributions,⁶¹ \$6 million of which was received from the BH Fund.⁶² At the time of the \$6 million donation, Leonard Leo was president of BH Fund and the only other member of the governing body was Jonathan Bunch, who has a “business relationship” with Leonard Leo.⁶³ Perhaps coincidentally, this contribution nearly matches the \$5.85 million The Concord Fund reported paying to BH Group and CRC Advisors in 2019. Further, as with Leonard Leo’s other organizations, Neil Corkery retains all of its books and records for The Concord Fund.⁶⁴

⁵⁵ The Concord Fund 2019 Form 990, Part VII, Section B, Line 1.

⁵⁶ The Concord Fund 2020 Form 990, Part VII, Section B, Line 1.

⁵⁷ Robert Maguire, [“\\$1 million mystery gift to inauguration traced to conservative legal activists, McClatchy DC,”](https://www.mcclatchydc.com/latest-news/article210176219.html) May 15, 2018, available at: <https://www.mcclatchydc.com/latest-news/article210176219.html>

⁵⁸ The Concord Fund 2019 Form 990, Part VII, Section B, Line 1.

⁵⁹ The Concord Fund 2020 Form 990, Part VII, Section B, Line 1.

⁶⁰ Jonathan Swan and Alayna Treene, *Leonard Leo to Shape new Conservative Network*, AXIOS, Jan. 7, 2020, available at <https://www.axios.com/2020/01/07/leonard-leo-crc-advisors-federalist-society> (“Mueller and Leo say they plan to work with two existing non-profit groups, which will be rebranded as the Concord Fund and the 85 Fund, to funnel tens of millions of dollars into conservative fights around the country.”); The 85 Fund 2019 Form 990, Box B (name change).

⁶¹ The Concord Fund 2019 Form 990, Part I, Line 8.

⁶² BH Fund 2019 Form 990, Schedule I, Part II, Line 1.

⁶³ BH Fund 2019, Form 990, Part VII, Section A, Line 1 and Schedule O, response to Form 990, Part VI, Line 2.

⁶⁴ The Concord Fund 2020 and 2019 Form 990, Part VI, Section C, Line 20.

Federalist Society

The Federalist Society paid CRC Advisors, Leonard Leo’s for-profit corporation, the following amounts in fiscal 2020, and 2021:⁶⁵

- 2020 - \$1,636,482 for “media training”⁶⁶
- 2021 - \$1,576,767 for “media training”⁶⁷

From 2016 through 2020, Leonard Leo was employed full-time by the Federalist Society, and received the following amounts as compensation:⁶⁸

- 2016 - \$435,000 as “Director/Exec Vice President”
- 2017 - \$435,000 as “Director/Exec Vice President”
- 2018 - \$344,375 as “Director/Exec Vice President”
- 2019 - \$308,125 as “Director/Exec Vice President”
- 2020 - \$435,000 as “Director/Co-Chairman”
- 2021 - \$1,673 as “Director/Co-Chairman”.

Through 2020, the Federal Society’s Forms 990 state Leonard Leo worked 40 hours per week for the organization. It is relatively unusual for someone working full time as an executive for one nonprofit organization to have time (or permission) to perform research, consulting, and/or public relations services as a side business for numerous other nonprofit organizations and to be able commit sufficient time for those services to be worth millions of dollars.

Freedom and Opportunity Fund

Unlike several of the other Leo-Affiliated Nonprofits, Freedom and Opportunity Fund did not report payments to BH Group or CRC Advisors on its Forms 990 filed through 2018. The organization did, however, report other unusual, inconsistent, and improper activity.

In 2016, 2017, and 2018, Freedom and Opportunity Fund specifically represented itself as a sponsor of donor advised funds, which is unusual because Freedom and Opportunity Fund is a Section 501(c)(4) social welfare organization that engages primarily in direct or indirect advocacy and not a Section 501(c)(3) public charity.⁶⁹ Only a Section 501(c)(3) public charity can act as a “sponsoring organization” of the type of donor advised fund that Congress has specifically authorized by statute.⁷⁰

⁶⁵ The Federalist Society follows a September 30 fiscal year end.

⁶⁶ Federalist Society 2019 Form 990, Part VII, Section B, Line 1.

⁶⁷ Federalist Society 2020 Form 990, Part VII, Section B, Line 1 and Attachment 2.

⁶⁸ Federalist Society Forms 990 for 2016 through 2021, Part VII, Section A Line 1a.

⁶⁹ Freedom and Opportunity Fund 2016, 2017, and 2018 Forms 990, Part III Line 4a and Part IV, Line 6.

⁷⁰ Section 4966(d)(1).

Two questions on Form 990, Schedule D ask every sponsoring organization of donor advised funds whether: (i) the sponsoring organization informed all donors and donor advisors in writing that the assets held in donor advised funds were the sponsoring organization's property, subject to the sponsoring organization's exclusive legal control; and (ii) the sponsoring organization informed all grantees, donors, and donor advisors in writing that grant funds could be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit.⁷¹ These questions generally track certain best practices for complying with the statutory requirements for donor advised funds sponsored by Section 501(c)(3) public charities.⁷²

As a Section 501(c)(4) social welfare organization that primarily makes grants to other social welfare organizations, Freedom and Opportunity Fund did not answer the Schedule D questions in a manner consistent with other reported activity. Freedom and Opportunity Fund checked "yes" in response to the statement that it informs "all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes[.]"⁷³ Either Freedom and Opportunity Fund failed to provide such written statements to donors and the response of "yes" was false or Freedom and Opportunity Fund provided the written statement to donors, misleading them about how their grants would be used.

Freedom and Opportunity Fund's Forms 990 show that each year, the vast majority of its grants were distributed for the general support to Section 501(c)(4) social welfare organizations.⁷⁴ Given that Freedom and Opportunity Fund represented that it only had one program activity – serving as a sponsor of donor advised funds and processing grants to between 18 and 25 organizations each year – the grants listed in Schedule I were reputedly made on the advice of donors who had been told, in writing, that grants could be used only for charitable purposes.⁷⁵ Without further investigation into nonpublic information (*e.g.*, private communications with donors), there is no way to know with certainty what Freedom and Opportunity Fund told donors in writing. The most plausible explanation, however, is that Freedom and Opportunity Fund inaccurately checked "yes" on its Form 990, Schedule D and never actually informed donors in writing that their granted funds would be used for charitable purposes.

Serving as president of Freedom and Opportunity Fund, Leonard Leo signed its 2017 and 2018 Forms 990. As the principal officer of Freedom and Opportunity Fund signing the Form 990, he represented, under penalty of perjury, that he had examined the exempt organization returns, including all accompanying schedules and statements, and to the best of his knowledge and belief, all were true, correct, and complete.⁷⁶ Freedom and Opportunity Fund also specifically represented that the process for reviewing each Form 990 involved distributing it to all officers, including Leonard Leo, for review prior to filing with the Internal Revenue Service.⁷⁷ Accordingly, Leonard Leo was aware or should have been aware of the inaccuracies on Freedom and Opportunity Fund's

⁷¹ Form 990, Schedule D, Part I, Lines 5 and 6.

⁷² Section 4966(d)(2) (describing ownership requirements) and Section 4966(c)(1) (describing distribution requirements).

⁷³ Freedom and Opportunity Fund 2016, 2017, and 2018 Forms 990, Schedule D, Part I, Line 6.

⁷⁴ Freedom and Opportunity Fund, 2016, 2017, and 2018 Form 990, Schedule I, Part II, Line 1.

⁷⁵ Freedom and Opportunity Fund, 2016, 2017, and 2018 Form 990, Part III Lines 1 and 4a.

⁷⁶ Freedom and Opportunity Fund, 2017 and 2018 Form 990, Part II (Signature Block).

⁷⁷ Freedom and Opportunity Fund, 2017 and 2018 Form 990, Schedule O responding to Part VI, Section B, Line 11b.

Form 990, Schedule Ds and he signed the Form 990s yet he signed them regardless of the inaccuracies.

Marble Freedom Trust

Unlike several of the other Leo-Affiliated Nonprofits, Marble Freedom Trust did not report payments to BH Group or CRC Advisors on its only publicly available Form 990 for the period May 1, 2020 to April 30, 2021. This Form 990 shows the trust received a donation of more than \$1.6 billion dollars⁷⁸ and made grants of \$16.5 million and \$153 million to The Concord Fund and Rule of Law Trust, respectively.⁷⁹

Public information is not yet available regarding what portion of those donations and grants were channeled into the coffers of for-profit businesses like BH Group and CRC Advisors. Nevertheless, Leonard Leo appears to have been a major beneficiary of donations to Marble Freedom Trust, having received \$350,000 in compensation for 25 hours a week of work as trustee and chairman in 2020,⁸⁰ and \$550,000 for his service in 2021.⁸¹ Although only Marble Freedom Trust's 2020 Form 990 is publicly available (for the fiscal year ending April 30, 2021), additional information about Leonard Leo's 2021 compensation is included on Rule of Law Trust's 2021 Form 990.⁸²

Given the ten-figure donation to Marble Freedom Trust and the nine-figure grants to certain Leo-Affiliated Nonprofits, there is a significant risk that exempt organization income and assets have been and will continue to be diverted to the personal benefit of Leonard Leo and/or his for-profit businesses.

VIOLATIONS

I. Private Inurement, Private Benefit, and Excess Benefit Transactions

Code Sections 501(c)(3) and 501(c)(4)(B)

The prohibition against private inurement is a statutory criterion for an organization to qualify as a Section 501(c)(3) or Section 501(c)(4) tax-exempt organization.⁸³ An organization "is not operated exclusively for one or more exempt purposes if its net earnings inure in whole or in part to the benefit of private shareholders or individuals."⁸⁴ For purposes of the private inurement doctrine "private shareholder or individual" generally means a person having a personal and

⁷⁸ Marble Freedom Trust, 2020 Form 990, Part I, Line 8.

⁷⁹ Marble Freedom Trust, 2020 Form 990, Schedule I, Part IV, Statement 1.

⁸⁰ Marble Freedom Trust, 2020 Form 990, Part VII, Section A, Line 1a.

⁸¹ Rule of Law Trust, 2021 Form 990, Part VII, Section A, Line 1 (noting that Leonard Leo's compensation from related organizations is \$550,000 per year and Schedule R, Part VII, Statement 1 indicates that Marble Freedom Trust is the only related organization).

⁸² *Id.*

⁸³ Code Section 501(c)(3) ("... no part of the net earnings of which inures to the benefit of any private shareholder or individual"); Code Section 501(c)(4)(B) ("[Code Section 501(c)(4)(A)] shall not apply to an entity unless no part of the net earnings of such entity inures to the benefit of any private shareholder or individual.").

⁸⁴ Treasury Regulations Section 1.501(c)(3)-1(c)(2); Code Section 501(c)(4)(B).

private interest in the activities of the organization (such as a director, trustee, officer, founder, or major contributor who can control the decisions of the entity, hereinafter an “**Insider**”).⁸⁵

As a director, trustee, officer, or as someone who exercises effective control indirectly through his contributions and other business relationships of the many nonprofits with which he is affiliated, Leonard Leo meets the definition of Insider. In addition, for purposes of the private inurement doctrine, Insiders generally include entities controlled, directly or indirectly, by another Insider.⁸⁶ Accordingly, BH Group and CRC Advisors would be considered Insiders to those Leo-Affiliated Nonprofits where Leonard Leo is an Insider because they are for-profit business entities that are owned and/or controlled by Leonard Leo.

In various pronouncements, the IRS has added some additional descriptive color to the meaning of private inurement, including:

- Private inurement is “likely to arise when the financial benefit represents a transfer of the organization’s financial resources to an individual solely by virtue of the individual’s relationship with the organization, and without regard to accomplishing exempt purposes.”⁸⁷
- The “inurement prohibition serves to prevent anyone in a position to do so from siphoning off any of a charity’s income or assets for personal use.”⁸⁸

The IRS generally has discretion to revoke the exempt status of a Section 501(c)(3) tax-exempt organization that has been determined to have violated the prohibition on private inurement.⁸⁹

It is axiomatic that a tax-exempt organization subject to the private inurement doctrine may not, without violating the doctrine, pay compensation or make other payments when services are not actually rendered.⁹⁰ Therefore, if neither BH Group nor CRC Advisors in fact performed research, consulting, or public relations services for one of the Leo-Affiliated Nonprofits, such an entity would have engaged in private inurement.

If BH Group and CRC Advisors performed at least some nontrivial research, consulting, or public relations services for each of the Leo-Affiliated Nonprofits that paid them as an independent contractor, the key question would be whether the amount of compensation paid was *reasonable* in relation to the value of the services rendered. In situations when an Insider actually renders good or services to an exempt organization, whether there is private inurement depends on the economic reasonableness of transactions between the exempt organization and insiders. Insiders cannot receive a payment of funds from an exempt organization except as reasonable

⁸⁵ Treas. Reg. Section 1.501(a)-1(c).

⁸⁶ See, e.g., Treas. Reg. Section 1.501(c)(3)-1(d)(1)(ii) (“it is necessary for an organization to establish that it is not organized or operated for the benefit of private interests such as designated individuals, the creator or his family, shareholders of the organization, or persons controlled, directly or indirectly, by such private interests.”)

⁸⁷ GCM 38459.

⁸⁸ GCM 39862.

⁸⁹ Treasury Regulations Section 1.501(c)(3)-1(f)(2).

⁹⁰ *Canada v. Comm’r*, 82 TC 973 (1984); *Senior Citizens of Missouri, Inc. v. Comm’r*, 56 T.C.M. 479 (1988).

payment for goods and services (*i.e.*, payments equal to the fair market value of those goods or services).⁹¹

A finding of excessive compensation generally results in a finding of private inurement.⁹² Whether an amount of compensation is reasonable is a question of fact, determined based on the facts-and-circumstances of each case. Treasury Regulations applicable to business expense deductions⁹³ and the intermediate sanctions regime⁹⁴ define reasonable compensation as the amount that would ordinarily be paid for like services by like enterprises under like circumstances.⁹⁵

CfA does not have access to comprehensive data on the amounts paid to businesses like CRC Advisors or BH Group (*i.e.*, secretive for-profit entities that purportedly offer research, consulting, or public relations services to but do not market or advertise their services to the public) by nonprofit organizations like the Leo-Affiliated Nonprofits. Such data might be helpful in assessing whether the size of the independent contractor payments were reasonable under the circumstances. The IRS, with its summons, investigatory, and other related enforcement powers, may be able to compel the production of additional information about the business transactions between the Leo-Affiliated Nonprofits and CRC Advisors and BH Group (*e.g.*, contracts for services, methods used for determining the price of services, whether conflict of interest policies were meaningfully followed, etc.) to aid in a determination of whether the transactions gave rise to private inurement.

Code Section 4958

Instead of or in addition to revoking the tax-exempt status of any of the Leo-Affiliated Nonprofits, the IRS may impose intermediate sanctions under Code Section 4958. Under Code Section 4958, so-called intermediate sanctions may be imposed when a Section 501(c)(3) public charity or a Section 501(c)(4) social welfare organization⁹⁶ provides an economic benefit to a “disqualified person” that exceeds the value of the consideration that the exempt organization received in exchange for providing the benefit (the amount of such excess, the “**Excess Benefit**”).⁹⁷ For these purposes a disqualified person is generally someone in a position to exercise substantial influence over the affairs of the exempt organization, as well as business entities owned 35 percent or more by such disqualified persons.⁹⁸

The initial penalty for an Excess Benefit transaction is:

⁹¹ See, *e.g.*, Rev. Rul. 76-441, 1976-2 CB 147; Rev. Rul. 76-91, 1976-1 CB 149.

⁹² See, *e.g.*, *Harding Hospital v. U.S.*, 505 F.2d 1068 (6th Cir. 1974).

⁹³ Treas. Reg. Section 1.162-7(b)(3).

⁹⁴ Treas. Reg. Section 53.4958-4(b)(1)(ii)(A).

⁹⁵ *Id.*

⁹⁶ Code Section 4958(e)(1).

⁹⁷ Code Section 4958(c)(1).

⁹⁸ Code Section 4958(f)(1). Leonard Leo owns at least 35% or more of BH Group. Rule of Law Trust 2019 Form 990, Schedule L, Part V. His ownership percentage of CRC Advisors is not publicly discoverable, but he serves as a Director and the Chairman of CRC Advisors. CRC Advisors 2022 Virginia Annual Report.

- 25% of the Excess Benefit, imposed on the disqualified person receiving the Excess Benefit; and
- 10% of the Excess Benefit, imposed on any organizational manager who participated in it, knowing that it was an Excess Benefit transaction (unless such participation was not willful and due to reasonable cause.⁹⁹

In an extreme case, if any of the Leo-Affiliated Nonprofits made payments to CRC Advisors and BH Group were for no services at all and a Leo-Affiliated Nonprofit participated in the payment knowing that the payments constituted excess benefit transactions, then the penalties could be as high as the following:

BH Group:

	2016	2017	2018	2019	2020
Excess Benefit	\$1,697,000	\$2,096,025	\$6,193,875	\$5,047,340	\$500,000
Initial Tax on BH Group	\$424,250	\$524,006	\$1,548,469	\$1,261,835	\$125,000
Initial Tax on Leo-Affiliated Nonprofit Managers in the Aggregate	\$169,700	\$209,603	\$619,388	\$504,734	\$50,000

CRC Advisors:

	2016	2017	2018	2019	2020
Excess benefit	\$ -	\$ -	\$1,539,499	\$11,784,541	\$21,433,148
Initial Tax on BH Group	\$ -	\$ -	\$384,875	\$2,946,135	\$5,358,287

⁹⁹ Code Section 4958(a).

Initial Tax on Leo-Affiliated Nonprofit Managers in the Aggregate	\$ -	\$ -	\$153,950	\$1,178,454	\$2,143,315
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26 U.S.C. § 6652

Under Code Section 6652(c)(1)(ii), a tax-exempt organization that, without reasonable cause, fails to include any of the information required on a Form 990 Return of Organization Exempt from Income Tax or fails to provide the correct information is liable for civil penalties. As discussed above, Freedom and Opportunity Fund specifically represented that it offered donor advised funds and informed all donors in writing that granted funds could be used only for charitable purposes.¹⁰⁰ Yet Freedom and Opportunity Fund primarily made general support grants to Section 501(c)(4) social welfare organizations.¹⁰¹ In light of those grants and the fact that Freedom and Opportunity Fund is itself a Section 501(c)(4) social welfare organization, Freedom and Opportunity Fund’s response to Form 990, Schedule D, Part I, Line 6 that donors were informed in writing that granted funds would be used only for charitable purposes appears to have been inaccurate.. Given that Freedom and Opportunity Fund had gross receipts in excess of \$1,000,000 each of those years, the monetary penalty for filing incorrect information should be \$100 per day, while the failure continued, up to a maximum of \$50,000 per Form 990 or \$150,000 for the three years at issue.

26 U.S.C. §§ 6613 and 6710

If it were the case that Freedom and Opportunity Fund’s to Form 990, Schedule D, Part I, Line 6 was correct (*i.e.*, all donors were informed in writing that granted funds would be used only for charitable purposes), then Freedom and Opportunity Fund may have violated certain disclosure requirements applicable to noncharitable organizations. Each fundraising solicitation by a Section 501(c)(4) social welfare organization whose gross receipts exceed \$100,000 must contain an express statement that contributions to the organization are not deductible as charitable contributions.¹⁰² If Freedom and Opportunity Fund told donors that their grants would be used for charitable purposes, which would have suggested the grants were charitable contributions, then the organization may have violated this disclosure requirement. Violation of the non-deductibility disclosure requirement results in a penalty on the organization of \$1,000 for each day on which a failure occurred, up to a maximum of \$10,000 in a calendar year.¹⁰³

26 U.S.C. § 7206

Under Code Section 7206(1), any person who “[w]illfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter,” is guilty of a felony and subject to up to three years in prison and a fine of up to

¹⁰⁰ Freedom and Opportunity Fund 2016, 2017, and 2018 Forms 990, Schedule D, Part I, Line 6.

¹⁰¹ Freedom and Opportunity Fund, 2016, 2017, and 2018 Form 990, Schedule I, Part II, Line 1.

¹⁰² Code Section 6613(a).

¹⁰³ Code Section 6710(a). The \$10,000 limitation does not apply if the organization intentionally disregarded the non-deductibility disclosure requirements of Code Section 6113. Code Section 6710(c).

\$100,000. As noted above, Freedom and Opportunity Fund may have falsely represented in Form 990, Schedule D, Part I, Line 6 that it informed donors that granted funds would be used only for charitable purposes when Freedom and Opportunity Fund actually made grants primarily to Section 501(c)(4) social welfare organizations for general support.¹⁰⁴ Leonard Leo was Freedom and Opportunity Fund's president and signed its Forms 990s in 2017 and 2018, and the organization specifically represented that the process for reviewing the Form 990 involved distributing it to all officers, including Leonard Leo, for review prior to filing with the Internal Revenue Service.¹⁰⁵ Therefore, Leonard Leo should have been aware that Freedom and Opportunity Fund responded incorrectly to a question or questions on Form 990, Schedule D and appears to have voluntarily and intentionally filed false, incorrect and incomplete Form 990 Returns of Organization Exempt from Income Tax for tax years 2017 and 2018 in violation of Code Section 7206.

CONCLUSION

In summary, Leonard Leo has caused several recently formed Code Section 501(c)(3) and 501(c)(4) tax-exempt organizations to pay him (directly or indirectly) more than \$73 million over a six-year period from 2016 through 2021. There is some evidence to suggest that Leonard Leo's for-profit businesses, which received millions of dollars in payments for alleged consulting, research, and/or public relations services may have either not have provided those services at all or may have provided services at a level not commensurate with the payments received. Furthermore, there is evidence that from the moment these payments began, Leonard Leo began spending millions of dollars on personal expenditures in amounts commensurate with the amounts being siphoned off from the Leo-Affiliated Nonprofits to BH Group and CRC Advisors.

CfA urges the IRS to use its summons, investigatory, and other related enforcement powers examine the activities of Leonard Leo, BH Group, CRC Advisors, and the Leo-Affiliated Nonprofits to uncover further evidence of private inurement, excess benefit transactions, and other activities that violate the Code and the Leo-Affiliated Nonprofits' tax-exempt status and take appropriate action if violations are found.

Sincerely,



Michelle J. Koppersmith
Executive Director

Enclosures:

Form 13909

¹⁰⁴ Freedom and Opportunity Fund, 2016, 2017, and 2018 Form 990, Schedule I, Part II, Line 1.

¹⁰⁵ Freedom and Opportunity Fund, 2017 and 2018 Form 990, Schedule O responding to Part VI, Section B, Line 11b.

EXHIBIT A
DISTRICT OF COLUMBIA DEPARTMENT OF LICENSING AND PROTECTION
BENEFICIAL OWNERSHIP INFORMATION FOR CRC ADVISORS, INC.

CRC Advisors, Inc. - Initial File
Number: C00006839128

	Main	Reports	Trade Names	Beneficial Owners	
Beneficial Owners					
Business Contact Type	Name	Address		Executing Officer	File Number
Governor	Mueller, Gregory	2850 Eisenhower Ave 1st Floor Alexandria, VA 22714		Is Executing Officer?: Yes Executing Officer Type: ExecutingOfficer	C00006839128
Governor	Leo, Leonard	2850 Eisenhower Ave 1st Floor Alexandria, VA 22714		Is Executing Officer?: Yes Executing Officer Type: ExecutingOfficer	C00006839128
Governor	Bunch, Jonathan	2850 Eisenhower Ave 1st Floor Alexandria, VA 22714		Is Executing Officer?: Yes Executing Officer Type: ExecutingOfficer	C00006839128
Governor	Corkery, Neil	2850 Eisenhower Ave 1st Floor Alexandria, VA 22714		Is Executing Officer?: Yes Executing Officer Type: ExecutingOfficer	C00006839128