



FEDERAL ELECTION COMMISSION
WASHINGTON, D C. 20463

ADVANCE COPY BY FACSIMILE

Bobby R. Birchfield, Esq.
Timothy J. Keefer, Esq.
Covington & Burling
1201 Pennsylvania Avenue NW
Washington, DC 20004-2401

February 20, 2004

**RE: MUR 5197
Federal Home Loan Mortgage
Corporation**

Dear Messrs. Birchfield and Keefer:

On June 17, your client, the Federal Home Loan Mortgage Corporation ("Freddie Mac") was notified that the Federal Election Commission found reason to believe that Freddie Mac violated 2 U.S.C. § 441b(a). On July 7, 2003, Freddie Mac submitted a response to the Commission's reason to believe finding. After considering the circumstances of the matter, the Commission determined on February 3, 2004, to take no further action against Freddie Mac, and closed the file in this matter.

Freddie Mac is admonished in connection with the \$3,000 contribution to the NRCC reported as received on May 12, 2000 which was not designated in writing for building fund purposes at the time it was made, in violation of 2 U.S.C. § 441b(a). Your client is reminded that the Bipartisan Campaign Reform Act of 2002 eliminated the exemption permitting donations to national political party building funds.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Marianne Abely
Marianne Abely
Attorney

24-04-407-0400