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NATIONAL DEFENSE PAC

Rear Admiral James J. Carey, Treasurer

P. O. Box 10096, Alexandria, VA 22310

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Direct E-Mail: RADMCarey@aol.com

April 28, 2008

Federal Election Commission
Washington, DC 20463

Reference: Year End Report [7/1/07 – 12/31/07]

RE: National Defense PAC [I.D. Number: C00359992]

I am in receipt of your letter dated March 28, 2008 as referenced above [copy enclosed] and am responding thereto. Normally we would not wait until the last day to respond, but I have been on overseas travel and just recently returned to the USA.

I would like to make an appointment to meet with the appropriate FEC officials regarding this matter. I have personally taken an entire weekend several months ago to review our receipts and disbursements for the past five years and am unable to determine where the disconnect is. I am not an accountant, so have checked to see what it would cost to have an accountant review our entire account, but the cost is going to be more than our entire bank balance, so I need guidance as to what our options might be, given that this approach would seem to result in bankrupting the organization to find an accounting error? However, my bottom-line judgment is that this IS an accounting error dating back before the past 5 years, since I have verified that our records and reports for the past 5 years are accurate as to income and disbursements. I also concur with your

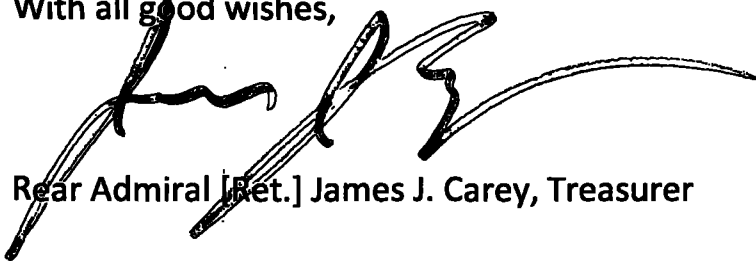
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findings that it makes zero sense if we have money in our checking account yet our filings show a negative bank balance.

I have also scheduled a meeting with one of our pro-bono associates [we have zero paid staff] who has the digital experience necessary to file our electronic reports to see if he can shed any light on where these errors might be? With the shift from paper to electronic filing, I no longer had the expertise to do those filings, so his inputs may help to find where the disconnects are. Suffice it to say, we are a very small PAC that in some years has had zero income or disbursements, so the errors are probably 5+ years ago when we were a more active PAC and actively raising money. In those days we had our account at a different bank and all efforts to date to obtain those records, since we moved our account from that bank, have met with zero response or cooperation.

I can be reached at any of the above points-of-contact, although e-mail is probably best since I do travel a great deal. Please be assured that we want to do whatever needs to be done to bring this matter to proper resolution, but we do not understand what our options are in this regard. However it is my personal opinion, and I would be willing to sign a sworn statement in this respect, that the matter is NOT caused by anything other than a clerical error of years ago. I am the only person with check-signing authority, so I am 100% confident that all funds donated to NDP and all funds disbursed from our accounts are in 100% compliance with FEC rules & regulations.

With all good wishes,

A handwritten signature in black ink, appearing to read 'J. Carey', with a long, sweeping horizontal flourish extending to the right.

Rear Admiral [Ret.] James J. Carey, Treasurer

JJC:nbb

Encl: FEC Letter of March 28, 2008

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

March 28, 2008

Adm. James Carey, Treasurer
National Defense PAC
P.O. Box 10096
Alexandria, VA 22310

**Response Due Date:
April 28, 2008**

Identification Number: C00359992

Reference: Year End Report (7/1/07-12/31/07)

Dear Treasurer:

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. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 2 items:

1. Your report discloses a negative ending cash balance of -\$4,046.29. This suggests that you have either overdrawn your account, made a mathematical error, or incurred a debt. If your committee has incurred a debt or obligation, please show a zero balance on Line 8 of the Summary Page and reflect the amount and the nature of the debt on Schedule D and Line 10 or provide clarifying information. 2 U.S.C. §434(b)(8)

2. Schedule A supporting Line 11(a)(i) of your report discloses \$5,000.00 in activity identified as MEMO entries that do not appear to correspond with any itemized transaction(s). Please be advised, a memo entry is used to disclose additional information about an itemized transaction and the amount of a memo entry is not included in the total receipts or disbursements for the report. Please amend your report to provide clarifying information regarding this activity.

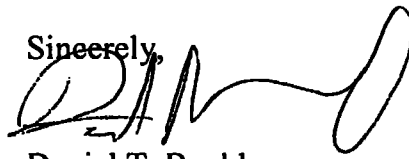
Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to

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taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

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) 694-1141.

Sincerely,



Daniel T. Buckley
Senior Campaign Finance Analyst
Reports Analysis Division

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Federal Election Commission
ENVELOPE REPLACEMENT PAGE FOR INCOMING DOCUMENTS
The FEC added this page to the end of this filing to indicate how it was received.

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(3/2005)

5/15/08
DATE PREPARED

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