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October 14, 2010

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OFFICE OF GENERAL
COUNSEL

Jeff Jordan, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Matter Under Review 6386—Steve Fincher for Congress

Dear Mr. Jordan:

I am writing on behalf of our client, Herron for Congress, to supplement the Complaint filed by the Herron campaign on September 29, 2010, against Fincher for Congress, the authorized committee of Stephen Fincher, the Republican candidate for Congress for the 8th Congressional District of Tennessee.

The Fincher Campaign has just filed with the Commission its quarterly report for the third quarter of 2010. Remarkably, Schedule C on that report continues to indicate that the source of the \$250,000 loan made to the Fincher Campaign in July was Stephen Fincher's personal funds. That is exactly what the Fincher Campaign reported in its pre-primary report filed on July 23, 2010.

Since that pre-primary report was filed, however, the chairman of Gates Banking & Trust Co. of Tennessee told the Associated Press, on August 27, that Gates Bank was actually the source of the loan to the Fincher Campaign, as set forth in the Herron Campaign's original complaint. That bank chairman also refused to say whether Mr. Fincher had put up any collateral to secure the loan—and the Herron Campaign has been unable to find any UCC security statement on file with the Tennessee Secretary of State indicating that the Gate Bank took any security interest in any collateral in respect of this loan. Further, the filing of the complaint with the FEC has also been publicized.

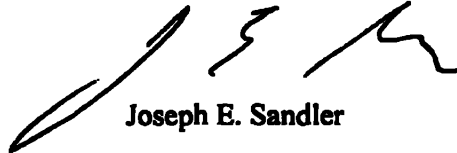
In short, Mr. Fincher and his campaign have been on notice for many weeks now that the failure to disclose the campaign's loan from the Gates Bank, and to report the terms on Schedule C, is unlawful. Yet Mr. Fincher and his campaign have continued flagrantly to ignore and refuse to comply with the clear requirements of the law and now have done so again even after being put on notice.

In another case involving a hidden loan, the General Counsel of the Federal Election Commission stated that even if a person did not have specific knowledge of the regulations, his violation can still be knowing and willful "if there are facts and circumstances from which a reasonable inference can be made the respondent knew his

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or her conduct was illegal." FEC, Matter Under Review 5496, Factual and Legal Analysis at 11 (2005). Such circumstances clearly exist here. Accordingly, the Commission should find that the Fincher Campaign knowingly and willfully violated the Federal Election Campaign Act of 1971 as amended, and the Commission's rules.

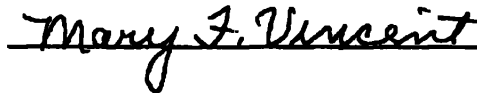
Respectfully submitted,



Joseph E. Sandler

DISTRICT of Columbia

Subscribed and sworn to before me this 18 day of October 2010.



MARY F. VINCENT
Notary Public, District of Columbia
My Commission Expires March 31, 2013

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