Account Summary for
August 1, 2001 - August 31, 2001

Your Financial Advisor :
ROCKY EMERY
EMERY FINANCIAL GROUP
OF FIRST UNION SECURITIES, INC
909 FANNIN STE 2100
HOUSTON, TX 77010
713-853-2401 / 866-753-9556

006417 02 3DG 43 ***AUTO**3-DIGIT 770
KENNETH L. LAY &
LINDA P. LAY
TEN IN COMM
FAYEZ MANAGED
[redacted]
HOUSTON TX [redacted]

At a Glance

If you have more than one account with us, why not get them linked? Your summary below will list them all. Contact Your Financial Advisor today.

Accounts	Account number	Previous portfolio value	Current portfolio value
Investment Account	[redacted]4326	$0.00	$2,863,237.91
Total		**$0.00**	**$2,863,237.91**

GOVERNMENT
EXHIBIT
24119
Crim No. H-04-0025

First Union Securities, Inc.. Member NYSE/SIPC. Brokerage accounts are carried by First Clearing Corporation (FCC), Member NYSE/SIPC.

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GJ 05252
Confidential Treatment
Requested by K & L

Regulatory Disclosure

Estimated portfolio values
Your portfolio value is an estimate. The prices First Clearing Corporation uses to value certain securities are provided by outside services and do not always represent the exact market price.

Pricing method
Prices for listed and NASDAQ securities are as of the close of business on the last day of the period. Corporate and municipal bonds and other fixed income securities are priced by a computerized pricing service or, for less actively traded securities, by utilizing a yield-based matrix system to arrive at an estimated market value. For current prices, call Your Financial Advisor.

Effective September 30,2001, long-term certificates of deposit will be priced using a market value pricing model. The price shown may be different than the price received if the CD is held to maturity.

SIPC protection
Coverage for cash and securities in protected client accounts is provided from two sources. The Securities Investor Protection Corporation (SIPC) protects up to $500,000, of which $100,000 may be cash. First Union has obtained additional protection, at no cost to you, for the remaining net equity balance, if any, of the cash and securities in your accounts. This coverage does not protect against losses from any change in market values of investments.

Margin account
If you have a margin account, this s a combined statement of your genera account and the Special Memorandum Account maintained for you under Section 220.6 of Regulation T, issued by the Board of Governors of the Federal Reserve system. The permanent record of the separate account is available for your inspection.

Option information
Information on commissions and other charges associated with option transactions has been sent to you separately in transaction confirmations. Copies are available upon request.

Financial statements
Twice a year, First Clearing Corporation will update and have available, on-line, a statement of the firm's financial condition at www.firstclearingcorp.com. The most recent printed statement is available upon request.

Free credit balance
Free credit balances and fully-paid securities are available to clients upon request. Free credit balances are not segregated and may be used by the firm, but only to the extent permitted by federal regulations (Rule 15c3 on customer protection).

Tax reporting
If you are subject to 1099 reporting, we will provide you with any applicable 1099 forms. Cost basis and unrealized gain/loss are provided for informational purposes only and should not be used for tax preparation without assistance from your tax advisor. In addition, separate purchases of the same security may have been combined. To update your cost data or provide costs that are missing, contact Your Financial Advisor.

IRA Withholding Notice — Form W-4P/OMB No. 1545-0415
The withdrawals you receive from your IRA (except Education IRA) are subject to Federal income tax withholding unless you elect not to have withholding apply. If you have a periodic, or an "on demand" distribution, your election regarding our withholding of Federal income tax on your behalf stays in effect until you change it. You may change or revoke your election at any time and as often as you wish by completing a new election form. If you elect check-writing privileges you will also have previously elected to have no withholding on your withdrawals. If you decide to have taxes withheld you will not be eligible for check writing from your IRA. If you elect not to have taxes withheld you will be liable for payment of all taxes due on the taxable portion of your distribution and you may be responsible for payment of estimated tax. You may be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.

Trading Activity
The time of transaction herein, the securities market on which the transaction was made, or the name of the buyer or seller and the source and amount of any commission or fee receivable by the firm will be furnished to the Client upon written request. Clients may elect in writing not to receive confirmations for transactions entered by outside investment advisors on their behalf. Clients may receive, on request and at no additional cost, transaction confirmations for any prior transactions effected during a waiver period and if desired, immediate confirmations for all subsequent transactions including details of any transaction effected for their accounts between periodic statements.

Financial situation
You must inform Your Financial Advisor promptly of any material change in your investment objective or financial situation so that they can meet your needs.

Clearing services
First Clearing Corporation (FCC), a registered broker-dealer, a member of the New York Stock Exchange and a member of the National Association of Securities Dealers, Inc., carries your account and acts as your custodian for funds and securities deposited with us directly by you, through your Introducing Firm as identified on the front of this statement, or as a result of transactions we process for your account. Unless and until we receive written notice from you to the contrary, FCC may accept from the Introducing Firm, without injury or investigation:
- orders for the purchase or sale of securities for your account on margin or otherwise, and
- any other instructions concerning your account.

Questions about your statement
If you do not object to the information reported on this statement within 10 days, we consider it conclusive. Inquiries concerning the positions and balances in your account may be directed to: FCC Client Services Department, P.O. Box 6600, Glen Allen, VA 23508. All other inquiries regarding your account or the activities therein should be directed to the Branch Manager for the office listed on the front of this statement.

Investment Account for KENNETH L. LAY & LINDA P. LAY TEN IN COMM FAYEZ MANAGED

July 25 - August 31, 2001

Current Investment Objective: Growth & Income + Moderate

Message from First Union Securities

PLANNING FOR A CHILD'S OR GRANDCHILD'S EDUCATION? A 529 PLAN IS NOW A BETTER WAY TO FUND EDUCATION THAN EVER BEFORE. READ INVESTOR'S SPECTRUM TO LEARN MORE -- THEN CONTACT YOUR FINANCIAL ADVISOR TO IDENTIFY THE STRATEGIES THAN CAN WORK BEST FOR YOU.

August 2001

Portfolio Summary

	Value on June 30	Value on Aug 31
Total portfolio value	$0.00	$2,863,237.91

	This period
Change in value	$2,863,237.91

Portfolio assets

	Value on June 30	Value on Aug 31	Percent of total assets
Cash and money market funds	$0.00	$22,084.52	0.77
Stocks and options	$0.00	$2,840,409.39	99.23
Total assets	**$0.00**	**$2,862,493.91**	**100%**
Outstanding margin balance	$0.00	$744.00	
Total portfolio value	**$0.00**	**$2,863,237.91**	

GJ 05254
Confidential Treatment Requested by K & L

Activity Summary

	This Period	Year to Date
Total cash and money market funds on June 30	$0.00	
Additions to cash		
Deposits	$1,718,190.36	$1,718,190.36
Total Additions to cash	**$1,718,190.36**	**$1,718,190.36**
Subtractions from cash		
Checks and Other Withdrawals	- $1,690,934.92	- $1,690,934.92
Other subtractions	- $4,426.92	- $4,426.92
Total Subtractions from cash	**- $1,695,361.84**	**- $1,695,361.84**
Total cash and money market funds on Aug 31	**$22,828.52**	

Money Market Summary

Total money market funds on June 30	$0.00
Additions to money market	$26,511.44
Subtractions from money market	- $4,426.92
Total money market funds on Aug 31	**$22,084.52**

Portfolio Assets

Cash and money market funds

Description	Current market value	Est. ann. income	Est current yield(%)
EVERGREEN CRT MONEY MARKET PORTFOLIO Interest Period 07/16/01 - 08/15/01	$22,084.52	$633.82	2.87
Total cash and money market funds	**$22,084.52**		
Outstanding margin balance	**$744.00**		

Stocks and options

Stocks

Description	Symbol	# of shares	Current share price	Current market value	Est. ann. income	Est. ann. yield (%)
ABBOTT LABORATORIES	ABT	1,400	$49.7000	$69,580.00	$1,176.00	1.69
AGILENT TECH INC	A	228	$26.5000	$6,042.00	N/A	N/A
AMERICAN EXPRESS COMPANY	AXP	900	$36.4200	$32,778.00	$288.00	0.87
BELLSOUTH CORP	BLS	1,500	$37.3000	$55,950.00	$1,140.00	2.03
BERKSHIRE HATHAWAY INC CL A	BRK/A	1	$69,400.0000	$69,400.00	N/A	N/A
BRISTOL MYERS SQUIBB CO	BMY	1,000	$56.1400	$56,140.00	$1,100.00	1.95
CISCO SYSTEMS INC	CSCO	2,600	$16.3300	$42,458.00	N/A	N/A
CITIGROUP INC	C	2,400	$45.8000	$109,920.00	$1,536.00	1.39
COCA-COLA COMPANY	KO	2,500	$48.6700	$121,675.00	$1,800.00	1.47
COLGATE-PALMOLIVE CO	CL	1,200	$54.1500	$64,980.00	$864.00	1.32
DOLLAR GENERAL CORP	DG	1,562	$17.2500	$26,944.50	$199.93	0.74
E M C CORP MASS	EMC	600	$15.4600	$9,276.00	N/A	N/A
EMERSON ELECTRIC CO	EMR	700	$53.6000	$37,520.00	$1,071.00	2.85

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Stocks and options

Stocks (continued)

Description	Symbol	# of shares	Current share price	Current market value	Est. ann. income	Est. ann. yield (%)
EXXON MOBIL CORP	XOM	3,800	$40.1500	$152,570.00	$3,496.00	2.29
FANNIE MAE ASSN	FNM	1,200	$76.2100	$91,452.00	$1,440.00	1.57
FEDERAL HOME LOAN MTG CORP	FRE	900	$62.8800	$56,592.00	$720.00	1.27
FORD MTR CO DEL COM PAR $0.01	F	2,097	$19.8700	$41,667.39	$2,516.40	6.03
FOX ENTERTAINMENT GROUP INC CL A	FOX	1,500	$24.5200	$36,780.00	N/A	N/A
GENERAL ELECTRIC COMP	GE	3,300	$40.9800	$135,234.00	$2,112.00	1.56
GOLDMAN SACHS GROUP INC	GS	1,200	$80.1000	$96,120.00	$576.00	0.59
HEWLETT-PACKARD COMPANY	HWP	1,200	$23.2100	$27,852.00	$384.00	1.37
HONEYWELL INTERNATIONAL INC	HON	1,000	$37.2600	$37,260.00	$750.00	2.01
INTEL CORP	INTC	5,200	$27.9600	$145,392.00	$416.00	0.28
INTERNATIONAL BUSINESS MACHINE CORP	IBM	550	$99.9500	$54,972.50	$308.00	0.56
J.P. MORGAN & CHASE CO	JPM	1,500	$39.4000	$59,100.00	$2,040.00	3.45
JOHNSON & JOHNSON	JNJ	2,200	$52.7100	$115,962.00	$1,584.00	1.36
MARSH AND MC LENNAN COMPANIES INC	MMC	800	$92.9000	$74,320.00	$1,696.00	2.28
MC DONALDS CORP	MCD	1,200	$30.0300	$36,036.00	$258.00	0.71
MCGRAW-HILL COMPANIES INC	MHP	1,000	$59.2500	$59,250.00	$980.00	1.65
MERCK & CO INC	MRK	1,300	$65.1000	$84,630.00	$1,820.00	2.15
MICROSOFT CORP	MSFT	1,300	$57.0500	$74,165.00	N/A	N/A

Stocks and options

Stocks (continued)

Description	Symbol	# of shares	Current share price	Current market value	Est. ann. income	Est. ann. yield (%)
NORFOLK SOUTHERN CORP	NSC	1,500	$18.6200	$27,930.00	$360.00	1.28
PEPSICO INCORPORATED	PEP	1,800	$47.0000	$84,600.00	$1,044.00	1.23
PFIZER INCORPORATED	PFE	3,900	$38.3100	$149,409.00	$1,716.00	1.14
PHILIP MORRIS COMPANIES	MO	2,300	$47.4000	$109,020.00	$5,336.00	4.89
PROCTER & GAMBLE CO	PG	700	$74.1500	$51,905.00	$1,064.00	2.04
ROCKWELL COLLINS	COL	1,200	$20.3200	$24,384.00	$432.00	1.77
ROCKWELL INTL CORP NEW	ROK	1,200	$16.0500	$19,260.00	$792.00	4.11
SBC COMMUNICATIONS CORP INC	SBC	1,500	$40.9100	$61,365.00	$1,537.50	2.50
SUNTRUST BANKS INC	STI	1,000	$68.3000	$68,300.00	$1,600.00	2.34
UNITED PARCEL SERVICE-B	UPS	600	$55.2300	$33,138.00	$456.00	1.37
WAL-MART STORES INC	WMT	1,200	$48.0500	$57,660.00	$336.00	0.58
WALGREEN COMPANY	WAG	2,000	$34.3500	$68,700.00	$280.00	0.40
ZIMMER HOLDINGS INC	ZMH	100	$27.2000	$2,720.00	N/A	N/A
Total Stocks				**$2,840,409.39**	**$45,224.83**	**1.59**
Total Stocks and options				**$2,840,409.39**	**$45,224.83**	**1.59**

Account Statement for KENNETH L. LAY &
LINDA P. LAY
Account No [redacted]-4326

August 2001

Activity Detail

Date	Account Type	Transaction	Quantity	Description	Price	Amount
08/09	Cash	ASSET TRF		TRANSFER CASH BALANCE		-$50.00
08/09	Margin	ASSET TRF		TRANSFER CASH BALANCE		-$1,690,884.92
08/09	Margin	ASSET TRF	228.00000	AGILENT TECH INC		$0.00
08/09	Margin	ASSET TRF	1,400.00000	ABBOTT LABORATORIES		$0.00
08/09	Margin	ASSET TRF	900.00000	AMERICAN EXPRESS COMPANY		$0.00
08/09	Margin	ASSET TRF	1,500.00000	BELLSOUTH CORP		$0.00
08/09	Margin	ASSET TRF	1.00000	BERKSHIRE HATHAWAY INC CL A		$0.00
08/09	Margin	ASSET TRF	1,000.00000	BRISTOL MYERS SQUIBB CO		$0.00
08/09	Margin	ASSET TRF	2,600.00000	CISCO SYSTEMS INC		$0.00
08/09	Margin	ASSET TRF	2,400.00000	CITIGROUP INC		$0.00
08/09	Margin	ASSET TRF	2,500.00000	COCA-COLA COMPANY		$0.00
08/09	Margin	ASSET TRF	1,200.00000	COLGATE-PALMOLIVE CO		$0.00
08/09	Margin	ASSET TRF	1,562.00000	DOLLAR GENERAL CORP		$0.00
08/09	Margin	ASSET TRF	600.00000	E M C CORP MASS		$0.00
08/09	Margin	ASSET TRF	700.00000	EMERSON ELECTRIC CO		$0.00
08/09	Margin	ASSET TRF	3,800.00000	EXXON MOBIL CORP		$0.00

Activity Detail continued

Date	Account Type	Transaction	Quantity	Description	Price	Amount
08/09	Margin	ASSET TRF	900.00000	FEDERAL HOME LOAN MTG CORP		$0.00
08/09	Margin	ASSET TRF	1,200.00000	FANNIE MAE ASSN		$0.00
08/09	Margin	ASSET TRF	2,097.00000	FORD MTR CO DEL COM PAR $0.01		$0.00
08/09	Margin	ASSET TRF	1,500.00000	FOX ENTERTAINMENT GROUP INC CL A		$0.00
08/09	Margin	ASSET TRF	3,300.00000	GENERAL ELECTRIC COMP		$0.00
08/09	Margin	ASSET TRF	1,200.00000	GOLDMAN SACHS GROUP INC		$0.00
08/09	Margin	ASSET TRF	1,200.00000	HEWLETT-PACKARD COMPANY		$0.00
08/09	Margin	ASSET TRF	1,000.00000	HONEYWELL INTERNATIONAL INC		$0.00
08/09	Margin	ASSET TRF	5,200.00000	INTEL CORP		$0.00
08/09	Margin	ASSET TRF	550.00000	INTERNATIONAL BUSINESS MACHINE CORP		$0.00
08/09	Margin	ASSET TRF	2,200.00000	JOHNSON & JOHNSON		$0.00
08/09	Margin	ASSET TRF	800.00000	MARSH AND MC LENNAN COMPANIES INC		$0.00
08/09	Margin	ASSET TRF	1,200.00000	MC DONALDS CORP		$0.00

Activity Detail continued

Date	Account Type	Transaction	Quantity	Description	Price	Amount
08/09	Margin	ASSET TRF	1,000.00000	MCGRAW-HILL COMPANIES INC		$0.00
08/09	Margin	ASSET TRF	1,300.00000	MERCK & CO INC		$0.00
08/09	Margin	ASSET TRF	1,300.00000	MICROSOFT CORP		$0.00
08/09	Margin	ASSET TRF	1,500.00000	J.P. MORGAN & CHASE CO		$0.00
08/09	Margin	ASSET TRF	1,500.00000	NORFOLK SOUTHERN CORP		$0.00
08/09	Margin	ASSET TRF	1,800.00000	PEPSICO INCORPORATED		$0.00
08/09	Margin	ASSET TRF	3,900.00000	PFIZER INCORPORATED		$0.00
08/09	Margin	ASSET TRF	2,300.00000	PHILIP MORRIS COMPANIES		$0.00
08/09	Margin	ASSET TRF	700.00000	PROCTER & GAMBLE CO		$0.00
08/09	Margin	ASSET TRF	1,200.00000	ROCKWELL INTL CORP NEW		$0.00
08/09	Margin	ASSET TRF	1,200.00000	ROCKWELL COLLINS		$0.00
08/09	Margin	ASSET TRF	1,500.00000	SBC COMMUNICATIONS CORP INC		$0.00
08/09	Margin	ASSET TRF	1,000.00000	SUNTRUST BANKS INC		$0.00
08/09	Margin	ASSET TRF	600.00000	UNITED PARCEL SERVICE-B		$0.00
08/09	Margin	ASSET TRF	1,200.00000	WAL-MART STORES INC		$0.00
08/09	Margin	ASSET TRF	2,000.00000	WALGREEN COMPANY		$0.00
08/10	Margin	DISTRIBUTION	100.00000	ZIMMER HOLDINGS INC		$0.00

Activity Detail continued

Date	Account Type	Transaction	Quantity	Description	Price	Amount
				SPIN FR BRISTOL MYERS SQ		
08/14	Cash	JOURNAL		REIMBURSE ACAT FEE		$50.00 ✓
08/22	Cash	JOURNAL		FROM 50361950-K & L LAY		$1,690,884.92 ✓
08/27	Margin	ASSET TRF		TRANSFER CASH BALANCE		$26,511.44 ✓
08/28	Cash	TRANSFER TO		EVERGREEN CRT MONEY MARKET PORTFOLIO	1.0000	-$26,511.44 ✓
08/30	Margin	MARGIN INT		INTEREST 07/27THRU 08/29		-$4,426.92
08/31	Margin	ASSET TRF		TRANSFER CASH BALANCE		$744.00
08/31	Cash	TRANSFER FROM		EVERGREEN CRT MONEY MARKET PORTFOLIO	1.0000	$4,426.92

Statement of Interest Charged Period 7/27 thru 8/29

Date	Net Balance all Margin Accounts	Cash Account Balance	Short Positions Market Value	Adjusted Debit Balance	Number of Days	Interest Rate	Interest Charged
08/09	- 1,690,884.92	- $50.00	.0000	- $1,690,934.92	5	7.25	- $1,702.69
08/14	- 1,690,884.92		.0000	- $1,690,884.92	8	7.25	- $2,724.23

Total interest charged **- $4,426.92**

Total interest charged this year **- $4,426.92**

Thank you for allowing First Union Securities Incorporated to serve you. If you have any questions regarding your account or this statement, please contact your Financial Advisor.