

RECEIVED
FEDERAL ELECTION
COMMISSION

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

2010 AUG 12 PM 12: 55

OFFICE OF GENERAL
COUNSEL

Monday, August 9, 2010

To Whom It May Concern:

This letter is intended to file a formal complaint with the Federal Election Commission against the congressional campaign of Republican Frank Guinta ("Friends of Frank Guinta") in New Hampshire's First Congressional District.

I request that the Federal Election Commission open an investigation into the source of \$245,000 in personal loans made by the candidate, Frank Guinta, to the campaign. According to the "Friends of Frank Guinta" quarterly campaign finance reports, the loans were made in three installments. The first loan of \$20,000 was made on June 30, 2009. The second loan of \$100,000 was made on March 28, 2010. The third loan of \$125,000 was made on June 27, 2010.

The timing and the size of the loans draw into question where the money is coming from.

Frank Guinta has filed two Form B Personal Financial Disclosure forms with the House Ethics Committee, one on May 15, 2009 and a second on May 15, 2010. Neither of these reports, which cover a two-year span of time – from January 1, 2008 through December 31, 2009 – indicate that he has liquidated the necessary funds from his personal holdings to make such substantial loans to his campaign. (Mr. Guinta has failed to file his Form B Personal Financial Disclosure form year-to-date through April 15, 2010, as required by law. This disclosure should identify the change in asset values and extension of the corresponding \$100,000 loan). Additionally, although the mortgage is listed, neither Form B recognizes the \$328,000 liability applicable to that mortgage.

My own independent analysis of the public data available regarding Mr. Guinta's personal financial situation indicates, as of this writing, that this year his family has lost over \$ 25,000 in cash assets alone (please see attached profit and loss estimate attached). Regarding the balance sheet, this is quite troubling. Effectively at the Minimum, when one factors in the "Loans" to the campaign, Mr. Guinta appears to have a negative net worth of approximately \$160,000 at the minimum level and negative \$34,000 at the Hi-Probability level. This calculation is based on YE 2009 assets and does not include the estimated \$25,000 cash loss to date.

Considering Mr. Guinta's minimum Cash and Near Cash assets are \$106,000 and the Hi-Probability Cash and Near Cash assets are \$210,500, this effectively means that the \$245,000, either in whole or part, must be borrowed funds that are not shown as a liability on the two Form B documents he filed with the House Ethics Committee.

The public record does not show any new debt since 2006 on the two real properties, nor personal bank debt outside of the student loans. Since the last loan to the campaign from the FEC report is dated June 27, 2010, this or any other debt before middle of July would be recorded against the deeds of the properties.

This again supports the reality that the \$245,000, or some portion thereof, in campaign loans are borrowed funds.

There is certainly nothing wrong with someone running for office who does not have the assets to personally fund it. However, federal election law is clear that "borrowed" funds are subject to the same limits as individual contributions. The Federal Elections Commission "Citizen's Guide" reads, "If you loan money to a candidate or political committee, you have made a contribution, even if you charge interest on the loan. The outstanding amount of the loan counts against the contribution limits. Loan repayments, therefore, decrease the amount of your contribution. Nevertheless, if your loan exceeds the limits, it is an illegal contribution, even if it is later repaid in full."

I hereby request the Federal Elections Commission open an investigation into the source of the \$245,000 in personal campaign loans from Frank Guinta to the Friends of Frank Guinta campaign account.

Sincerely,


Christopher Wolfe

Derry, NH 03038

Enclosures



BETSY D. WOLFE
Notary Public - New Hampshire
My Commission Expires April 9, 2013

Quinta Proforma Income Statement & Balance Sheet

8/6/2010

Income Statement

Income	2009		2010	
	Annual	Monthly	Annual	Monthly
Frank (actual)	\$ 72,000	\$ 6,000	\$ -	\$ -
Morgan (est)	\$ 75,000	\$ 6,250	\$ 75,000	\$ 6,250
Rental (est)	\$ 30,000	\$ 2,500	\$ 30,000	\$ 2,500
Total Gross	\$ 177,000	\$ 14,750	\$ 105,000	\$ 8,750
Tax @ 25%	\$ 44,250	\$ 3,688	\$ 26,250	\$ 2,188
401k Cont.	\$ 7,350	\$ 613	\$ 3,750	\$ 313
Total Net Cash	\$ 125,400	\$ 10,450	\$ 75,000	\$ 6,250
Expense				
Mortgages	\$ 34,603	\$ 2,884	\$ 34,603	\$ 2,884
Prop Taxes	\$ 13,471	\$ 1,123	\$ 13,471	\$ 1,123
Maintenance	\$ 9,000	\$ 750	\$ 9,000	\$ 750
Insurance	\$ 3,000	\$ 250	\$ 3,000	\$ 250
Property Exp.	\$ 60,074	\$ 5,006	\$ 60,074	\$ 5,006
Household	\$ 12,000	\$ 1,000	\$ 12,000	\$ 1,000
Auto loans	\$ 6,000	\$ 500	\$ 6,000	\$ 500
Auto Ins.	\$ 1,800	\$ 150	\$ 1,800	\$ 150
Med/Life	\$ 5,227	\$ 436	\$ 5,227	\$ 436
Daycare	\$ 30,000	\$ 2,500	\$ 30,000	\$ 2,500
Other	\$ 3,600	\$ 300	\$ 3,600	\$ 300
Household Exp	\$ 58,627	\$ 4,886	\$ 58,627	\$ 4,886
Total Cash Expense	\$ 118,701	\$ 9,892	\$ 118,701	\$ 9,892
Net Savings	\$ 6,699	\$ 558	\$ (43,701)	\$ (3,642)

Financial data derived from FEC reports (May 15, 2010), county records, city records (Aug 6, 2010)
 Finance reports of May 2009 and May 2010 are identical, this raises the question of "where did the
 March 28th, 2010 \$100k loan come from?"

**UNION STATES HOUSE OF REPRESENTATIVES
FINANCIAL DISCLOSURE STATEMENT**

FORM B
For use by candidates and new employees

Period covered: January 1, 2009 - DECEMBER 31, 2009

Name: **FRANK C. GUIMA** Daytime Telephone: **603-860-0474**

Filer Status: Candidate for the House of Representatives
 New officer or employee

State: **AL** District: **11** Date of Election: **11-2-10**

Employing Office: _____

Check if Amendment

(Office Use Only)
A \$200 penalty shall be assessed against anybody who files more than 30 days late.

In all sections, please type or print clearly in black ink.

PRELIMINARY INFORMATION - ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	IV. Did you hold any reportable positions on or before the date of filing in the current calendar year or in the prior two years? If yes, complete and attach Schedule IV.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
II. Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, complete and attach Schedule II.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	V. Did you have any reportable agreement or arrangement with an outside entity? If yes, complete and attach Schedule V.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
III. Did you, your spouse, or a dependent child have any reportable liability (more than \$10,000) during the reporting period? If yes, complete and attach Schedule III.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	VI. Did you receive compensation of more than \$5,000 from a single source in the two prior years? If yes, complete and attach Schedule VI.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION - ANSWER EACH OF THESE QUESTIONS

TRUSTS - Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or a dependent child? (See instructions, page 6.)

Yes No

EXEMPTION - Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption? Do not answer "yes" unless you have first consulted with the Committee on Standards of Official Conduct.

Yes No

MAY 15 2009

RESOURCE CENTER

2009 MAY 26 AM 11:18

U.S. HOUSE OF REPRESENTATIVES
(Office Use Only)

UNITED STATES HOUSE OF REPRESENTATIVES FINANCIAL DISCLOSURE STATEMENT For use by candidates and new employees Period covered: <u>January 1, 2008 - December 31, 2008</u>		FORM B Check if Amendment <input type="checkbox"/>	
FRANK C. GUINTA (Full Name)		(Daytime Telephone) 603.860.0474	
Filer Status <input checked="" type="checkbox"/> Candidate for the House of Representatives <input type="checkbox"/> New officer or employee	State: <u>NH</u> District: <u>1</u>	Date of Election: <u>11-2-10</u>	Check if Amendment <input type="checkbox"/>

A \$200 penalty shall be assessed against anybody who files more than 30 days late.

In all sections, please type or print clearly in black ink.

PRELIMINARY INFORMATION — ANSWER EACH OF THESE QUESTIONS

I. Did you or your spouse have "earned" income (e.g., salaries or fees) of \$200 or more from any source in the reporting period? If yes, complete and attach Schedule I.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
II. Did you, your spouse, or a dependent child receive "unearned" income of more than \$200 in the reporting period or hold any reportable asset worth more than \$1,000 at the end of the period? If yes, complete and attach Schedule II.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
III. Did you, your spouse, or a dependent child have any reportable asset (more than \$10,000) during the reporting period? If yes, complete and attach Schedule III.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Each question in this part must be answered and the appropriate schedule attached for each "Yes" response.				

EXCLUSION OF SPOUSE, DEPENDENT, OR TRUST INFORMATION — ANSWER EACH OF THESE QUESTIONS

TRUSTS—Details regarding "Qualified Blind Trusts" approved by the Committee on Standards of Official Conduct and certain other "excepted trusts" need not be disclosed. Have you excluded from this report details of such a trust benefiting you, your spouse, or a dependent child? (See Instructions, page 8.)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
EXEMPTION—Have you excluded from this report any other assets, "unearned" income, transactions, or liabilities of a spouse or dependent child because they meet all three tests for exemption?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

SCHEDULE III -- LIABILITIES

Name **FRANK C. GUINTA** Page **6** of **7**

Report liabilities of over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent child. Mark the highest amount owed during the reporting period. Exclude: Any mortgage on your personal residence (unless there is rental income); loans secured by automobiles, household furniture, or appliances; liabilities of a business in which you own an interest; and liabilities owed to a spouse, or the child, parent, or sibling of you or your spouse. Report revolving charge accounts (i.e., credit cards) only if the balance at the close of the previous calendar year exceeded \$10,000.

SP, DC, JT	Creditor	Type of Liability	Amount of Liability						
			C	E	G	I	K		
	<i>Example</i> First Bank of Wilmington, Delaware	Mortgage on 123 Main Street, Dover, Del.		X					
JT	ST. MARYS BANK, MANCHESTER, NH	MORTGAGE on 172 YOUNG ST, MANCHESTER, NH							
JT	ST. MARYS BANK, MANCHESTER, NH	MORTGAGE							
	WHELEAF NETWORK	School Loan	X						
SP	SQULE WARE	School Loan	X						

SCHEDULE IV -- POSITIONS

Report all positions, compensated or uncompensated, held on or before the date of filing during the current calendar year and in the two prior years as an officer, director, trustee of an organization, partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise, any nonprofit organization, any labor organization, or any educational or other institution other than the United States. Exclude: Positions listed on Schedule I; positions held in any religious, social, fraternal, or political entities; and positions solely of an honorary nature.

Position	Name of Organization

Use additional sheets if more space is required.

Name **Frank C. Quinta** Page **2** of **2**

SCHEDULE V—AGREEMENTS

Identify the date, parties to, and general terms of any agreement or arrangement with respect to: future employment; a leave of absence during the period of government service; continuation or deferral of payments by a former or current employer other than the U.S. Government; or continuing participation in an employee welfare or benefit plan maintained by a former employer.

Date	Parties To	Terms of Agreement

SCHEDULE VI—COMPENSATION IN EXCESS OF \$5,000 PAID BY ONE SOURCE

Report sources of such compensation received by you or your business affiliation for services provided directly by you during the two prior years. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any nonprofit organization if you directly provided the services generating a fee or payment of more than \$5,000. Exclude: Payments by the U.S. Government and any information considered confidential as a result of a privileged relationship recognized by law. Do not repeat information listed on Schedule I.

Source (Name and Address)	Brief Description of Duties
Example: Doe Jones & Smith, Hamstown, Maryland	Accounting services