



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

November 3, 2006

Drew Smith, Treasurer
Democratic Party of Arkansas
1300 West Capitol Avenue
Little Rock, AR 72201

**Response Due Date:
December 4, 2006**

Identification Number: C00024372

Reference: Amended June Monthly Report (5/1/06-5/31/06), received 9/14/06

Dear Mr. Smith:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Your filing discloses a Schedule C-1 for a loan from a lending institution in the amount of \$100,000.00 and a date incurred of 5/23/06. The filing also discloses a signed copy of a loan agreement, for which the committee states "This loan was a revolving line of credit so there are no new contracts." However, terms within the loan agreement suggest a final draw and due date for the line of credit to be 5/2/06. Specifically, the loan agreement states; "You will make loans to me from time to time until 12:00 PM on 05-02-2006," "Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on 05-02-2006" and "PRINCIPAL DUE ON 05-02-2006." Please provide clarifying information regarding this apparent discrepancy, and if necessary file a new signed Schedule C-1 and a copy of the loan agreement. 11 CFR §104.3(d)(1)

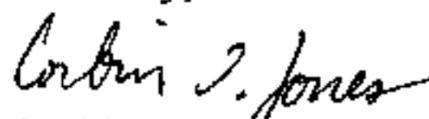
Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the

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committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1177.

Sincerely,



Corbin T. Jones
Campaign Finance Analyst
Reports Analysis Division

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