



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 25, 2006

MS-F

David Bauer, Treasurer
American Free Enterprise PAC
400 Capitol Mall Suite 1560
Sacramento, CA 95814

Identification Number: C00305870

Dear Treasurer:

Pursuant to 2 U.S.C. §433(d)(2) of the Federal Election Campaign Act, and Commission regulations at 11 CFR §102.4, the Commission intends to administratively terminate the reporting obligation of your committee. As such, your committee is no longer obligated to file reports. *However, any receipt or disbursement of funds by the committee for the purpose of influencing a Federal election or supporting a federal candidate will void the administrative termination.* In such an event, the committee will be required to begin filing reports with the appropriate office. The first such report will include any activity since the date of the last report filed by the committee. The treasurer of the committee has 30 days from the day of receipt of this notice to object to this administrative termination. If a written objection is not received by the Commission within 30 days, this action will take effect.

Please note that:

-Excess or residual funds can only be used in accordance with Commission regulations 11 CFR Part 113.

-The administrative termination of your reporting obligation does not relieve the committee of any legal responsibility for the payment of any outstanding debt or obligation, even if those debts are owed to the United States Department of Treasury.

-The committee must continue to maintain all records in accordance with 2 U.S.C. §432(d) which should be available for Commission inspection should the need arise.

-Any funds used to defray the remaining debts and obligations of the committee must comport with the limitations and prohibitions of the Federal Election Campaign Act of 1971, as amended, and the Commission's regulations.

If you should have any questions concerning this matter, please call Christopher Ritchie, Campaign Finance Analyst for the Reports Analysis Division, at (202) 694-1130 or toll free (800) 424-9530.

Sincerely,

A handwritten signature in black ink, appearing to read "John D. Gibson".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

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