United States Courts
Southern District of Texas
FILED

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Michael N. Milby, Clerk

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re ENRON CORPORATION SECURITIES LITIGATION	§	Civil Action No. H-01-3624 **(Consolidated)**
	§	CLASS ACTION
This Document Relates To:	§	
MARK NEWBY, et al., Individually and On Behalf of All Others Similarly Situated,	§	
Plaintiffs,	§	
vs.	§	
ENRON CORP., et al.,	§	
Defendants.	§	
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, et al., Individually and On Behalf of All Others Similarly Situated,	§	
Plaintiffs,	§	
vs.	§	
KENNETH L. LAY, et al.,	§	
Defendants.	§	

DECLARATION OF JEFFREY E. HEIL, CFA

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I, JEFFREY E. HEIL, declare as follows:

1. I am over the age of eighteen, of sound mind, and am fully competent to make this declaration, never having been disqualified from doing so. I have personal knowledge of the matters listed below, which are true and correct.

2. I am Managing Director of The Regents of the University of California's public equity portfolio and have been in the employ of the Office of the Treasurer of The Regents since 1997. Prior to joining the Treasurer's office, I was vice president of equity research for Key Asset Management, a corporate finance consultant with McKinsey & Company, and an investment banker with Asset Growth Partners. I received my Masters in Business Administration in finance from New York University and my Bachelor of Arts in government from Ohio University. I hold the Chartered Financial Analyst designation.

3. As managing director for The Regents' public equity portfolio, I am responsible for the strategic focus and management of the equity portfolio. My duties include: formulating the equity investment strategy, developing the analytical tools, policies, and procedures to achieve the investment objectives of the various U.S. equity investment portfolios. I am also responsible for managing the equity investment analyst staff.

4. Former Treasurer Patricia Small approved the initial Office of the Treasurer's purchases of Enron stock. I monitored the performance of the Treasurer's investment in Enron. Enron stock was purchased by the Treasurer's office between May 2000 and January 2001 based on publicly available information.

5. Robert O. Yastishak is a director within the Office of the Treasurer. Mr. Yastishak is responsible for the back office operations unit which performs accounting, trade settlement, gift processing and performance reports. Mr. Yastishak was never involved in the decision-making process to purchase Enron stock. Mr. Yastishak does not participate in the equity investment decisions made by the Office of the Treasurer.

6. Paula Ferreira is a supervisor within the operations unit of the Office of the Treasurer. Ms. Ferreira is primarily responsible for securities operations and her duties include confirming wire transfers, trade executions, and similar administrative functions. Ms. Ferreira was never involved in the decision-making process to purchase Enron stock. Ms. Ferreira does not participate in the equity investment decisions made by the Office of the Treasurer.

7. David H. Russ is Treasurer of The Regents of the University of California. Mr. Russ' appointment as Treasurer began on June 1, 2001. Mr. Russ became Treasurer after the Office of the Treasurer made its last purchase of Enron common stock. I have reviewed The Regents' transactions in Enron stock. Each purchase occurred prior to Mr. Russ's appointment as Treasurer. Mr. Russ approved the sales of Enron stock in November 2001.

8. Randolph E. Wedding is the Managing Director of fixed income portfolios for The Regents. Mr. Wedding was never involved in the Office of the Treasurer's decision-making process to purchase Enron stock.

9. Judith L. Hopkinson and Gerald L. Parsky are Regents of the University. Neither Ms. Hopkinson nor Mr. Parsky make decisions concerning The Regents individual investments in securities. Neither Ms. Hopkinson nor Mr. Parsky was involved in the decision-making process to purchase Enron stock.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. If called as a witness I could and would competently testify thereto. Executed this 7th day of August 2002 at Oakland, California.

JEFFREY E. HEIL

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DAMAGES INCURRED BY COMMERCE EQUITIES, INC.

DATE	CONTRACTOR	INVOICE NO.	SUB-CONTRACTOR	SUB-CONTRACTOR INVOICE NO.	SUB-CONTRACTOR INVOICE AMT.	TOTAL INVOICE AMOUNT	AMOUNT PAID	COMMENTS	PROVIDED
03/26/01	Lewis Hodnott						$ 1,461.30	Fuqua site plan - check payment; no invoice	
04/06/01	TRI Capital Corp.		Multi-Housing Appraisal Assc	#01-14	$ 4,250 00		$ 13,000.00	Fuqua market studies - check payment	X
04/10/01			Apartment Market Data Srvs.		$ 2,750.00				
04/08/01	Civil-Surv Land	01-104					$ 441.65	Check payment	
05/08/01	Civil-Surv Land	01-099					$ 5,307.98	Check payment	
05/14/01	STC Environmental	21227					$ 965.00	Check payment	
05/18/01	ARCS						$ 8,000.00	Fuqua engagement letter	X
05/18/01	KAI	21125					$ 8,000.00	Partial check payment	X
06/08/01	STC Environmental	21292				$ 1,000.00			
07/23/01	KAI						$ 7,500.00	No invoice - check only	
08/01/01	Judy Nichols						$ 2,500.00	No invoice - advertisement	
08/27/01	TRI Capital Corp.		Multi-Housing Appraisal Assc	#01-14F	$ 2,500.00		$ 3,250.00	Check payments -$2750 outstdng.	
09/12/01	KAI						$ 20,000.00	No invoice - check only	
09/26/01			Lentz Engineering				$ 3,970.00	Platting - no invoice - check	
10/02/01	KAI		Lentz Engineering	01-615	$ 11,418 47	$ 11,418.47		Platting	X
10/08/01	Secretary of State						$ 750.00	No invoice - check only	
10/10/01	KAI	21303				$ 40,000 00	$ 40,000 00	Architectural	X
10/24/01			Lentz Engineering				$ 710.00	No invoice - platting	
11/05/01	KAI	21314				$ 68,000 00	$ 27,500 00	Architectural	X
11/07/01	TRI Capital Corp.						$ 10,000 00	No invoice - check only	
11/28/01	Civil-Surv Land	01-356				$ 9,168.50		Boundary Survey	X
11/28/01	Civil-Surv Land	01-357				$ 7,560.00		Topographic survey	
11/30/01	1st Community Bank						$ 3,360.00	No invoice - appraisal - check only	
11/30/01	KAI						$ 15,000 00	No invoice - architectural	
11/00/01	KAI	21351				$ 65,000.00		From receivable summary	
12/06/01	TRI Capital Corp.						$ 1,000 00	No invoice - Environmental Report	
12/19/01			Lentz Engineers				$ 3,510.00	No invoice - check only	
12/20/01	1st Community Bank						$ 1,300.00	No invoice - check only	
12/27/01	KAI						$ 10,000.00	No invoice - check only	

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8/7/02

DAMAGES INCURRED BY COMMERCE EQUITIES, INC.

DATE	CONTRACTOR	INVOICE NO.	SUB-CONTRACTOR	SUB-CONTRACTOR INVOICE NO.	SUB-CONTRACTOR INVOICE AMT.	TOTAL INVOICE AMOUNT	AMOUNT PAID	COMMENTS	PROVIDED
12/00/01	KAI					$ 50,000.00		From receivable summary	
01/09/02	Triple B Services						$ 2,500.00		
01/15/02	KAI					$ 18,203.55			
			Lentz Engineering	02-053	$ 18,203.55			Platting	X
01/18/02	KAI							Fax to M Dilick requesting $50,000 to pay subcontractors/vendors	X
			Kudela&Weinheimer	F6653	$ 11,661 00			Construction documents - KAI job no. 101	
			Sterling Engineering	085-001-01	$ 12,400 00			Structural engineering	X
			EN, Inc.		$ 23,300 37				X
01/24/02	TRI Capital Corp.						$ 46,732 00	Application Fee - check payment	
01/24/02	KAI		Kudela&Weinheimer				$ 2,500 00	No invoice - check only	
01/25/02	Zimmerman, Axelrod						$ 2,000.00	Mediation 11424-001	
01/25/02	KAI						$ 40,000.00	No invoice - check only	
02/04/02	KAI		Lentz Engineering	02-080	$ 9,442.68			Platting	X
02/08/02	Haynes & Boone					$ 2,040.50	$ 649.00	Balance remaining $1346.50	X
02/08/02			Lentz Engineering				$ 710.00	Platting - check payment	
02/12/02	KAI	21413				$ 15,000 00		Total fees billed to date $223,000.00 - not including this invoice.	X
02/20/02	KAI	21431				$ 11,013.64			X
			Kudela&Weinheimer	R6767	$ 7 43			KAI job no. 101X - plot stop	X
			Kudela&Weinheimer	F6767	$ 1,017.50			KAI job no. 101X - Mat Moczgemba	X
			EN, Inc.		$ 3,988.71			Printing, plotting, copying	X
			Lentz Engineering		$ 6,000.00			Platting	X
02/21/02	Berg-Oliver	2001-3589-01					$ 1,500.00	Check payment	
02/26/02	Kathy Urech						$ 455.00	Reproduction - check payment	
03/11/02	KAI	21445	KAI		$ 5,000.00	$ 5,092.55		Architectural	X
			Sureway Worldwide		$ 92 55			Delivery services	X
04/12/02	KAI	21505				$ 5,000.00		Total fee billed to date $243,000.00	X
04/12/02	KAI	21504				$ 11,489.28			X
			Lentz Engineering	02-142	$ 3,945.73			Platting	X

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DAMAGES INCURRED BY COMMERCE EQUITIES, INC.

DATE	CONTRACTOR	INVOICE NO.	SUB-CONTRACTOR	SUB-CONTRACTOR INVOICE NO.	SUB-CONTRACTOR INVOICE AMT.	TOTAL INVOICE AMOUNT	AMOUNT PAID	COMMENTS	PROVIDED
			Kudela&Weinheimer	F6830	$ 5,770.00			K&W Job No. KAI-101X	X
			Kudela&Weinheimer	R6830	$ 274.95			K&W Job No. KAI-101X	X
04/24/02	KAI		Kudela&Weinheimer				$ 2,500.00	No Invoice - check only	
04/26/02	Haynes & Boone						$ 1,346 50	Re:20096287;20105236 and 20100468	X
05/09/02	KAI	21540	KAI		$ 1,640 00	$ 4,049.71			X
			Lentz Engineering	02-206	$ 352 20			Platting	X
			Lentz Engineering	02-270	$ 1,462.50			Platting	
			A&E Reprographics	I83446	$ 227.77			Reprographic services	X
			Package Express	40894226	$ 40 00			Delivery services	X
			Vanco		$ 12.93			Copy services	X
06/14/02	Tellepsen	SR0010			$ 17,406.00	$ 23,168 61		Estimating/administrative	X
			A&E Reprographics	I58680,I58685 I58686,I58705 I58662,I58664 I58670,I58672 I58675,I58678 I58687,I58692 I58695,I58697 I58700,I58701 I58702,I58703 I58706,I58708 I59742,I61755 I61759,I61761	$ 5,451.29			Printing and copying	X
			Ridgway's	22 866722	$ 104.03			Printing and copying	X
			Apple Courier, Inc	570969, 614745	$ 45.00			Delivery services	X
			Federal Express		$ 162.29				X
07/17/02	KAI						$ 5,000.00	Check payment only.	
07/19/02	Southwest Bank of Texas						$ 2,525 00	Check payments only-checks show "SR"	
TOTAL					**$ 148,926.95**	**$ 347,204.81**	**$ 295,943.43**		

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