

10/24/01

11:10 a.m.

✓ Ken: Update

- ① Stk price ↓ \$4; neg. articles; credit spreads stay wide w low activity; liquidity tight, w tough due del. \$1.5B J.P. Morgan line in negotiation;

Mreg: c/p discomfort

- DYN - rumors not true, they want to clarify
- AL, EPL, EP - rumors rampant, largely not true
- ↳ immaterial impact on crude business

Ken:

- ✓ ② - Difficulty syndicating new loan w AF as CFO
- ✓ - Mgmt recommendation for AF to leave (resign or leave of abs),
- ✓ - Replace w of Mc Mahon
 - o CEO - EIMU
 - o TMAD - Enron Corp
 - o CFO - Enron Europe
 - o Max Ray Lower into Finance

③ Discussion of alternatives? (resign or leave)

1	2	
15	390	- discussion of AF profits
1	1% 3.9	- No family rel involvement
23	22	- No report yet on J.P. profits

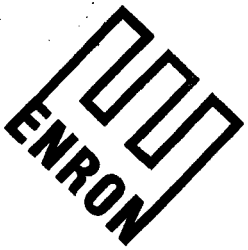
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- reference to Enron / Keffer

- discussion of AF current K terms & termination pyrat.

alternatives or discussion of preferred means for AF's departure.

[Guy & Mark F left]

- discussion of bank input on procedure / controls; imp. of protecting liquidity.

[Guy & Mark F in]

- discussion of expected process to review related party transactions and obtain appropriate legal counsel for Enron & myself.

SEC inquiry & expected litigation

concern / support for Enron & myself: AF to request some of resources

[Duncan left]

hand in counterparty assessment of credit

review of major alternatives & C/P options

Discussion of liquidity plans, incl. add'l bank lines & liquidation of receivables, inventory or merchant investments, & access to revolving credit line.

Pug: suggested \$25-50 m capital to purchase Enron debt in the mkt to stabilize mkt for Enron debt.

Motion to accept AF's resignation or CFO request for a leave of absence.
- Blake ①
- Savage (?) ②

Discuss guarantee of \$22.9 MM to 29 key people in

Respect

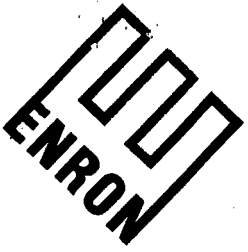
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mbly + trading ops.

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3

at minimum bounded at retention tool

de Maistre ①

de Maistre ②

km: Provided information re:

- Dick Foster's role
- JKS proposal temporary active role ^{mgmt.}

12:00 adjourn

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