



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

FEDERAL ELECTION
COMMISSION MAIL ROOM

MAR 29 10 45 AM '99

March 23, 1999

Democracy is not a Spectator Sport

Kenneth Davis
Federal Elections Commission
Public Records Office
999 E Street, NW
Washington, DC 20463

Philip Morris Companies Inc. Political Action Committee ("PHIL-PAC")
FEC Identification No. C00089136

Dear Mr. Davis:

As you requested, this letter confirms our discussion of March 16, 1999, in which we informed you that a mid-1998 change to our internal accounting system caused one extra pay period to be included in the year-end aggregate totals for automatic payroll deductions reported in PHIL-PAC's January 1999 Year End Report (for the November 24, 1998 - December 31, 1998 reporting period). Thus, the reported aggregate totals for payroll contributions reflect 13 pay periods, even though, as we explained, there were only 12 actual pay periods (with corresponding automatic payroll deductions and employee contributions to PHIL-PAC) during the 1998 calendar year.

As a result, certain individuals are incorrectly listed in the report as having contributed in excess of \$5,000 to PHIL-PAC during calendar year 1998. They did not, in fact, do so.

We apologize for any inconvenience resulting from this technical error and do not expect it to recur in the future.

If you have any questions, please contact me at 917.663.2082

Sincerely,

John F. Ostronic
Assistant Treasurer
PHIL-PAC

Federal Election Commission

**ENVELOPE REPLACEMENT PAGE
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