

Watkins, Sherron

From: Denne, Karen
Sent: Sunday, November 25, 2001 3:53 PM
To: Watkins, Sherron
Subject: RE: Erroneous press

Sherron -- I realize I am incredibly behind on my emails, but was plowing through my inbox and would be interested in knowing the continuing degree of interaction we have w/ LJM -- if only so we're consistent w/ what we say to the media about our relationship w/ LJM. Thanks. karen

-----Original Message-----

From: Watkins, Sherron
Sent: Thursday, October 25, 2001 1:47 PM
To: Denne, Karen
Cc: Kimberly, Kelly
Subject: FW: Erroneous press

Karen, I ran into Kelly and voiced my concerns re: the email below. She let me know that Mark Palmer is probably too busy to read all emails, etc. and that you were the best person to send this email to. Thanks and call me about it if you'd like.

-----Original Message-----

From: Watkins, Sherron
Sent: Thursday, October 25, 2001 11:30 AM
To: Koenig, Mark; Palmer, Mark A. (PR)
Cc: McMahon, Jeffrey
Subject: Erroneous press

Mark, I'm sure you are aware of the comments in the press that I have copied and inserted here below. There have been others that are similar. Basically, the press is reporting that we have dissolved the LJM partnerships, ended all relationships with the LJM entities, etc. All that we have done is unwind the raptor entities, LJM still exists, all other transactions with LJM still exist, it's just that Andy sold his interest in the partnerships. Michael Kopper owns them and would probably be considered a "friend of Enron" by investors/journalists.

I'm concerned about our efforts to build back investor confidence - do we correct the press? how do we address this? I'm concerned that we will once again be hit with credibility concerns when the press or investors fully understand that LJM still exists and we have deals still pending with it and have deals still in place with it. How do we correct this erroneous press? Sherron Watkins

Excerpts:

"Enron has been under fire since last week as questions have surfaced about its accounting practices, especially in regard to two limited partnerships created by Fastow in 1999 and since dissolved." By Lisa Sanders, CBS.MarketWatch.com

Last Update: 10:05 AM ET Oct. 25, 2001

"...So Fastow, in June, resigned his roles at the partnerships and Enron also ended its relationships with the LJM entities." Houston Chronicle article from today.

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