MINUTES MEETING OF THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS ENRON CORP. AUGUST 13, 2001

Minutes of a meeting of the Finance Committee ("Committee") of the Board of Directors of Enron Corp. ("Company"), noticed to begin at 5:00 p.m. C.D.T., but actually begun at 5:50 p.m., C.D.T., at the Enron Building in Houston, Texas.

All of the Committee members were present as follows:

Mr. Herbert S. Winokur, Jr., Chairman

Mr. Robert A. Belfer

Mr. Norman P. Blake, Jr.

Mr. Ronnie C. Chan

Mr. Paulo V. Ferraz Pereira

Mr. Frank Savage

Directors John H. Duncan and Kenneth L. Lay, Messrs. William S. Bradford, Richard B. Buy, Richard A. Causey, Timothy A. DeSpain, Andrew S. Fastow, Ben F. Glisan, Jr., David G. Gorte, Mark E. Koenig, and Theodore R. Murphy, and Ms. Rebecca C. Carter, all of the Company or affiliates thereof, also attended the meeting. Director Jeffrey K. Skilling and Mr. Richard N. Foster, of McKinsey & Company, Inc, joined the meeting in progress as noted below.

The Chairman, Mr. Winokur, presided at the meeting, and the Secretary, Ms. Carter, recorded the proceedings.

Mr. Winokur called the meeting to order, noted that a draft of the minutes of the meeting of the Committee held on April 30, 2001 had been distributed to the Committee members, and called for any corrections or additions. There being none, upon motion duly made by Mr. Savage, seconded by Mr. Chan, and carried, the minutes of the meeting of the Committee held on April 30, 2001 were approved as distributed.

Mr. Winokur called upon Mr. Fastow to present the Chief Financial Officer's report, a copy of which is filed with the records of the meeting. Mr. Fastow discussed total return swaps that had been completed in June and July and noted that the ending balance shown in the presentation materials did not reflect recent activity, which had led to an ending balance of zero. He also reviewed

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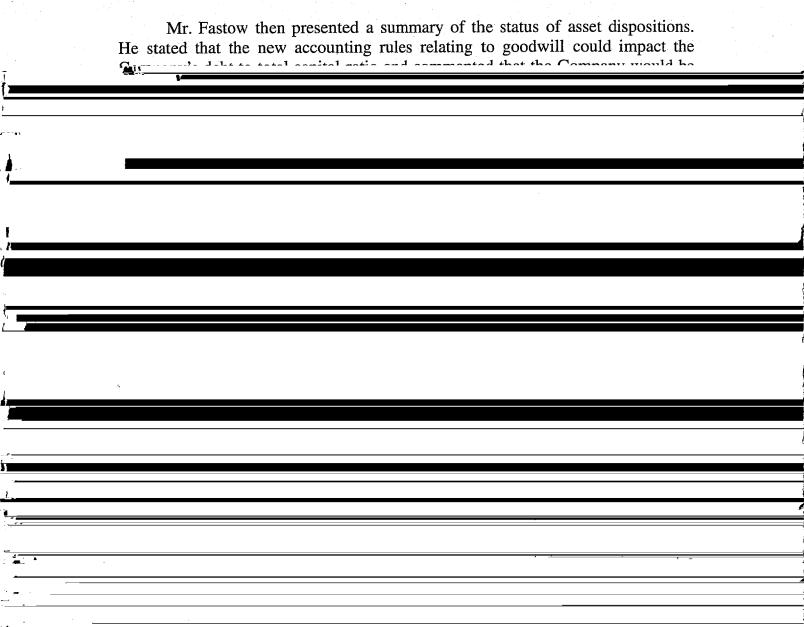
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Crim. No. H-04-25 (S-2)

recent treasury stock purchase activity. He then presented a chart depicting the Company's interest rate exposure in different areas and noted the dollar amounts at fixed and at floating interest rates. He stated that the chart now reflected all elements of the balance sheet, and while the overall amount had increased, the fixed-floating ratio remained fairly constant. He then discussed other asset monetizations.

Mr. Fastow then noted that the Company was diversifying its funding sources and compared the percentage of funding the Company had received from banks, U.S. capital markets, and non-U.S. capital markets over the last three and one-half years. He then commented on the Company's liquidity and net margin activity.

Messrs. Foster and Skilling joined the meeting.



closely monitoring the sale of assets and the impact on the ratio.

Mr. Winokur called upon Mr. Glisan to discuss a proposed resolution relating to brokerage account authorizations. Mr. Glisan discussed the proposed