

November 30, 2006

Federal Election Commission
ADR Office
999 E Street, NW.
Washington, D.C. 20463

Re: ADR 327

Dear Ms. Fraser,

Thank you for your time on our conference call yesterday. As a result of that conversation, we would like to add to our initial response with more detail and description of the extenuating circumstances.

After researching the two reports in question we were able to locate the disbursements that were missing from the original report. It turns out that they were transactions for media. As is common, they were wire transfers rather than actual checks that were written. This is important and helps to explain why they were overlooked on the original report. For most regularly scheduled reports, these oversights would have been caught on the monthly bank statement, but because this was a pre-election period, no bank statement was available. In addition, not that it was completely unavailable, but this was over two years ago, and we were dealing with a small, local bank and online banking was not nearly as prevalent as it is today. It was certainly not utilized by our campaign. Many wire transfers were captured and reported correctly, but because the transactions were out of our normal procedures, these were missed. Our overall track record for reporting was good, accurate and timely.

After we lost on election day, the campaign staff disbanded almost completely. Unfortunately, no sense of urgency was attached to this issue. For this reason, the amendment correcting the report wasn't file until a few months later. Even given this timeframe, the public record has been corrected for nearly two years.

At no time was there any intent to deceive our opponents, the public or the Commission. The fact that the missing information was disbursements rather than receipts also means that they would not have been reported before the election anyway. We think this is important. The integrity of the election was not compromised by our mistake. Our opponents did not change their behavior because of it. These transactions, even if reported correctly, would not have been available until after the election. Mr. Clay has not run for office since and has no intentions to do so again. He would simply like to correct this situation and move on.

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Mr. Clay invested significant personal funds in his campaign. Chuck is not one of the very wealthy but rather is a self made man, and this investment in his campaign came with great sacrifice. He realizes this was his personal choice and is not asking for any sympathy but does feel it is relevant to note. Additionally, he has five children for whom he is trying to save for college educations.

Mr. Clay fully accepts the responsibility for what occurred but we hope that you will consider the above in mitigation.

Thank you for the opportunity to respond. We look forward to hearing from you soon.

Sincerely,

Paul Kilgore
Clay for Congress

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