



## DISCUSSION

On May 7, 2003, certain Outside Directors filed a Motion for Protective Order (“Motion”) in which they requested that this Court enter “a protective order . . . to shield from discovery four categories of information.” Mot. at 2. Those categories included, among other things, information relating to offshore bank accounts and income tax information.<sup>1</sup> Id. Hereinafter, these two categories of documents will be referred to as “financial documents.” On May 27, 2003, Defendant Paulo V. Ferraz Pereira, who was also an outside director of Enron Corporation, joined in the Motion.

On May 27, 2003, Lead Plaintiff served its Memorandum of Law in Opposition to the Outside Director Defendants’ Motion for Protective Order (“Opposition”). In the Opposition, Lead Plaintiff clarified that with respect to financial documents, it was amenable to the suggestion that the Outside Directors

will produce ‘discovery of their trades in Enron securities, or other Enron-related financial documents’ and ‘produce documents containing Enron trading entries or related documents.’ Plaintiffs are amenable to this proffer so long as the Outside Directors agree to produce **all** financial documents and account statements, account numbers, and current amounts and current locations of proceeds or distributions arising from **any** business or personal relationship with any defendant in this case, Enron, or any of Enron’s SPEs, subsidiaries, affiliates or other Enron-Controlled or sponsored entities.

Opposition at 5-6 (emphasis in original, citations omitted). With respect to the Outside Directors’ tax information, Lead Plaintiff further clarified that it does not seek tax return information “about income unrelated to Enron or this litigation.” Id. at 10.

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<sup>1</sup> The other two categories concerned “Social Security numbers, home telephone numbers, home addresses and personal electronic mail addresses” and “[p]ersonal telephone calls within telephone records.” Id. At this time, Mr. Ferraz Pereira has identified no documents that contain such information and thus he will not address those categories.

As clarified by Lead Plaintiff, Mr. Ferraz-Pereira has no financial documents responsive to plaintiffs' request for production. Upon his election to the board of directors for Enron Corporation, Mr. Ferraz-Pereira elected to defer his compensation until the conclusion of his service on the Board. Although Mr. Ferraz-Pereira resigned from the Board on March 12, 2002, he has never received any of his deferred compensation. See Exhibit 1. Indeed, during Mr. Ferraz-Pereira's tenure on the Board, he only received 72 shares of Enron stock, which he has never sold. See Exhibit 2. Because Mr. Ferraz-Pereira never actually received any income from Enron, nor did he derive any proceeds or distributions from any personal or business relationship with any defendant in this matter, Enron, or any of Enron's SPEs, subsidiaries, affiliates, or Enron-controlled entities, he has no financial documents responsive to Lead Plaintiff's request. Inasmuch as Mr. Ferraz-Pereira has no documents responsive to Lead Plaintiff's request, he takes no position with respect to the requested Protective Order.

### CONCLUSION

For the foregoing reasons, Mr. Ferraz-Pereira takes no position with respect to the pending motion.

June 3, 2003

Respectfully Submitted,

  
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The Exhibit(s) May

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