

MAY 20 2003



Michael N. Milby, Clerk of Court

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re ENRON CORPORATION SECURITIES  
LITIGATION

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§ Civil Action No. H-01-3624  
§ **(Consolidated)**

This Document Relates To:

§ CLASS ACTION

MARK NEWBY, et al., Individually and On  
Behalf of All Others Similarly Situated,

Plaintiffs,

vs.

ENRON CORP., et al.,

Defendants.

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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.

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**AFFIDAVIT OF HELEN J. HODGES PURSUANT TO  
RULE 56(f) OF THE FEDERAL RULES OF CIVIL PROCEDURE  
IN SUPPORT OF LEAD PLAINTIFF'S OPPOSITION  
TO DEFENDANT BANK OF AMERICA CORPORATION'S  
SUMMARY JUDGMENT MOTION**

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I, HELEN J. HODGES, being duly sworn deposes and states as follows:

1. I am a member of the law firm Milberg Weiss Bershad Hynes & Lerach LLP, lead counsel for Lead Plaintiff the Regents of the University of California. I make this affidavit on personal knowledge pursuant to Rule 56(f) of the Federal Rules of Civil Procedure to set forth the discovery plaintiffs need to respond to defendant Bank of America Corporation's (hereinafter "Bank of America") motion for summary judgment and in conjunction with Lead Plaintiff's Opposition to Defendant Bank of America's Summary Judgment Motion and Request for Continuance Pursuant to Rule 56(f) to Conduct Discovery.

2. I have personal knowledge of the categories of additional discovery plaintiffs in this litigation require in order to fully respond to Bank of America's summary judgment motion, as well as the reasons, as elaborated in Lead Plaintiff's motion, as to why this discovery is necessary.

3. Specifically, plaintiffs require Bank of America's full compliance with discovery obligations in connection with this pending summary judgment motion. Defendants filed their summary judgment motion seven days after the Court lifted the discovery stay and no discovery has yet been received.

4. On July 2, 2002 plaintiffs sent to defendant Bank of America plaintiffs' First Request for Production of Documents (Ex. A hereto). The request for production of documents defined Bank of America to mean, "Bank of America Corp. and its predecessors, successors, divisions, direct or indirect subsidiaries, partnerships, limited partnerships, related parties, joint ventures, affiliates, officers, directors, employees, partners, agents, assigns, attorneys, any Bank of America-Controlled Entity, or anyone acting or purporting to act on its behalf. This includes Papyrus I Funding Trust." The request for production of documents included:

(a) all documents concerning any offering of Enron securities, including, but not limited to: (i) all due diligence files; (ii) all documents concerning all meetings or conference calls; (iii) all documents concerning prospectuses or registration statements; (iv) all documents concerning all opinion or comfort letters; (v) all documents concerning any services Bank of America performed, including any due diligence or other investigation; (vi) all documents concerning any memorandum or other documents prepared, used, reviewed, or received by Bank of America or any other underwriter in the offering; (vii) all documents concerning the terms (including the number of shares and pricing thereof) of the offering of securities concerning Enron; (viii) all documents concerning any agreement among underwriters or between or among any underwriters and Enron; and (ix) all documents concerning the distribution of securities concerning Enron among any underwriters or broker/dealers of securities.

(b) minutes of meetings of Bank of America's Board of Directors or Board of Trustees where Enron or any of the SPEs, Trusts, or LJM Partnerships was discussed;

(c) all documents concerning communications concerning Enron or any of the SPEs, Trusts, or LJM Partnerships;

(d) all documents identifying each internal or external audit, compliance or regulatory review cycle projected, planned or executed in each desk, area, division, group, or subsidiary of Bank of America that transacted with Enron;

(e) all documents concerning organizational charts of each desk, area, division, group, or subsidiary that transacted with Enron or conducted research on Enron, including, but not limited to, such documents identifying the name, title, salary grade, signing authority, direct reporting relationship and each indirect reporting relationship, each individual with direct or indirect responsibilities concerning any Enron or Enron-related transaction(s), and including the chain of command up through the Chairman and CEO of Bank of America;

(f) all documents concerning each policy and procedures manual for each Bank of America desk, area, division, group, subsidiary, department, line of business, or entity which transacted with Enron; and each list or index of policies and procedures in effect, including any last modified date, date for review or renewal and recipient;

(g) all documents concerning the organizational decision process charts that explain the internal decision making process for each Bank of America desk, area, division, group, subsidiary, department, line of business, or entity that transacted with Enron;

(h) all communications discussing the application, non-application, waiver or enforcement of Bank of America's management policies and procedures to Enron or Enron-related transactions;

(i) all documents listing or identifying all employees of Bank of America who were on the distribution list for internal credit ratings, including, but not limited to, individual ratings, groups of ratings, or the full credit ratings list concerning Enron;

(j) all documents that list, reflect or detail any excesses, breaches, variances or violations of approved limits, terms or conditions of transactions with Enron, including, but not limited to, all such documents and communications concerning lending or borrowing of credit limits between instrument classes or business units;

(k) all documents concerning any business relationship (including, without limitation, any management agreement, partnership agreement, consulting agreement, or any other agreement) between Bank of America and: (a) Enron, (b) any SPE, (c) any Trust, (d) any of the LJM Partnerships, (e) any of the Individual Defendants, (f) Andersen Defendants, or (g) V&E;

(l) all documents identifying any business affiliation (including, without limitation, common board memberships or common membership in any business organization) between Bank of America or any of Bank of America's employees and Enron, or any of the Individual Defendants, Investment Banks, Andersen Defendants or V&E;

(m) all documents concerning all transactions that any department, line of business, or division of Bank of America discussed or executed with, or on behalf of, Enron;

(n) all documents memorializing any meeting or discussion between any employee, manager, executive, officer or director of Bank of America and any employee, manager, executive, officer or director of Enron;

(o) all electronic mail to or from Bank of America's research analysts who covered Enron;

(p) all documents concerning the investment into Enron or any of the SPEs, Trusts or LJM Partnerships, of any Bank of America Fund or other Bank of America investment vehicle, any Bank of America executive or employee, or any financial institution, partnership, trust, fund, corporation or individual investor who was or is a client of Bank of America; and

(q) all documents concerning any purported relationship or linkage between the investment in any of the LJM Partnerships and obtaining Enron business, including all such documents and communications concerning any Enron-related transaction purportedly denied Bank of America as a result of failure to invest in any of the LJM Partnerships.

5. The above-referenced discovery sets forth several of those document categories in Bank of America's possession, custody or control that plaintiffs need to formulate their summary judgment response. In addition to the document requests listed above, plaintiffs need other documents regarding the relationship between Bank of America and its subsidiaries and affiliates.

6. Six days after the discovery stay was lifted an associate at Milberg Weiss, James Hail, sent a letter to Bank of America's counsel stating that the discovery stay had been lifted and Bank of America's response to plaintiffs' First Request for Production of Documents was now due. Attached as Ex. B is a copy of the April 29, 2003 Hail letter.

7. On May 19, 2003 plaintiffs sent to defendant Bank of America plaintiffs' First Set of Interrogatories (Ex. C hereto). The interrogatories seek a wide range of information that is required before plaintiffs can respond to Bank of America's motion.

8. The interrogatories demand the following:

(a) the identity of Bank of America's businesses, operating units, direct or indirect subsidiaries, divisions, affiliates, predecessors, successors, partners, special purpose entities or vehicles, holding companies, limited liability companies or any other entity that had or has a business relationship or business affiliation with Enron or any of its SPEs, Trusts, LJM partnerships, subsidiaries, affiliates, partners, any Enron-sponsored entity or the Individual Defendants;

(b) for each entity identified above, describe in detail (i) the business relationship or business affiliation between Bank of America and each entity, and (ii) the business relationship or business affiliation between each entity and Enron or its SPEs, Trusts, LJM partnerships, subsidiaries, affiliates, partners, any Enron-sponsored entity or the Individual Defendants;

(c) the identity of all services (e.g., consulting, advisory, underwriting, research, etc.) provided by Bank of America or provided by Bank of America's businesses, operating units, direct or indirect subsidiaries, divisions, affiliates, predecessors, successors, partners, special purpose entities or vehicles, holding companies, limited liability companies or any other entity, to Enron, its SPEs, Trusts, LJM partnerships, subsidiaries, affiliates, partners, any Enron-sponsored entity or the Individual Defendants;

(d) the identity of each employee, officer, director, partner, manager or executive who had or has primary responsibility for the relationship, transaction or service; the identity of the Enron entity involved; and state all fees, compensation, or any other remuneration received by the employee, officer, director, partner, manager or executive or Bank of America, Bank of America's subsidiary, parent or affiliate concerning such relationship, transaction or service;

(e) the identity of each current or former employee, officer, director, partner, manager or executive who provided information in any anticipated or actual civil, criminal, regulatory or governmental inquiry, investigation or proceeding concerning Bank of America's research coverage of Enron or Bank of America's transactions with Enron or any of its SPEs, Trusts, LJM partnerships, subsidiaries, affiliates, partners, any Enron-sponsored entity or the Individual Defendants, including, without limitation, any civil or criminal inquiry, proceeding or investigation by the SEC, DOJ, FBI, Powers Committee, Examiner Batson, NYSE, NASD, FRB, OCC, any Congressional committee or subcommittee, or any other federal or state inquiry, proceeding or investigation; and

(f) the identity of each director, officer or executive of Bank of America Securities LLC who also had a title, position or responsibilities concerning Bank of America Corp. and their respective titles, positions and responsibilities.

9. To date plaintiffs have yet to receive any documents or other discovery from Bank of America.

10. Based on the fact that Lead Plaintiff has received no discovery to date, I believe that substantial discovery is needed before Lead Plaintiff is able to fully respond to the assertions raised by Bank of America in its summary judgment motion.

11. Moreover, after documents have been produced and interrogatories answered, plaintiffs will need to take the depositions of employees from Bank of America and other individuals involved regarding these issues.

12. Depositions of others with knowledge of the facts alleged must also take place.

13. In addition, Bank of America has submitted the affidavits of Allison Gilliam and Edward J. Stark to support its motion. These persons must also be deposed so that Lead Plaintiff can test the veracity of the statements made in the self-serving affidavits.

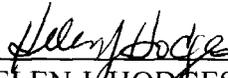
14. Notably, the banks, including Bank of America, do not want plaintiffs to commence fact depositions until January 2004.

15. Because there has been no discovery in this action, it is impossible at this early stage for Lead Plaintiff to identify all of the discovery that will be necessary to prove its claims. Furthermore, as document productions and interrogatory responses progress, additional discovery needs will unfold.

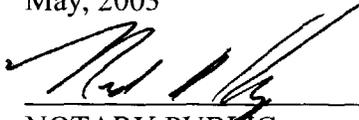
16. I believe the discovery identified in this affidavit and Lead Plaintiff's accompanying motion pursuant to Rule 56(f) will create a genuine issue of material fact as to Bank of America's summary judgment motion.

Further Affiant sayeth not:

Dated this 19th day of May, 2003

  
HELEN J. HODGES

Subscribed to and Sworn  
before me this 19th day of  
May, 2003

  
NOTARY PUBLIC

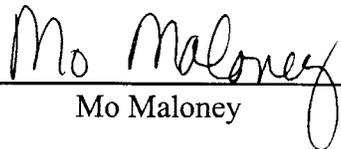


**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing AFFIDAVIT OF HELEN J. HODGES PURSUANT TO RULE 56(f) OF THE FEDERAL RULES OF CIVIL PROCEDURE IN SUPPORT OF LEAD PLAINTIFF'S OPPOSITION TO DEFENDANT BANK OF AMERICA CORPORATION'S SUMMARY JUDGMENT MOTION has been served by sending a copy via electronic mail to serve@ESL3624.com on this 20th day of May, 2003.

I further certify that a copy of the foregoing AFFIDAVIT OF HELEN J. HODGES PURSUANT TO RULE 56(f) OF THE FEDERAL RULES OF CIVIL PROCEDURE IN SUPPORT OF LEAD PLAINTIFF'S OPPOSITION TO DEFENDANT BANK OF AMERICA CORPORATION'S SUMMARY JUDGMENT MOTION has been served via overnight mail on the following parties, who do not accept service by electronic mail on this 20th day of May, 2003.

Carolyn S. Schwartz  
United States Trustee, Region 2  
33 Whitehall Street, 21st Floor  
New York, NY 10004

  
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Mo Maloney

The Exhibit(s) May

Be Viewed in the

Office of the Clerk