-----Original Message-----
From: Kaminski, Vince J
Sent: Wednesday, August 22, 2001 2:45 PM
To: Zipter, Rudi
Cc: Bharati, Rakesh; Kaminski, Vince J
Subject: RE: Raptor Update

Rudi,

Makes sense. Let's meet with Gordon. I shall ask Rakesh to set up a meeting.

Another question: do you know if the collar was hedged by the equity desk?

I would expect a cash event related to the exercise of the put that will affect Enron's liquidity at some point.

Vince

-----Original Message-----
From: Zipter, Rudi
Sent: Wednesday, August 22, 2001 1:58 AM
To: Kaminski, Vince J
Subject: FW: Raptor Update

-----Original Message-----
From: Zipter, Rudi
Sent: Wednesday, August 22, 2001 7:57 AM
To: Yuan, Ding
Cc: Port, David; Murphy, Ted
Subject: Raptor Update

Ding --

As ENE stock and the stock market in general has been hammered lately, perhaps it is a good time to call Gordon McKillup and determine how the various Raptor portfolios are postured.

As you may recall from the prior analysis, they placed a option collar around the collateral (ENE stock). At that time, they felt that it would support the portfolio to around $20 / share. **The main assumption, however, was that the assets in the Raptor structure would not devalue**. Of course, for the public equities such as AVICI this is simply not the case. At the time of the initial analysis in March, AVCI traded at roughly $17 / share and it now trades at $3.65 / share on approximately 1.1 million shares. OOPS!

Rudi