

Berke | Farah LLP

Attorneys at Law

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November 30, 2018

Jeff S. Jordan, Esq.
Assistant General Counsel
Complaints Examination &
Legal Administration
Office of General Counsel
Federal Election Commission
1050 First Street, NE
Washington, DC 20002

*Re: Sua Sponte Submission of Ross Spano for Congress, Ross Spano, Cary Carreno
and Karen Hunt*

Dear Mr. Jordan,

This letter is submitted by the undersigned counsel on behalf of Ross Spano for Congress (Committee), Ross Spano, Cary Carreno, and Karen Hunt pursuant to the Federal Election Commission (Commission) Statement of Policy Regarding Self-Reporting of Campaign Finance Violations (Sua Sponte Submissions), Notice 2007-8. Ross Spano for Congress is the principal campaign committee of Representative-Elect Ross Spano. We also include Ross Spano, Cary Carreno, and Karen Hunt in their individual capacities as respondents for the sake of completeness.

During Representative-Elect Spano's campaign for Congress for Florida's 15th congressional district, he took out four personal loans (enclosed). The details of the personal loans were as follows:

<u>Date</u>	<u>Source</u>	<u>Amount</u>
6/28/18	Cary Carreno	\$35,000.00
8/9/18	Karen Hunt	\$35,000.00

9/30/18	Karen Hunt	\$35,000.00
10/29/18	Cary Carreno	\$75,000.00 ¹

All four of the personal loans carried a five percent (5%) per annum interest rate. Representative-Elect Spano reported these loans on his Financial Disclosure Report filed with the Clerk of the House of Representative and the Commission on November 3, 2018. Representative-Elect Spano expects those personal loans to be repaid in full with interest by the close of next week.

Representative-Elect Spano made the following loans to the Committee from his personal funds as was reported on reports filed with the Commission:

<u>Date</u>	<u>Source</u>	<u>Amount</u>
5/3/18	Personal Funds	\$10,000.00
6/30/18	Personal Funds	\$27,500.00
8/8/18	Personal Funds	\$32,000.00
9/30/18	Personal Funds	\$27,500.00
10/29/18	Personal Funds	\$70,000.00

When Representative-Elect Spano took out the personal four loans and when Representative-Elect Spano made the four loans to the Committee, he believed he was acting in full compliance with the law - as did Mr. Carreno and Ms. Hunt when they entered the promissory notes with him - based on the consultations they had at the time. Respondents now recognize that some of the proceeds from the personal loans made to Representative-Elect Spano and the personal loans he made to the Committee may have been in violation of the Federal Campaign Finance Act, 52 U.S.C. § 30101 *et seq.*, and the regulations promulgated thereunder.

Upon such recognition, the respondents have taken several proactive steps to address this matter, including but not limited to engaging our firm as counsel, terminating prior accountancy, compliance, and relevant consultancy representations, and engaging new accountancy, compliance, and consultancy representations.

In filing this sua sponte submission with the Commission today, the respondents seek the advice and recommendations from it to fully address this matter and adopt additional corrective measure.

¹ The Promissory Note dated 10/29/18 contained draftsman's error listing the loan amount as "Thirty-Five Thousand Dollars." The parties intended and agree the loan amount was \$75,000.00

Thank you for your consideration, and we look forward to discussing this matter in further detail with the Office of General Counsel.

Very truly yours,

A handwritten signature in black ink that reads "Elliot S. Berke". The signature is written in a cursive style with a large, stylized "E" and "B".

Elliot S. Berke

Enclosures

PROMISSORY NOTE

\$35,000.00

Location: Riverview, Florida
Effective Date: June 28, 2018

FOR VALUE RECEIVED, the undersigned (“**Maker**”) promises to pay to the order of **Cary Carreno**, an individual (“**Holder**”), the principal sum of Thirty-Five Thousand Dollars (\$35,000.00). The rights, claims, duties and liabilities of the parties hereto are subject to and controlled by the following terms and conditions:

1. Indebtedness and Repayment.

Holder has agreed to lend Maker a total of Thirty-Five Thousand Dollars (\$35,000.00), payable in monthly installments, with interest at Five Percent (5%) per annum, of One Thousand Dollars (\$1,000.00), the first payment to be made on January 1, 2019 and continuing thereafter until the Note and applicable interest is paid in full.

2. Method and Place of Payment.

Payments of principal and interest shall be made in lawful money of the United States of America at the principal address of the Holder as specified below, or at such other location as she may hereafter designate.

3. Prepayment.

Maker shall have the privilege and option, without penalty or forfeiture, to pay the entire principal amount of this Note or any part thereof, at any time prior to the Maturity Date.

4. Waiver.

Holder shall not be deemed by any act or omission to have waived any right or remedy hereunder unless and only to the extent expressed in a written instrument dated subsequent to the date hereof and executed by Holder, and any such waiver so expressed with respect to a particular event shall not be interpreted as having a continuing effect on or as a waiver of any right or remedy with respect to any subsequent event.

5. Notices.

All notices or other communications required or permitted to be given pursuant to this Note shall be in writing and shall be considered properly given or made if hand delivered or mailed via certified mail or sent by trackable overnight delivery service.

6. Entire Agreement.

This Note and any other document expressly identified herein constitute the entire understanding of the parties with respect to the subject matter hereof, and no amendment,

modification or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly approved and executed by Maker and Holder.

7. Assignment.

Neither party may sell, transfer or assign the Note or any related loan documents to a third party without the express written consent of the other party.

8. Governing Law and Venue.

This Note, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Florida, without regard to conflicts-of-laws principles. Venue for all purposes shall be deemed to lie exclusively within Hillsborough County, Florida. The parties irrevocably (a) submit to the exclusive jurisdiction of the Circuit Court of Hillsborough County, Florida for the purpose of any suit, action, or other proceeding arising out of this Note, or any of the agreements or transactions contemplated hereby (each, a "Proceeding"), (b) agree that all claims in respect of any Proceeding shall be heard and determined in any such court, (c) waive, to the fullest extent permitted by law, any right to challenge the exclusive jurisdiction of any such court or from any legal process therein, (d) agree not to commence any Proceeding other than in such courts, and (e) waive, to the fullest extent permitted by law, any claim that such Proceeding is brought in an inconvenient forum.

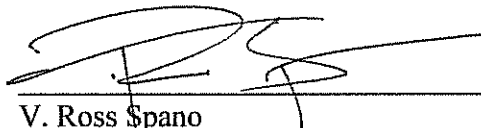
9. Miscellaneous.

No invalidity or unenforceability of any provision of this Note shall affect in any way the validity or enforceability of the remaining obligations or portions hereof or of the Purchase Agreement. Time is the essence of this Note.

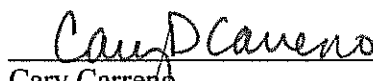
9. Attorney Fees

If the Holder of this Note is required to retain the services of an attorney to enforce the provision of this Note or collect upon the Note, Maker agrees that Holder may seek reimbursement of all attorney fees and related costs made necessary to enforce the Note's terms.

IN WITNESS WHEREOF, the undersigned Maker has executed this Note as of the date first written above.



V. Ross Spano
Maker



Cary Carrero
Holder

PROMISSORY NOTE

\$35,000.00

Location: Riverview, Florida
Effective Date: August 9, 2018

FOR VALUE RECEIVED, the undersigned (“**Maker**”) promises to pay to the order of **Karen Hunt**, an individual (“**Holder**”), the principal sum of Thirty-Five Thousand Dollars (\$35,000.00). The rights, claims, duties and liabilities of the parties hereto are subject to and controlled by the following terms and conditions:

1. Indebtedness and Repayment.

Holder has agreed to lend Maker a total of Thirty-Five Thousand Dollars (\$35,000.00), payable in monthly installments, with interest at Five Percent (5%) per annum, of One Thousand Dollars (\$1,000.00), the first payment to be made on January 1, 2019 and continuing thereafter until the Note and applicable interest is paid in full.

2. Method and Place of Payment.

Payments of principal and interest shall be made in lawful money of the United States of America at the principal address of the Holder as specified below, or at such other location as she may hereafter designate.

3. Prepayment.

Maker shall have the privilege and option, without penalty or forfeiture, to pay the entire principal amount of this Note or any part thereof, at any time prior to the Maturity Date.

4. Waiver.

Holder shall not be deemed by any act or omission to have waived any right or remedy hereunder unless and only to the extent expressed in a written instrument dated subsequent to the date hereof and executed by Holder, and any such waiver so expressed with respect to a particular event shall not be interpreted as having a continuing effect on or as a waiver of any right or remedy with respect to any subsequent event.

5. Notices.

All notices or other communications required or permitted to be given pursuant to this Note shall be in writing and shall be considered properly given or made if hand delivered or mailed via certified mail or sent by trackable overnight delivery service.

6. Entire Agreement.

This Note and any other document expressly identified herein constitute the entire understanding of the parties with respect to the subject matter hereof, and no amendment,

modification or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly approved and executed by Maker and Holder.

7. Assignment.

Neither party may sell, transfer or assign the Note or any related loan documents to a third party without the express written consent of the other party.

8. Governing Law and Venue.

This Note, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Florida, without regard to conflicts-of-laws principles. Venue for all purposes shall be deemed to lie exclusively within Hillsborough County, Florida. The parties irrevocably (a) submit to the exclusive jurisdiction of the Circuit Court of Hillsborough County, Florida for the purpose of any suit, action, or other proceeding arising out of this Note, or any of the agreements or transactions contemplated hereby (each, a "Proceeding"), (b) agree that all claims in respect of any Proceeding shall be heard and determined in any such court, (c) waive, to the fullest extent permitted by law, any right to challenge the exclusive jurisdiction of any such court or from any legal process therein, (d) agree not to commence any Proceeding other than in such courts, and (e) waive, to the fullest extent permitted by law, any claim that such Proceeding is brought in an inconvenient forum.

9. Miscellaneous.

No invalidity or unenforceability of any provision of this Note shall affect in any way the validity or enforceability of the remaining obligations or portions hereof or of the Purchase Agreement. Time is the essence of this Note.

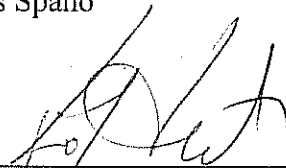
9. Attorney Fees

If the Holder of this Note is required to retain the services of an attorney to enforce the provision of this Note or collect upon the Note, Maker agrees that Holder may seek reimbursement of all attorney fees and related costs made necessary to enforce the Note's terms.

IN WITNESS WHEREOF, the undersigned Maker has executed this Note as of the date first written above.



V. Ross Spano
Maker



Karen Hunt
Holder

PROMISSORY NOTE

\$35,000.00

Location: Riverview, Florida
Effective Date: September 30, 2018

FOR VALUE RECEIVED, the undersigned ("Maker") promises to pay to the order of **Karen Hunt**, an individual ("Holder"), the principal sum of Thirty-Five Thousand Dollars (\$35,000.00). The rights, claims, duties and liabilities of the parties hereto are subject to and controlled by the following terms and conditions:

1. Indebtedness and Repayment.

Holder has agreed to lend Maker a total of Thirty-Five Thousand Dollars (\$35,000.00), payable in monthly installments, with interest at Five Percent (5%) per annum, of One Thousand Dollars (\$1,000.00), the first payment to be made on January 1, 2019 and continuing thereafter until the Note and applicable interest is paid in full.

2. Method and Place of Payment.

Payments of principal and interest shall be made in lawful money of the United States of America at the principal address of the Holder as specified below, or at such other location as she may hereafter designate.

3. Prepayment.

Maker shall have the privilege and option, without penalty or forfeiture, to pay the entire principal amount of this Note or any part thereof, at any time prior to the Maturity Date.

4. Waiver.

Holder shall not be deemed by any act or omission to have waived any right or remedy hereunder unless and only to the extent expressed in a written instrument dated subsequent to the date hereof and executed by Holder, and any such waiver so expressed with respect to a particular event shall not be interpreted as having a continuing effect on or as a waiver of any right or remedy with respect to any subsequent event.

5. Notices.

All notices or other communications required or permitted to be given pursuant to this Note shall be in writing and shall be considered properly given or made if hand delivered or mailed via certified mail or sent by trackable overnight delivery service.

6. Entire Agreement.

This Note and any other document expressly identified herein constitute the entire understanding of the parties with respect to the subject matter hereof, and no amendment,

modification or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly approved and executed by Maker and Holder.

7. Assignment.

Neither party may sell, transfer or assign the Note or any related loan documents to a third party without the express written consent of the other party.

8. Governing Law and Venue.

This Note, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Florida, without regard to conflicts-of-laws principles. Venue for all purposes shall be deemed to lie exclusively within Hillsborough County, Florida. The parties irrevocably (a) submit to the exclusive jurisdiction of the Circuit Court of Hillsborough County, Florida for the purpose of any suit, action, or other proceeding arising out of this Note, or any of the agreements or transactions contemplated hereby (each, a "Proceeding"), (b) agree that all claims in respect of any Proceeding shall be heard and determined in any such court, (c) waive, to the fullest extent permitted by law, any right to challenge the exclusive jurisdiction of any such court or from any legal process therein, (d) agree not to commence any Proceeding other than in such courts, and (e) waive, to the fullest extent permitted by law, any claim that such Proceeding is brought in an inconvenient forum.

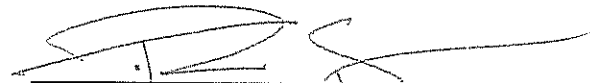
9. Miscellaneous.

No invalidity or unenforceability of any provision of this Note shall affect in any way the validity or enforceability of the remaining obligations or portions hereof or of the Purchase Agreement. Time is the essence of this Note.


9. Attorney Fees

If the Holder of this Note is required to retain the services of an attorney to enforce the provision of this Note or collect upon the Note, Maker agrees that Holder may seek reimbursement of all attorney fees and related costs made necessary to enforce the Note's terms.

IN WITNESS WHEREOF, the undersigned Maker has executed this Note as of the date first written above.



V. Ross Spano
Maker



Karen Hunt
Holder

PROMISSORY NOTE

\$75,000.00

Location: Riverview, Florida
Effective Date: October 29, 2018

FOR VALUE RECEIVED, the undersigned (“**Maker**”) promises to pay to the order of **Cary Carreno**, an individual (“**Holder**”), the principal sum of Thirty-Five Thousand Dollars (\$75,000.00). The rights, claims, duties and liabilities of the parties hereto are subject to and controlled by the following terms and conditions:

1. Indebtedness and Repayment.

Holder has agreed to lend Maker a total of Thirty-Five Thousand Dollars (\$35,000.00), payable in monthly installments, with interest at Five Percent (5%) per annum, of One Thousand Dollars (\$1,000.00), the first payment to be made on January 1, 2019 and continuing thereafter until the Note and applicable interest is paid in full.

2. Method and Place of Payment.

Payments of principal and interest shall be made in lawful money of the United States of America at the principal address of the Holder as specified below, or at such other location as she may hereafter designate.

3. Prepayment.

Maker shall have the privilege and option, without penalty or forfeiture, to pay the entire principal amount of this Note or any part thereof, at any time prior to the Maturity Date.

4. Waiver.

Holder shall not be deemed by any act or omission to have waived any right or remedy hereunder unless and only to the extent expressed in a written instrument dated subsequent to the date hereof and executed by Holder, and any such waiver so expressed with respect to a particular event shall not be interpreted as having a continuing effect on or as a waiver of any right or remedy with respect to any subsequent event.

5. Notices.

All notices or other communications required or permitted to be given pursuant to this Note shall be in writing and shall be considered properly given or made if hand delivered or mailed via certified mail or sent by trackable overnight delivery service.

6. Entire Agreement.

This Note and any other document expressly identified herein constitute the entire understanding of the parties with respect to the subject matter hereof, and no amendment,

modification or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly approved and executed by Maker and Holder.

7. Assignment.

Neither party may sell, transfer or assign the Note or any related loan documents to a third party without the express written consent of the other party.

8. Governing Law and Venue.

This Note, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Florida, without regard to conflicts-of-laws principles. Venue for all purposes shall be deemed to lie exclusively within Hillsborough County, Florida. The parties irrevocably (a) submit to the exclusive jurisdiction of the Circuit Court of Hillsborough County, Florida for the purpose of any suit, action, or other proceeding arising out of this Note, or any of the agreements or transactions contemplated hereby (each, a "Proceeding"), (b) agree that all claims in respect of any Proceeding shall be heard and determined in any such court, (c) waive, to the fullest extent permitted by law, any right to challenge the exclusive jurisdiction of any such court or from any legal process therein, (d) agree not to commence any Proceeding other than in such courts, and (e) waive, to the fullest extent permitted by law, any claim that such Proceeding is brought in an inconvenient forum.

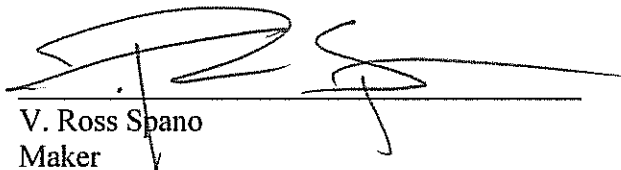
9. Miscellaneous.

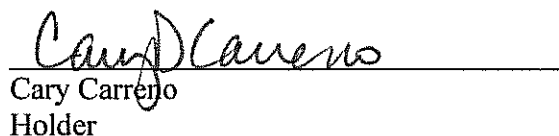
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9. Attorney Fees

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IN WITNESS WHEREOF, the undersigned Maker has executed this Note as of the date first written above.


V. Ross Spano
Maker


Cary Carreno
Holder