



THE PHILIP MORRIS COMPANIES INC. POLITICAL ACTION COMMITTEE  
120 Park Avenue  
New York, NY 10017

RECEIVED  
COMMUNICATIONS MAIL ROOM  
APR 6 11 12 AM '97

*Democracy is not a Spectator Sport*

April 3, 1997

Via Certified Mail

Mr. Richard Ng  
Reports Analyst  
Reports Analysis Division  
Federal Elections Commission  
999 E Street, NW  
Washington, DC 20463

Re: Philip Morris Companies Inc. Political Action Committee  
FEC Identification No. C00089136

Dear Sir:

This letter responds to your letter dated March 19, 1997, in which you asked questions about the 12 Day Pre-General Report (10/1/96 -10/16/96) filed by the Philip Morris Companies Inc. Political Action Committee ("PHIL-PAC"). Responses to your questions are provided below. A copy of the relevant pages of the Monthly Report, as corrected, is enclosed.

**Item #1:** Provide the total for Line 10, Column A of the Summary Page.

Response: The total for Line 10, Column A of the Summary Page is attached.

**Item # 2:** Schedule B discloses a \$1,039.46 payment to Philip Morris Management Corp. ("PMMC"), the connected organization, for a 10/16/96 in-kind contribution to Rep. D. Frisa (R-NY).

Response: PHIL-PAC made this payment to PMMC to cover the cost of corporate resources expended in connection with a 10/17/96 fundraising event sponsored by PHIL-PAC on behalf of Rep. Frisa. PMMC did not make any contribution, in-kind or otherwise, to Rep. Frisa or to any other candidate for federal office or political committee supporting a candidate for federal office. The term "in-kind contribution" as it appears in the Report refers solely to the contribution from PHIL-PAC to Rep. Frisa.

Mr. Richard Ng  
April 3, 1997  
Page 2

**Item #3:** Provide Schedule C-1 to show that PHIL-PAC incurred an obligation to repay a loan in the amount of \$75,000 during the reporting period.

Response: Schedule C-1 is attached.

**Item #4:** Provide Schedule C to show the status of the \$75,000 loan.

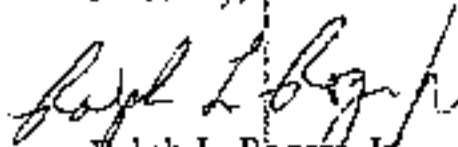
Response: Schedule C is attached.

#### **Addendum**

Line 17 of the Detailed Summary of the original Report as filed with the FEC did not reflect a \$121.24 interest payment that PHIL-PAC received during the reporting period because PHIL-PAC was not notified that the interest had accrued until after it had filed the Report. An amended Detailed Summary is attached, reflecting the \$121.24 in interest received. The \$121.24 receipt of interest is also reflected on the appropriate Lines in the other amendments which are included as part of this response.

If you have any additional questions, or need further clarification, please contact me at (212) 878-2206.

Sincerely,

  
Ralph L. Rogers, Jr.  
Assistant Treasurer,  
PHIL-PAC

Enclosures

# REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee  
(Summary Page)

RECEIVED  
FEDERAL ELECTION COMMISSION  
COMM. SECTION MAIL ROOM

APR 6 11 12 AM '97

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NAME OF COMMITTEE (in full) <p style="text-align: right;">(PHIL-PAC)</p> Philip Morris Companies Inc. Political Action Committee	2. FEC IDENTIFICATION NUMBER  COD089136
ADDRESS (number and street) <input type="checkbox"/> Check if different than previously reported 120 Park Avenue	3. <input checked="" type="checkbox"/> This committee qualified as a multicandidate committee <b>DURING THIS</b> Reporting Period on <u>7/16/79</u> (date).
CITY, STATE and ZIP CODE New York, NY 10017	

### 4. TYPE OF REPORT

(a) <input type="checkbox"/> April 15 Quarterly Report <input type="checkbox"/> July 15 Quarterly Report <input type="checkbox"/> October 15 Quarterly Report <input type="checkbox"/> January 31 Year End Report <input type="checkbox"/> July 31 Mid Year Report (Non-election Year Only) <input type="checkbox"/> Termination Report	Monthly Report Due On: <input type="checkbox"/> February 20 <input type="checkbox"/> June 20 <input type="checkbox"/> October 20 <input type="checkbox"/> March 20 <input type="checkbox"/> July 20 <input type="checkbox"/> November 20 <input type="checkbox"/> April 20 <input type="checkbox"/> August 20 <input type="checkbox"/> December 20 <input type="checkbox"/> May 20 <input type="checkbox"/> September 20 <input type="checkbox"/> January 31  <input checked="" type="checkbox"/> Twelfth day report preceding <u>General</u> (Type of Election) election on <u>11/5/96</u> in the State of <u>NY</u>  <input type="checkbox"/> Thirtieth day report following the General Election on _____ in the State of _____
(b) Is this Report an Amendment? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>10/1/96</u> through <u>10/16/96</u>		
6. (a) Cash on Hand January 1, 1996		\$ 79,890.10
(b) Cash on Hand at Beginning of Reporting Period	\$ 37,108.22	
(c) Total Receipts (from Line 19)	\$ 128,345.45	\$ 690,222.89
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	\$ 165,453.67	\$ 770,112.99
7. Total Disbursements (from Line 30)	\$ 94,296.96	\$ 698,956.28
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	\$ 71,156.71	\$ 71,156.71
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	\$ 0.00	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	\$ 75,000.00	

For further information contact:  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20465  
Toll Free 800-424-9530  
Local 202-376-3120

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Ralph L. Rogers, Jr. - Assistant Treasurer	Date 3/14/97
Signature of Treasurer 	

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g

**DETAILED SUMMARY PAGE  
OF RECEIPTS AND DISBURSEMENTS  
PAGE 2, FEC FORM 3X**

(revised 1/7/91)

NAME OF COMMITTEE Philip Morris Companies Inc. Political Action Committee		(PHIL-PAC)		REPORT COVERING PERIOD	
		FROM	10/1/96	TO:	10/16/96
		COLUMN A		COLUMN B	
		Total This Period		Calendar Year	
<b>I. Receipts</b>					
11. Contributions (other than loans) From:					
a. Individual/Persons Other Than Political Committees					
i. Itemized (use Schedule A)		38,836.95		299,803.21	
ii. Unitemized		13,795.20		300,527.47	
iii. Total	(add i and ii) >	52,632.15		600,330.68	
b. Political Party Committees		0.00		0.00	
c. Other Political Committees (such as PACs)		0.00		0.00	
d. Total Contributions	(add a iii, b and c) >	52,632.15		600,330.68	
12. Transfers From Affiliated/Other Party Committees		0.00		0.00	
13. All Loans Received		75,000.00		75,000.00	
14. Loan Repayments Received		0.00		0.00	
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.)		0.00		484.50	
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees		0.00		8,750.00	
17. Other Federal Receipts (Dividends, Interest, etc.)		713.30		5,657.71	
18. Transfers from Nonfederal Account for Joint Activity		0.00		0.00	
19. Total Receipts	(add 11d, 12, 13, 14, 15, 16, 17, and 18) >	128,345.45		690,222.89	
20. Total Federal Receipts	(subtract line 18 from line 19) >	128,345.45		690,222.89	
<b>II. Disbursements</b>					
21. Operating Expenditures:					
a. Shared Federal/Non-Federal Activity (from Schedule H4)					
i. Federal Share		0.00		0.00	
ii. Non-Federal Share		0.00		0.00	
b. Other Federal Operating Expenditures		7.50		7,715.59	
c. Total Operating Expenditures	(Add a i, a ii, and b) >	7.50		7,715.59	
22. Transfers to Affiliated/Other Party Committees		500.00		103,650.00	
23. Contributions to Federal Candidates/Committees and Other Political Committees		93,789.46		555,372.59	
24. Independent Expenditures (use Schedule E)		0.00		0.00	
25. Coordinated Expenditures Made by Party Committees (2 U.S.C. 441a(d)) (use Schedule F)		0.00		0.00	
26. Loan Repayments Made		0.00		0.00	
27. Loans Made		0.00		0.00	
28. Refunds of Contributions To:					
a. Individuals/Persons Other Than Political Committees		0.00		180.00	
b. Political Party Committees		0.00		0.00	
c. Other Political Committees (such as PACs)		0.00		0.00	
d. Total Contribution Refunds	(Add a, b and c) >	0.00		180.00	
29. Other Disbursements		0.00		32,038.10	
30. Total Disbursements	(add 21c, 22, 23, 24, 25, 26, 27, 28d, and 29) >	94,296.96		698,956.28	
31. Total Federal Disbursements	(subtract line 21 a d from line 30) >	94,296.96		698,956.28	
<b>III. Net Contributions/Operating Expenditures</b>					
32. Total Contributions (other than loans)(from line 11d)		52,632.15		600,330.68	
33. Total Contribution Refunds (from line 28c)		0.00		180.00	
34. Net Contributions (other than loans)(subtract line 33 from 32)		52,632.15		600,150.68	
35. Total Federal Operating Expenditures	(add 21 a i and 21 b) >	7.50		7,715.59	
36. Offsets to Operating Expenditures (from line 15)		0.00		484.50	
37. Net Operating Expenditures	(subtract line 36 from 35) >	7.50		7,231.09	

**SCHEDULE A**

**ITEMIZED RECEIPTS**

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)  
 PHILMORRIS POLITICAL ACTION COMMITTEE (PHIL-PAC)

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Crestar Bank 919 East Main Street, 22nd Floor Richmond, VA 23219		10/9/98	\$348.87
Receipt For: Primary General Other (specify): Interest earned	Occupation	Aggregate Year-to-Date	5346.87
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Smith Barney 250 Park Avenue, 11th Floor New York, NY 10177		12/3/98	\$366.43
Receipt For: Primary General Other (specify): Interest earned	Occupation	Aggregate Year-to-Date	5366.43
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
<b>SUBTOTAL of Receipts This Page (optional)</b>			<b>\$719.30</b>
<b>TOTAL This Period (last page this line number only)</b>			<b>\$719.30</b>

SCHEDULE A

ITEMIZED RECEIPTS

Use separate schedule (s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER

13

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such contributors.

NAME OF COMMITTEE (in Full)  
PHILIP MORRIS POLITICAL ACTION COMMITTEE (PHIL-PAC)

A. Full Name, Mailing Address and ZIP Code	Name of Employer (LOAN)	Date (month, day, year)	Amount of Each Receipt this Period
CRESTAR BANK 919 EAST MAIN STREET RICHMOND, VA 23219	CRESTAR BANK 919 EAST MAIN STREET RICHMOND, VA 23281		\$75,000.00
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$75,000.00
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	\$0.00
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: Primary General Other (specify):	Occupation	Aggregate Year-to-Date	50.00

SUBTOTAL of Receipts This Page (optional)	\$75,000.00
TOTAL This Period (see page this the number only)	\$76,000.00

**SCHEDULE C**  
(Revised 3/80)

**LOANS**

Page \_\_\_\_ of \_\_\_\_ for  
LINE NUMBER \_\_\_\_  
(Use separate schedules  
for each numbered line)

Name of Committee (in Full) <b>Philip Morris Companies Inc. Political Action Committee (PHIL-PAC)</b>			
<b>A. Full Name, Mailing Address and ZIP Code of Loan Source</b> Crestar Bank 919 East Main Street Richmond, VA 23219  Election: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify):	<b>Original Amount of Loan</b> \$75,000	<b>Cumulative Payment To Date</b> \$0	<b>Balance Outstanding at Close of This Period</b> \$75,000
Terms: Date Incurred <u>10/4/96</u> Date Due <u>12/31/96</u> Interest Rate <u>PRIME+2%</u> <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
<b>B. Full Name, Mailing Address and ZIP Code of Loan Source</b>  Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred _____ Date Due _____ Interest Rate _____ % (apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
2. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
SUBTOTALS This Period This Page (optional) .....			
TOTALS This Period (last page in this line only) ..... <span style="float: right;">75,000.00</span>			
Carry outstanding balances only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.			

**LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS**

NAME OF COMMITTEE (IN FULL) Philip Morris Political Action Committee (PHIL-PAC)		FEC IDENTIFICATION NUMBER C00089136	
FULL NAME, MAILING ADDRESS AND ZIP CODE OF LENDING INSTITUTION (LENDER) Crestar Bank 919 E. Main Street Richmond, VA 23219		AMOUNT OF LOAN \$75,000.00	INTEREST RATE (APR) prime
		DATE INCURRED OR ESTABLISHED 10/04/96	DATE DUE 12/31/96

A. Has loan been restructured?  No  Yes If yes, date originally incurred: \_\_\_\_\_

B. If line of credit, amount of this draw: \$75,000.00; total outstanding balance: \$75,000.00

C. Are other parties secondarily liable for the debt incurred?  
 No  Yes (Endorsers and guarantors must be reported on Schedule C.)

D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral?  
 No  Yes If yes, specify: \_\_\_\_\_

What is the value of this collateral? \_\_\_\_\_

Does the lender have a perfected security interest in it?  No  Yes

E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan?  
 No  Yes if yes, specify: future receipts What is the estimated value? \$75,000.00

A depository account must be established pursuant to 11 CFR 100.7(b)(11)(i)(B) and 100.8(b)(12)(i)(B). Date account established: July 1996 Location of account: Crestar Bank

F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.

G. COMMITTEE TREASURER

TYPED NAME

SIGNATURE

DATE

H. Attach a signed copy of the loan agreement.

I. TO BE SIGNED BY THE LENDING INSTITUTION:

- I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above.
- II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness.
- III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.7(b)(11) and 100.8(b)(12) in making this loan.

AUTHORIZED REPRESENTATIVE

Kenn Hubbard

SIGNATURE

TITLE

Senior Vice President

DATE

Nov 25 1997



**Federal Election Commission**  
**ENVELOPE REPLACEMENT PAGE**  
**FOR INCOMING DOCUMENTS**

The Commission has added this page to the end of this filing to indicate how it was received.

<input type="checkbox"/> Hand Delivered	DATE OF RECEIPT
<input type="checkbox"/> First Class Mail	POSTMARKED <i>4-3-97</i>
<input checked="" type="checkbox"/> Registered/Certified Mail	POSTMARKED
<input type="checkbox"/> No Postmark	
<input type="checkbox"/> Postmark Illegible	
<input type="checkbox"/> Received from the House Office of Records and Registration	DATE OF RECEIPT
<input type="checkbox"/> Received from the Senate Office of Public Records	DATE OF RECEIPT
<input type="checkbox"/> Other (Specify):	POSTMARKED
	and/or DATE OF RECEIPT
<i>SS</i>	<i>4-8-97</i>
PREPARER	DATE PREPARED