ARTHUR G. SEYMOUR, JR. ROBERT L. KAMN REGGIE E. KEATON DONALD D. HOWELL DEBRA L. FULION MICHAEL W. EWELL JOHN M. LAWHORN JAMIS E. WAGNER BEVERLY D. NEIMIS MARY ELIZABETH MADDOX BENJAMIN C. MULLINS RICHARD T. SCRUGHAM, JR. MATTHIW A. GROSSMAN KIVIN A. DFAN RICHARD E. GRAVES



client-centric & committed to success

Email: mgrossman@fmsllp.com Direct Fax: 865-541-4642

March 5, 2018

865.637.5249 ,

550 W. Main Street Suite 500 P.O. Box 39 Knoxville, Tennessee 37901

Rennis

Digitally signed by Christal Dennis Date: 2018.03.08 14:31:22 -05'00'

Via Email: CEL4@fec.gov

FRANCIS A. CAIN IMOGENE A. KING IASON T. MURI'HY

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finsIlp.com

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Federal Election Commission Office of Complaints Examination & Legal Administration Attn: Christal Dennis, Paralegal 999 E. Street, NW Washington, DC 20463

Re: MUR 7326

Response of "Commercial Realty Group, LLC"

Dear Ms. Dennis:

On February 27, 2018, Robert Shagan, as Chief Manager of Commercial Realty Investment Group, L.L.C. (hereinafter, "CRIG" – incorrectly identified in the Complaint as "Commercial Realty Group, LLC") transmitted a statement of Designation of Counsel to the General Counsel's Office via email to  $\underline{CE1.A@:fec.gov}$ , designating the undersigned as counsel for CRIG before the Commission with respect to this matter. 1 am enclosing herewith a copy of this designation notice for your reference.

CRIG is a Tennessee member managed, member obligated, limited liability company consisting of two members, Barbara Jean Shagan and Robert Shagan, Barbara Jean Shagan being a 99% owner and Robert Shagan being a 1% owner. Robert Shagan acts as the Chief Manager for CRIG. CRIG has at pertinent times been a limited liability company electing partnership treatment for purposes of federal taxation. Both Barbara Jean Shagan and Robert Shagan are natural persons. There are no corporate or non-natural members of CRIG whatsoever. Both Barbara Jean Shagan and Robert Shagan are natural born citizens of the United States of America and have never had any other citizenship. There never has been any party having any interest in CRIG who is not a natural born citizen of the United States of America or otherwise held any foreign citizenship. With respect to the 2018 campaign for Tennessee's Second Congressional District, neither Barbara Jean Shagan nor Robert Shagan has made any direct contributions to Burchett for Congress. Morcover, the public record, (as reflected in the attached Designation of Counsel form) and the signature of Robert Shagan on said form bear out each of these foregoing facts. March 5, 2018 Page 2

According to the Complaint, which CRIG accepts, for purposes of this response, as factually accurate, without waiving its right to contest any facts which may be set forth in the Complaint, on or about November 2, 2017, CRIG donated \$300.00 to Burchett for Congress, the congressional campaign committee for Tim Burchett, a candidate seeking election to Tennessee's Second Congressional District House of Representatives seat.

As shown in the public record, CRIG has been an active Tennessee LLC in good standing since 1994. The principal business purpose of CRIG is the management of residential and commercial real estate in the East Tennessee area. CRIG has never acted as a conduit for any money not earned by CRIG to provide anything of value to any federal election candidate.

It is possible that CRIG failed to include information regarding its status as a partnershiptaxed limited liability company, and the respective interests of Barbara Jean Shagan and Robert Shagan with respect to CRIG. If such is the case, it would have been as a result of inadvertence, rather than any attempt or intent to violate any applicable law. To this end, I am copying Roger Goins, Treasurer of Burchett for Congress, with this correspondence informing him that CRIG is indeed a partnership-taxed limited liability company, and that political contributions from CRIG should be allocated 99% to Barbara Jean Shagan and 1% to Robert Shagan (*i.e.*, \$297.00 and \$3.00. respectively). I am copying this letter to the mailing address of record with the Commission, P.O. Box 51345, Knoxville, TN 37950.

To the extent that there has been any inadvertent failure to comply with any applicable law with respect to CRIG and Burchett for Congress, I sincerely hope that this correspondence may serve to resolve any such matter. To this end, I would appreciate the Commission dismissing the Complaint insofar as it involves CRIG. Please feel free to contact me with any questions you may have. Thank you for your consideration.

Sincerely,

HOW MU

Matthew A. Grossman FRANTZ, McCONNELL & SEYMOUR, LLP

MAG:bhr

cc: Mr. Robert Shagan (Via Email) Roger Goins, Treasurer (Via Email) Burchett for Congress (Via U.S. Mail)

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## FEDERAL ELECTION COMMISSION 999 E Street, NW Washington, DC 20463

### STATEMENT OF DESIGNATION OF COUNSEL <u>Please use one form for each Respondent/Entity/Treasurer</u> <u>FAX (202) 219-3923</u>

MUR # 7326

NAME OF COUNSEL; Matthew A. Grossman, Esg.

FIRM: Frantz, McConnell & Seymour, LLP

ADDRESS: 550 W. Main St., Ste. 500, Knoxville, TN 37902 PO Box 39, Knoxville, TN 37901

TELEPHONE- OFFICE (865 ) 546-9321

FAX (865) 541-4642 Web Address fmsllp.com

The above-named individual and/or firm is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

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Re	spondent/	Agent -S	Signature	

Commercial Realty Group, LLC

Chief Manager

Title(Treasurer/Candidate/Owner)

RESPONDENT: (correct name is "Commercial Realty Investment Group, L.L.C" - see attached) (Committee Name, Company Name, or Individual Named in Notification Letter)

MAILING ADDRESS: 8200 Kingston Pike, Ste. A, Knoxville, TN 37919-5494 (Please Print)

TELEPHONE- HOME (<u>n/a\_\_)\_\_\_\_</u>

BUSINESS (865 ) 693-3300

Information is being sought as part of an investigation being conducted by the Federal Election Commission and the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section prohibits making public any investigation conducted by the Federal Election Commission without the express written consent of the person under investigation

Rev. 2010



# Secretary of State

## **Division of Business Services Department of State**

State of Tennessee 312 Rosa L. Parks AVE, 6th FL. Nashville, TN 37243-1102

### **Filing Information**

#### **COMMERCIAL REALTY INVESTMENT GROUP, L.L.C.** Name:

#### **General Information**

#### **SOS Control #**

**Duration Term:** 

OME Effective Date:

8200 KINGSTON PIKE

KNOXVILLE, TN 37919-5494

Managed By:

Filing Type:

Status:

### 000283928 Limited Liability Company - Domestic 09/16/1994 2:24 PM Active Perpetual Member Managed Obligated Member Entity: Yes 01/01/2009

#### Formation Locale: TENNESSEE 09/16/1994 Date Formed: Fiscal Year Close 12 Member Count: 2

**Registered Agent Address BARBARA JEAN SHAGAN** STE A

**Principal Address** STE A 8200 KINGSTON PIKE KNOXVILLE, TN 37919-5494

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
03/30/2017	2016 Annual Report	B0370-7299
02/26/2016	2015 Annual Report	B0203-8358
03/25/2015	2014 Annual Report	B0072-9697
Member Co	unt Changed From: 1 To: 2	
03/12/2014	2013 Annual Report	7300-1553
´04/01/2013	2012 Annual Report	7180-2995
Member Co	unt Changed From: 2 To: 1	
03/19/2012	2011 Annual Report	7016-1410
Principal Ad	dress 1 Changed From: 8200-A KINGSTON PIKE To: 8200 KINGSTON PIKE	
Principal Ad	dress 2 Changed From: No value To: STE A	
Principal Co	unty Changed From: No value To: KNOX COUNTY	
03/14/2011	2010 Annual Report	6849-2691
03/15/2010	2009 Annual Report	6674-2705
09/23/2009	Articles of Amendment	6600-2407

#### 2/27/2018 8:16:04 AM

# **Filing Information**

Name: COMMERCIAL REALTY INVESTMENT GROUP, L.L.C.

Active Assumed Names (if any)	Date Expires
Registered Agent Physical Address Changed 09/16/1994 Initial Filing	2891-0839
Principal Address Changed	
12/29/1995 CMS Annual Report Update	3094-1902
Fiscal Year Close Changed	
04/22/1996 Administrative Amendment	3161-1515
06/03/1999 Articles of Amendment	. 3689-2344
03/28/2000 1999 Annual Report	. 3863-0698
05/01/2001 2000 Annual Report	4191-0058
03/26/2002 2001 Annual Report	4459-0050
04/21/2003 2002 Annual Report	4795-2720
03/15/2004 2003 Annual Report	5065-3364
03/23/2005 2004 Annual Report	5400-2563
03/21/2006 2005 Annual Report	5725-1867
03/19/2007 2006 Annual Report	5991-0731
03/14/2008 2007 Annual Report	6246-0381
06/03/2009 Notice of Determination	ROLL 6550
06/30/2009 2008 Annual Report	. 6561-2100

2/27/2018 8:16:04 AM