10/6/00

Fastow proposes new private equity fund LJM3

Reviewed LJM1 & LJM2
- Dates of formation, amount of equity, projects had invested in
- His role / could create conflict of interest, negotiates for LJM, receives value from LJM funds / allocate certain amount of his time

Controls put in place to mitigate any potential conflicts of interest
1) fiduciary responsibilities to The Company
2) Office of Chairman board could ask him to resign at any time
3) Buy, Causey & Skilling approve all transactions
4) annual Audit & compliance com. review
5) review of his economic interest in The company & LJM funds presented to Skilling

GOVERNMENT EXHIBIT
24393
Crim No. H 04-0025