

IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

United States Courts
Southern District of Texas
FILED

JUN 18 2003

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MARK NEWBY, ET AL.,

Plaintiffs,

v.

ENRON CORPORATION, ET AL.,

Defendants.

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CIVIL ACTION NO: H-01-3624
AND CONSOLIDATED CASES

Michael A. Milby, Clerk

**DEFENDANT JEFFREY K. SKILLING'S ANSWER TO
PLAINTIFFS' CONSOLIDATED COMPLAINT**

Defendant Jeffrey K. Skilling ("Mr. Skilling"), by and through his Counsel, herewith files the following Answer to Plaintiffs' Consolidated Complaint pursuant to Rules 7 and 8 of the Federal Rules of Civil Procedure. By submitting this Answer, Mr. Skilling does not waive, and expressly preserves, all of his rights under the Fifth Amendment of the Constitution of the United States in this and every proceeding. Unless specifically admitted, Mr. Skilling denies each allegation against him and denies any liability to plaintiffs. To the extent that plaintiffs have included headings or impertinent material that is inappropriate under Rules 8 and 12(f) of the Federal Rules of Civil Procedure, such as the purported "Preamble," no response is necessary and any such inappropriate material should be stricken. In any event, to the extent any headings or inappropriate material are deemed to require a response, Mr. Skilling denies them. Subject to the foregoing, Mr. Skilling respectfully admits, denies, and asserts as follows:

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Responses to Allegations

1. Mr. Skilling admits that plaintiffs purport to bring this action as a class action against the individuals and entities named in paragraph 1, but denies the legal conclusion that it may be properly brought as a class action on behalf of the alleged class.

2. Mr. Skilling denies each and every allegation in paragraph 2 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, except he asserts that Enron's stock price speaks for itself.

3. Mr. Skilling denies each and every allegation in paragraph 3 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies all remaining allegations in this paragraph, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves.

4. Mr. Skilling denies each and every allegation in paragraph 4 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves, admits that the SEC and DOJ are

conducting investigations relating to Enron, and further admits that an indictment was filed against Arthur Andersen LLP, the text of which speaks for itself.

5. Mr. Skilling denies each and every allegation in paragraph 5 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 5.

6. Mr. Skilling denies each and every allegation in paragraph 6 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Defendant Lay asked him to consider joining Enron as an officer in 1990. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 6.

7. Mr. Skilling denies each and every allegation in paragraph 7 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a New York Times article. To the extent that the New York Times article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 7.

8. Mr. Skilling denies each and every allegation in paragraph 8 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's stock price speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 8.

9. Mr. Skilling denies each and every allegation in paragraph 9 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron established JEDI with an outside investor in 1993 and that JEDI was treated as an independent third party which was accounted for on an unconsolidated basis. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 9.

10. Mr. Skilling denies each and every allegation in paragraph 10 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 10.

11. Mr. Skilling denies each and every allegation in paragraph 11 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 11.

12. Mr. Skilling denies each and every allegation in paragraph 12 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 12.

13. Mr. Skilling denies each and every allegation in paragraph 13 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 13.

14. Mr. Skilling denies each and every allegation in paragraph 14 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Arthur Andersen certified Enron's financial reports from 1998 through 2000 and asserts that those financial reports, along with Enron's public releases, SEC filings, and stock price, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 14.

15. Mr. Skilling denies each and every allegation in paragraph 15 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and

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stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 15.

16. Mr. Skilling denies each and every allegation in paragraph 16 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that in 2000 Enron did periodically use the commercial paper market and long term capital markets to provide liquidity for certain aspects of Enron's businesses. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 16.

17. Mr. Skilling denies each and every allegation in paragraph 17 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 17.

18. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 18.

19. Mr. Skilling denies each and every allegation in paragraph 19 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to quote or cite from a report, release or other statement that speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 19.

20. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 20.

21. Allegations in paragraph 21 purport to state conclusions of law or a summary of generally accepted accounting principals to which no response is required, but to the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 21 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 21.

22. Mr. Skilling denies each and every allegation in paragraph 22 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 22.

23. Mr. Skilling denies each and every allegation in paragraph 23 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that to the best of his knowledge and belief, Enron's transactions with LJM were structured, reviewed and approved by Arthur Andersen, Vinson & Elkins, Richard Causey, Richard Buy, and the Audit and Compliance Committee of Enron's Board of Directors, among others. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 23.

24. Mr. Skilling denies each and every allegation in paragraph 24 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 24.

25. Mr. Skilling denies each and every allegation in paragraph 25 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 25.

26. Mr. Skilling denies each and every allegation in paragraph 26 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 26.

27. Mr. Skilling denies each and every allegation in paragraph 27 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 27.

28. Mr. Skilling denies each and every allegation in paragraph 28 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

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other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 28.

29. Mr. Skilling denies each and every allegation in paragraph 29 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that publicly available analyst reports speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 29.

30. Mr. Skilling denies each and every allegation in paragraph 30 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of articles from Business Week, Bloomberg, and The Washington Post. To the extent these articles exist, they speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 30.

31. Mr. Skilling denies each and every allegation in paragraph 31 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 31.

32. Mr. Skilling denies each and every allegation in paragraph 32 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling admits that between June 1999 and June 2001 Enron or its subsidiaries entered into transactions with LJM1 or LJM2. Mr. Skilling admits that, to the best of his knowledge and belief, Enron's transactions with LJM were structured, reviewed and approved by Arthur Andersen, Vinson & Elkins, Richard Causey, Richard Buy and the Audit and Compliance Committee of Enron's Board of Directors, among others. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 32.

33. Mr. Skilling denies each and every allegation in paragraph 33 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron's Board of Directors approved the formation of LJM1 for the purpose of hedging Enron's investment in the stock of Rhythms NetConnections, Inc. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 33.

34. Mr. Skilling denies each and every allegation in paragraph 34 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 34.

35. Mr. Skilling denies each and every allegation in paragraph 35 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 35.

36. Mr. Skilling denies each and every allegation in paragraph 36 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits, upon information and belief, that Enron used “mark-to-market accounting” for certain assets and transactions as required by applicable accounting principles. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 36.

37. Mr. Skilling denies each and every allegation in paragraph 37 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron’s retail energy services business managed the energy needs of corporate customers for multi-year periods in return for fees to be paid over a period of years. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 37.

38. Mr. Skilling denies each and every allegation in paragraph 38 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits, upon information and belief, that Enron entered into certain retail contracts that required up-front expenditures and that plaintiffs purport to quote or cite portions of an August 2001 letter by an Enron Energy Services (“EES”) employee to the Board of Directors. To the extent that letter exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 38.

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39. Mr. Skilling denies each and every allegation in paragraph 39 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron Broadband Services (“EBS”) consisted, in part, of the use of a fiber optic network and bandwidth intermediation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 39.

40. Mr. Skilling denies each and every allegation in paragraph 40 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that the Blockbuster joint venture was announced in July 2000; that the agreement was designed to provide viewers with video-on-demand services; and, upon information and belief, that Blockbuster ultimately was unable to obtain the legal right to deliver certain movies. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 40.

41. Mr. Skilling denies each and every allegation in paragraph 41 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Enron terminated the Blockbuster joint venture. Mr. Skilling asserts that the public statements of Enron and CIBC speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 41.

42. Mr. Skilling denies each and every allegation in paragraph 42 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Enron owned millions of shares in New Power Company when it was a private company; that the New Power IPO took place in October 2000; and that, upon information and belief, after the IPO, Enron continued to hold millions of shares of New Power and warrants for millions of additional shares. Mr. Skilling asserts that Enron's SEC filings and public statements, and the price of New Power stock, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 42.

43. Mr. Skilling denies each and every allegation in paragraph 43 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 43.

44. Mr. Skilling denies each and every allegation in paragraph 44 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 44.

45. Mr. Skilling denies each and every allegation in paragraph 45 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 45.

46. Mr. Skilling denies each and every allegation in paragraph 46 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 46.

47. Mr. Skilling denies each and every allegation in paragraph 47 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 47.

48. Mr. Skilling denies each and every allegation in paragraph 48 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that, from 1996 to 2001, there were offerings of new debt and equity by Enron, Azurix, New Power, Osprey and Marlin. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 48.

49. Mr. Skilling denies each and every allegation in paragraph 49 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except he admits that Azurix, Enron Oil & Gas, Osprey, New Power, Marlin and Yosemite engaged in public securities offerings. Mr. Skilling asserts that registration statements and/or prospectuses relating to those offerings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 49.

50. Mr. Skilling denies each and every allegation in paragraph 50 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 50, except Mr. Skilling admits that he was focused on maximizing shareholder value.

51. Mr. Skilling denies each and every allegation in paragraph 51 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of articles in Fortune and Business Week that purport to quote Enron employees. To the extent that these articles exist, they speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 51.

52. Mr. Skilling denies each and every allegation in paragraph 52 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's stock price speaks for itself. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 52.

53. Mr. Skilling denies each and every allegation in paragraph 53 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 53.

54. Mr. Skilling denies each and every allegation in paragraph 54 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 54.

55. Mr. Skilling denies each and every allegation in paragraph 55 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 55.

56. Mr. Skilling denies each and every allegation in paragraph 56 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that public reports issued by CS First Boston

speaking for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 56.

57. Mr. Skilling denies each and every allegation in paragraph 57 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 57, except Mr. Skilling admits that he resigned on August 14, 2001 and that Enron announced that Mr. Skilling was resigning for personal reasons.

58. Mr. Skilling denies each and every allegation in paragraph 58 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 58.

59. Mr. Skilling denies each and every allegation in paragraph 59 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation, except Mr. Skilling admits that plaintiffs purport to quote complaints from employees after Mr. Skilling's resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 59.

60. Mr. Skilling denies each and every allegation in paragraph 60 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 60.

61. Mr. Skilling denies each and every allegation in paragraph 61 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that the Wall Street Journal published articles relating to Enron, which speak for themselves. Mr. Skilling asserts that the details of Enron's restatement and Mr. Fastow's termination are set forth in Enron's November 8, 2001 8-K and the subsequently filed 3rd Quarter 2001 10-Q, which speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 61.

62. Mr. Skilling denies each and every allegation in paragraph 62 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 62.

63. Mr. Skilling denies each and every allegation in paragraph 63 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 63.

64. Mr. Skilling denies each and every allegation in paragraph 64 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 64.

65. Mr. Skilling denies each and every allegation in paragraph 65 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 65.

66. Mr. Skilling denies each and every allegation in paragraph 66 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation, except Mr. Skilling asserts that it is a matter of public record that Enron filed for bankruptcy on December 2, 2001 and asserts that the rating of Enron's publicly traded debt speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 66.

67. Mr. Skilling denies each and every allegation in paragraph 67 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron disclosed the existence of the LJM partnerships and disclosed the fact that Enron transacted business with those partnerships. Mr. Skilling further admits that, to the best of his knowledge and belief, those disclosures were crafted

and approved by Enron's outside auditor and outside counsel. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 67.

68. Mr. Skilling denies each and every allegation in paragraph 68 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Congress launched an investigation into Enron's bankruptcy, that, upon information and belief, Congress summoned the individuals named in paragraph 68 (among others) as witnesses to testify, and that those individuals refused to testify on Fifth Amendment grounds. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 68.

69. Mr. Skilling denies each and every allegation in paragraph 69 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of two articles from Newsweek. To the extent those articles exist, they speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 69.

70. Mr. Skilling denies each and every allegation in paragraph 70 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 70.

71. Mr. Skilling denies each and every allegation in paragraph 71 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a New York Times article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 71.

72. Mr. Skilling denies each and every allegation in paragraph 72 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an article from the Dow Jones News Service. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 72.

73. Mr. Skilling denies each and every allegation in paragraph 73 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 73.

74. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 74.

75. In response to the allegations in paragraph 75, Mr. Skilling admits that plaintiffs purport to assert the claims raised in this paragraph. Mr. Skilling denies that plaintiffs' alleged claims are valid as against him.

76. Paragraph 76 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 76 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 76.

77. Paragraph 77 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 77 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 77.

78. Mr. Skilling denies each and every allegation in paragraph 78 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 78.

79. Mr. Skilling denies each and every allegation in paragraph 79 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling admits that the Court has appointed the Regents of the University of California (the “Regents”) as lead plaintiff. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 79.

80. Mr. Skilling denies each and every allegation in paragraph 80 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 80.

81. In response to the allegations in paragraph 81(a) through (j) & 81(l) through (q), Mr. Skilling admits that the persons or entities referenced therein purport to bring claims as plaintiffs in this case, but Mr. Skilling denies that such persons or entities have any valid claim. Paragraph 81(k) asserts legal conclusions to which no response is required. To the extent a response to such conclusions is required, Mr. Skilling denies each and every allegation in paragraph 81 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 81.

82. In response to the allegations in paragraph 82, Mr. Skilling admits that Enron is not presently named as a defendant in plaintiffs’ consolidated complaint. Mr. Skilling is without knowledge or information sufficient to form a belief as to the truth of plaintiffs’ purported reason for not filing an action against Enron.

83. Mr. Skilling denies each and every allegation in paragraphs 83(a) and 83(c) through (ee), for lack of knowledge or information sufficient to form a belief as to the truth of the allegations

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to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs have alleged the names and positions of Enron executives and/or board members. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraphs 83(a) and 83(c) through (ee).

Mr. Skilling admits that he was a director of Enron from January, 1997, until August 14, 2001. Mr. Skilling further admits that he served as Enron's President and COO from January, 1997, until February, 2001, and that he served as Enron's CEO from February, 2001 until August 14, 2001. Mr. Skilling admits that he received bonus payments in addition to his salary for 1997 through 2000, but denies that such payments were based on false financial reports or that Enron made any false financial reports. Mr. Skilling denies each and every remaining allegation in paragraph 83(b), including the alleged facts in plaintiffs' chart of alleged stock sales.

In response to the allegations in paragraph 83(ff), Mr. Skilling admits that plaintiffs refer to the defendants collectively throughout their consolidated complaint, but denies each and every remaining allegation in paragraph 83(ff).

Mr. Skilling denies each and every allegation in paragraph 83(gg) for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 83(gg), except Mr. Skilling admits that he served as a director of Azurix.

Mr. Skilling denies each and every allegation in paragraphs 83(hh) and (ii) for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent

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they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraphs 83(hh) and (ii).

Mr. Skilling denies each and every allegation in paragraph 83(jj) for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Mr. Baxter held various executive positions with Enron. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 83(jj).

84. Paragraph 84 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 84 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 84.

85. Mr. Skilling denies each and every allegation in paragraph 85 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron had Audit, Finance and Executive Committees and admits that Enron's Audit Committee approved the appointment of Arthur Andersen as Enron's independent auditor. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 85.

86. Mr. Skilling denies each and every allegation in paragraph 86 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 86, except Mr. Skilling admits that he served on the committees and was employed in the positions alleged in this paragraph.

87. Mr. Skilling denies each and every allegation in paragraph 87 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 87, except Mr. Skilling admits that that he served on the committees and was employed in the positions alleged in this paragraph.

88. Mr. Skilling denies each and every allegation in paragraph 88 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 88, except Mr. Skilling admits that Enron had a management committee identified as the Executive Committee and that he served on the Executive Committee in 1997 through 2001; that he was President and COO of Enron in 1997, 1998 and 1999.

89. Paragraph 89 asserts legal conclusions to which no response is required. To the extent a response to such conclusions is required, Mr. Skilling denies them and any remaining allegations in paragraph 89 for lack of knowledge or information sufficient to form a belief as to the

truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 89.

90. Mr. Skilling denies each and every allegation in paragraph 90 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 90, except Mr. Skilling admits that Mr. Skilling served as an officer and/or director of Enron at various times during the class period.

91. Mr. Skilling denies each and every allegation in paragraph 91 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs refer to the Andersen defendants collectively. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 91.

92. The allegations in paragraph 92 relate solely to the Andersen defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 92 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 92.

93. The allegations in paragraph 93 relate solely to the Andersen defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 93 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 93.

94. The allegations in paragraph 94 relate solely to the Andersen defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 94 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 94.

95. Plaintiffs have deleted paragraph 95 from the Amended Consolidated Complaint; therefore, no response is required.

96. The allegations in paragraph 96 relate solely to defendant Berardino, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 96 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 96.

97. The allegations in paragraph 97 relate solely to the Andersen defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 97 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that plaintiffs have made additional allegations relating to Andersen in paragraphs 897-982. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 97.

98. Mr. Skilling denies each and every allegation in paragraph 98 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron retained Vinson & Elkins as its outside counsel for certain matters, and that, upon information and belief, Vinson & Elkins participated in the formation of JEDI, Chewco, the LJM partnerships and the Raptor SPEs. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 98.

99. Plaintiffs have deleted paragraph 99 from the Amended Consolidated Complaint; therefore, no response is required.

99.1 The allegations in paragraph 99.1 relate solely to the bank defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 99.1 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 99.1.

100. The allegations in paragraph 100 relate solely to defendant J.P. Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 100 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 100.

101. The allegations in paragraph 101 relate solely to defendant CitiGroup, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 101 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 101.

102. The allegations in paragraph 102 relate solely to defendant Credit Suisse First Boston, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 102 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 102.

103. The allegations in paragraph 103 relate solely to defendant Canadian Imperial Bank of Commerce, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 103 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 103.

104. The allegations in paragraph 104 relate solely to defendant Bank of America, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 104 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 104.

105. The allegations in paragraph 105 relate solely to defendant Merrill Lynch, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 105 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 105.

106. The allegations in paragraph 106 relate solely to defendant Barclays, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies

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each and every allegation in paragraph 106 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 106.

107. The allegations in paragraph 107 relate solely to defendant Deutsche Bank, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 107 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 107.

108. The allegations in paragraph 108 relate solely to defendant Lehman Brothers, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 108 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 108.

109. Mr. Skilling denies each and every allegation in paragraph 109 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Enron's 1997 10-K was signed on his behalf. Mr.

Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 109.

110. Mr. Skilling denies each and every allegation in paragraph 110 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that the registration statement was signed on his behalf. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 110.

111. Mr. Skilling denies each and every allegation in paragraph 111 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 111.

112. Mr. Skilling denies each and every allegation in paragraph 112 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's July 14, 1998 earnings release. To the extent that release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 112.

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113. Mr. Skilling denies each and every allegation in paragraph 113 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 15, 1998 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 113.

114. Mr. Skilling denies each and every allegation in paragraph 114 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 24, 1998 Enron press release. To the extent that release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 114.

115. Mr. Skilling denies each and every allegation in paragraph 115 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a Bloomberg News article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 115.

116. Mr. Skilling denies each and every allegation in paragraph 116 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 116.

117. Mr. Skilling denies each and every allegation in paragraph 117 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 25, 1998 Enron press release. To the extent that release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 117.

118. Mr. Skilling denies each and every allegation in paragraph 118 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's October 13, 1998 earnings release. To the extent that release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 118.

119. Mr. Skilling denies each and every allegation in paragraph 119 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on October 13,

1998. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 119.

120. Mr. Skilling denies each and every allegation in paragraph 120 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a October 14, 1998 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 120.

121. Mr. Skilling denies each and every allegation in paragraph 121 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron wrote down the value of its water-related assets. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 121.

122. Mr. Skilling denies each and every allegation in paragraph 122 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a October 21, 1998 Enron press release. To the extent that release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 122.

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123. Mr. Skilling denies each and every allegation in paragraph 123 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a October 22, 1998 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 123.

124. Mr. Skilling denies each and every allegation in paragraph 124 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 124.

125. Mr. Skilling denies each and every allegation in paragraph 125 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a December 9, 1998 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 125.

126. Mr. Skilling denies each and every allegation in paragraph 126 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except he admits that the January 12, 1999 registration statement was signed on Mr. Skilling's behalf. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 126.

127. Mr. Skilling denies each and every allegation in paragraph 127 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 13, 1999 Deutsche Bank analyst report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 127.

128. Mr. Skilling denies each and every allegation in paragraph 128 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's January 19, 1999 earnings report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 128.

129. Mr. Skilling denies each and every allegation in paragraph 129 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a Bloomberg article. To the extent that article exists, it speaks for itself. To the extent any of the

allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 129.

130. Mr. Skilling denies each and every allegation in paragraph 130 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 20, 1999 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 130.

131. Mr. Skilling denies each and every allegation in paragraph 131 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 20, 1999 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 131.

132. Mr. Skilling denies each and every allegation in paragraph 132 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 25, 1999 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 132.

133. Mr. Skilling denies each and every allegation in paragraph 133 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 27, 1999 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 133.

134. Mr. Skilling denies each and every allegation in paragraph 134 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that the registration statement of February 3, 1999 was signed on Mr. Skilling's behalf. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 134.

135. Mr. Skilling denies each and every allegation in paragraph 135 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 135.

136. Mr. Skilling denies each and every allegation in paragraph 136 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

Enron's 1998 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 136.

137. Mr. Skilling denies each and every allegation in paragraph 137 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1998 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 137.

138. Mr. Skilling denies each and every allegation in paragraph 138 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1998 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 138.

139. Mr. Skilling denies each and every allegation in paragraph 139 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1998 Annual Report. To the extent that report exists, it speaks for itself. To the extent any

of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 139.

140. Mr. Skilling denies each and every allegation in paragraph 140 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1998 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 140.

141. Mr. Skilling denies each and every allegation in paragraph 141 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 141.

142. Mr. Skilling denies each and every allegation in paragraph 142 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 31, 1999 Press Release. To the extent that release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 142.

143. Mr. Skilling denies each and every allegation in paragraph 143 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 7, 1999 Press Release. To the extent that press release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 143.

144. Mr. Skilling denies each and every allegation in paragraph 144 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's April 13, 1999 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 144.

145. Mr. Skilling denies each and every allegation in paragraph 145 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on April 13, 1999. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 145.

146. Mr. Skilling denies each and every allegation in paragraph 146 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a April 13, 1999 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 146.

147. Mr. Skilling denies each and every allegation in paragraph 147 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a April 13, 1999 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 147.

148. Mr. Skilling denies each and every allegation in paragraph 148 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a April 14, 1999 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 148.

149. Mr. Skilling denies each and every allegation in paragraph 149 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a April 15, 1999 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the

extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 149.

150. Mr. Skilling denies each and every allegation in paragraph 150 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a May 7, 1999 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 150.

151. Mr. Skilling denies each and every allegation in paragraph 151 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 151.

152. Mr. Skilling denies each and every allegation in paragraph 152 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a May 25, 1999 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 152.

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153. Mr. Skilling denies each and every allegation in paragraph 153 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a June 9, 1999 JP Morgan. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 153.

154. Mr. Skilling denies each and every allegation in paragraph 154 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 6, 1999 CS First Boston. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 154.

155. Mr. Skilling denies each and every allegation in paragraph 155 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that RAC generally prepared net present value calculations for proposed international deals, and that the calculation of net present value and return on investment required the use of numerous assumptions. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 155.

156. Mr. Skilling denies each and every allegation in paragraph 156 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's July 13, 1999 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 156.

157. Mr. Skilling denies each and every allegation in paragraph 157 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on July 13, 1999 and held analyst meetings on July 14, 15 & 16, 1999. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 157.

158. Mr. Skilling denies each and every allegation in paragraph 158, except admits that plaintiffs purport to quote or cite from a July 13, 1999 CS First Boston report. To the extent that report exists it speaks for itself.

159. Mr. Skilling denies each and every allegation in paragraph 159 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 13, 1999 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 159.

160. Mr. Skilling denies each and every allegation in paragraph 160 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 14, 1999 Houston Chronicle article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 160.

161. Mr. Skilling denies each and every allegation in paragraph 161 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 14, 1999 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 161.

162. Mr. Skilling denies each and every allegation in paragraph 162 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 14, 1999 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 162.

163. Mr. Skilling denies each and every allegation in paragraph 163 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

a July 20, 1999 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 163.

164. Mr. Skilling denies each and every allegation in paragraph 164 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that the Form S-3 was signed on his behalf, and asserts that the Form S-3 speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 164.

165. Mr. Skilling denies each and every allegation in paragraph 165 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 165.

166. Mr. Skilling denies each and every allegation in paragraph 166 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a August 20, 1999 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 166.

167. Mr. Skilling denies each and every allegation in paragraph 167 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 2, 1999 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 167.

168. Mr. Skilling denies each and every allegation in paragraph 168 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 14, 1999 Dow Jones Energy Service article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 168.

169. Mr. Skilling denies each and every allegation in paragraph 169 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 20, 1999 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 169.

170. Mr. Skilling denies each and every allegation in paragraph 170 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 21, 1999 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 170.

171. Mr. Skilling denies each and every allegation in paragraph 171 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 22, 1999 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 171.

172. Mr. Skilling denies each and every allegation in paragraph 172 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 23, 1999 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 172.

173. Mr. Skilling denies each and every allegation in paragraph 173 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

a September 30, 1999 Bank America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 173.

174. Mr. Skilling denies each and every allegation in paragraph 174 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 1, 1999 Bloomberg News article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 174.

175. Mr. Skilling denies each and every allegation in paragraph 175 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 1, 1999 article in CFO Magazine. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 175.

176. Mr. Skilling denies each and every allegation in paragraph 176 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 7, 1999 CIBC report. To the extent that report exists, it speaks for itself. To the extent

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any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 176.

177. Mr. Skilling denies each and every allegation in paragraph 177 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's October 12, 1999 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 177.

178. Mr. Skilling denies each and every allegation in paragraph 178 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 12, 1999 Bloomberg article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 178.

179. Mr. Skilling denies each and every allegation in paragraph 179 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call for analysts and investors on October 12, 1999 to discuss Enron's 3rd Quarter 1999 results and that Enron executives, including Mr. Skilling, appeared at Enron's quarterly analyst conference in Houston. To the extent

any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 179.

180. Mr. Skilling denies each and every allegation in paragraph 180 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 12, 1999 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 180.

181. Mr. Skilling denies each and every allegation in paragraph 181 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 12, 1999 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 181.

182. Mr. Skilling denies each and every allegation in paragraph 182 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 12, 1999 Bank America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 182.

183. Mr. Skilling denies each and every allegation in paragraph 183 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a October 13, 1999 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 183.

184. Mr. Skilling denies each and every allegation in paragraph 184 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a October 13, 1999 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 184.

185. Mr. Skilling denies each and every allegation in paragraph 185 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 15, 1999 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 185.

186. Mr. Skilling denies each and every allegation in paragraph 186 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 20, 1999 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 186.

187. Mr. Skilling denies each and every allegation in paragraph 187 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a November 2, 1999 Dow Jones Energy Service article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 187.

188. Mr. Skilling denies each and every allegation in paragraph 188 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 188.

189. Mr. Skilling denies each and every allegation in paragraph 189 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and

stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 189.

190. Mr. Skilling denies each and every allegation in paragraph 190 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a November 26, 1999 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 190.

191. Mr. Skilling denies each and every allegation in paragraph 191 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a November 30, 1999 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 191.

192. Mr. Skilling denies each and every allegation in paragraph 192 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a December 2, 1999 Enron press release. To the extent that press release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 192.

193. Mr. Skilling denies each and every allegation in paragraph 193 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a December 16, 1999 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 193.

194. Mr. Skilling denies each and every allegation in paragraph 194 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 6, 2000 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 194.

195. Mr. Skilling denies each and every allegation in paragraph 195 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 12, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 195.

196. Mr. Skilling denies each and every allegation in paragraph 196 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's January 18, 2000 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 196.

197. Mr. Skilling denies each and every allegation in paragraph 197 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on January 18, 2000 to discuss Enron's 1999 results. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 197.

198. Mr. Skilling denies each and every allegation in paragraph 198 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 18, 2000 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 198.

199. Mr. Skilling denies each and every allegation in paragraph 199 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 18, 2000 CIBC report. To the extent that report exists, it speaks for itself. To the extent

any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 199.

200. Mr. Skilling denies each and every allegation in paragraph 200 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 18, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 200.

201. Mr. Skilling denies each and every allegation in paragraph 201 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 18, 2000 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 201.

202. Mr. Skilling denies each and every allegation in paragraph 202 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 19, 2000 Wall Street Journal article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 202.

203. Mr. Skilling denies each and every allegation in paragraph 203 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 20, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 203.

204. Mr. Skilling denies each and every allegation in paragraph 204 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 21, 2000 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 204.

205. Mr. Skilling denies each and every allegation in paragraph 205 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 21, 2000 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 205.

206. Mr. Skilling denies each and every allegation in paragraph 206 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 21, 2000 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 206.

207. Mr. Skilling denies each and every allegation in paragraph 207 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 21, 2000 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 207.

208. Mr. Skilling denies each and every allegation in paragraph 208 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 21, 2000 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 208.

209. Mr. Skilling denies each and every allegation in paragraph 209 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

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a January 24, 2000 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 209.

210. Mr. Skilling denies each and every allegation in paragraph 210 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 28, 2000 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 210.

211. Mr. Skilling denies each and every allegation in paragraph 211 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 9, 2000 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 211.

212. Mr. Skilling denies each and every allegation in paragraph 212 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 16, 2000 Bloomberg article. To the extent that article exists, it speaks for itself. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 212.

213. Mr. Skilling denies each and every allegation in paragraph 213 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 28, 2000 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 213.

214. Mr. Skilling denies each and every allegation in paragraph 214 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that RAC generally prepared net present value calculations for proposed international deals, that the calculation of net present value and return on investment required the use of numerous assumptions, and that EES entered into DSM contracts. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 214.

215. Mr. Skilling denies each and every allegation in paragraph 215 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron issued its 1999 report to shareholders on or about March 31, 2000; that, to the best of his knowledge and belief, the report was reviewed and approved by Andersen and Vinson & Elkins; that the Annual Report

included a letter signed by Mr. Skilling; and that plaintiffs have purported to quote portions of the letter. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 215.

216. Mr. Skilling denies each and every allegation in paragraph 216 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1999 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 216.

217. Mr. Skilling denies each and every allegation in paragraph 217 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1999 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 217.

218. Mr. Skilling denies each and every allegation in paragraph 218 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1999 Annual Report. To the extent that report exists, it speaks for itself. To the extent any

of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 218.

219. Mr. Skilling denies each and every allegation in paragraph 219 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1999 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 219.

220. Mr. Skilling denies each and every allegation in paragraph 220 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's 1999 Annual Report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 220.

221. Mr. Skilling denies each and every allegation in paragraph 221 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Enron's 1999 Form 10-K was signed on his behalf. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 221.

222. Mr. Skilling denies each and every allegation in paragraph 222 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Enron held an investor conference in January 2000. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 222.

223. Mr. Skilling denies each and every allegation in paragraph 223 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's April 12, 2000 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 223.

224. Mr. Skilling denies each and every allegation in paragraph 224 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held an analyst conference call in April 2000, and that Mr. Skilling and other Enron executives appeared at an analyst meeting in April 2000. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 224.

225. Mr. Skilling denies each and every allegation in paragraph 225 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 12, 2000 article in Bloomberg News. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 225.

226. Mr. Skilling denies each and every allegation in paragraph 226 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 12, 2000 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 226.

227. Mr. Skilling denies each and every allegation in paragraph 227 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 12, 2000 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 227.

228. Mr. Skilling denies each and every allegation in paragraph 228 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

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an April 13, 2000 Houston Chronicle article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 228.

229. Mr. Skilling denies each and every allegation in paragraph 229 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 12, 2000 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 229.

230. Mr. Skilling denies each and every allegation in paragraph 230 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 12, 2000 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 230.

231. Mr. Skilling denies each and every allegation in paragraph 231 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 13, 2000 Lehman Brothers report. To the extent that report exists, it speaks for itself. To

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the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 231.

232. Mr. Skilling denies each and every allegation in paragraph 232 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 14, 2000 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 232.

233. Mr. Skilling denies each and every allegation in paragraph 233 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 17, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 233.

234. Mr. Skilling denies each and every allegation in paragraph 234 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a May 3, 2000 and a May 15, 2000 JP Morgan report. To the extent those reports exist, they speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 234.

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235. Mr. Skilling denies each and every allegation in paragraph 235 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 235.

236. Mr. Skilling denies each and every allegation in paragraph 236 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 236.

237. Mr. Skilling denies each and every allegation in paragraph 237 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a May 26, 2000 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 237.

238. Mr. Skilling denies each and every allegation in paragraph 238 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings

speaking for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 238.

239. Mr. Skilling denies each and every allegation in paragraph 239 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 3, 2000 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 239.

240. Mr. Skilling denies each and every allegation in paragraph 240 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 19, 2000 Enron press release. To the extent that press release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 240.

241. Mr. Skilling denies each and every allegation in paragraph 241 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 241.

242. Mr. Skilling denies each and every allegation in paragraph 242 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 19, 2000 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 242.

243. Mr. Skilling denies each and every allegation in paragraph 243 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 19, 2000 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 243.

244. Mr. Skilling denies each and every allegation in paragraph 244 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 19, 2000 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 244.

245. Mr. Skilling denies each and every allegation in paragraph 245 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

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a July 20, 2000 Los Angeles Times article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 245.

246. Mr. Skilling denies each and every allegation in paragraph 246 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's July 24, 2000 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 246.

247. Mr. Skilling denies each and every allegation in paragraph 247 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on July 24, 2000, and that he and other Enron executives appeared at analyst conferences on July 25 and 26, 2000. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 247.

248. Mr. Skilling denies each and every allegation in paragraph 248 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 24, 2000 JP Morgan analyst report. To the extent that report exists, it speaks for itself. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 248.

249. Mr. Skilling denies each and every allegation in paragraph 249 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 24, 2000 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 249.

250. Mr. Skilling denies each and every allegation in paragraph 250 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 24, 2000 and a July 25, 2000 Merrill Lynch report. To the extent those reports exist, they speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 250.

251. Mr. Skilling denies each and every allegation in paragraph 251 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 24, 2000 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 251.

252. Mr. Skilling denies each and every allegation in paragraph 252 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 24, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 252.

253. Mr. Skilling denies each and every allegation in paragraph 253 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 25, 2000 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 253.

254. Mr. Skilling denies each and every allegation in paragraph 254 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 25, 2000 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 254.

255. Mr. Skilling denies each and every allegation in paragraph 255 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 17, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 255.

256. Mr. Skilling denies each and every allegation in paragraph 256 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 15, 2000 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 256.

257. Mr. Skilling denies each and every allegation in paragraph 257 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 15, 2000 Deutsche Bank report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 257.

258. Mr. Skilling denies each and every allegation in paragraph 258 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

a September 19, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 258.

259. Mr. Skilling denies each and every allegation in paragraph 259 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 21, 2000 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 259.

260. Mr. Skilling denies each and every allegation in paragraph 260 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a September 27, 2000 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 260.

261. Mr. Skilling denies each and every allegation in paragraph 261 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 261.

262. Mr. Skilling denies each and every allegation in paragraph 262 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's October 17, 2000 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 262.

263. Mr. Skilling denies each and every allegation in paragraph 263 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call for analysts and investors to discuss Enron's Third Quarter 2000 results. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 263.

264. Mr. Skilling admits that on October 17, 2000 he was interviewed on CNNfn, but denies that the purported quote fully or accurately depicts Mr. Skilling's public statements. Mr. Skilling further denies each and every remaining allegation in paragraph 264.

265. Mr. Skilling denies each and every allegation in paragraph 265 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 17, 2000 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 265.

266. Mr. Skilling denies each and every allegation in paragraph 266 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 17, 2000 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 266.

267. Mr. Skilling denies each and every allegation in paragraph 267 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 18, 2000 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 267.

268. Mr. Skilling denies each and every allegation in paragraph 268 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 18, 2000 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 268.

269. Mr. Skilling denies each and every allegation in paragraph 269 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 19, 2000 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 269.

270. Mr. Skilling denies each and every allegation in paragraph 270 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 18, 2000 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 270.

271. Mr. Skilling denies each and every allegation in paragraph 271 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 271.

272. Mr. Skilling denies each and every allegation in paragraph 272 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a November 24, 2000 Enron press release. To the extent that press release exists, it speaks for itself.

To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 272.

273. Mr. Skilling denies each and every allegation in paragraph 273 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a December 6, 2000 Bloomberg News article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 273.

274. Mr. Skilling admits that on December 13, 2000 he was interviewed on CNBC, but denies that the purported quote fully or accurately depicts Mr. Skilling's public statements. Mr. Skilling further denies each and every remaining allegation in paragraph 274.

275. Mr. Skilling denies each and every allegation in paragraph 275 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that on December 13, 2000, he was named Enron's CEO. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 275.

276. Mr. Skilling denies each and every allegation in paragraph 276 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of December 18, 2000 Enron press release. To the extent that press release exists, it speaks for itself.

To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 276.

277. Mr. Skilling denies each and every allegation in paragraph 277 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 277.

278. Mr. Skilling denies each and every allegation in paragraph 278 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 278.

279. Mr. Skilling denies each and every allegation in paragraph 279 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 9, 2001 Dow Jones Energy Service article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 279.

280. Mr. Skilling denies each and every allegation in paragraph 280 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and

stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 280.

281. Mr. Skilling denies each and every allegation in paragraph 281 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's January 22, 2001 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 281.

282. Mr. Skilling denies each and every allegation in paragraph 282 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on January 21, 2001 and that he attended Enron's investor conference on January 25, 2001. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 282.

283. Mr. Skilling admits that on January 22, 2001 he was interviewed on CNNfn, but denies that the purported quote fully or accurately depicts Mr. Skilling's public statements. Mr. Skilling further denies each and every remaining allegation in paragraph 283.

284. Mr. Skilling denies each and every allegation in paragraph 284 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of

a January 26, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 284.

285. Mr. Skilling denies each and every allegation in paragraph 285 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a January 26, 2001 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 285.

286. Mr. Skilling admits that on January 31, 2001 he was interviewed on NPR, but denies that the purported quote fully or accurately depicts Mr. Skilling's public statements. Mr. Skilling further denies each and every remaining allegation in paragraph 286.

287. Mr. Skilling denies each and every allegation in paragraph 287 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 1, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 287.

288. Mr. Skilling denies each and every allegation in paragraph 288 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 288.

289. Mr. Skilling denies each and every allegation in paragraph 289 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 20, 2001 Fortune article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 289.

290. Mr. Skilling denies each and every allegation in paragraph 290 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 20, 2001 First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 290.

291. Mr. Skilling denies each and every allegation in paragraph 291 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 26, 2001 Enron press release. To the extent that press release exists, it speaks for itself.

To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 291.

292. Mr. Skilling denies each and every allegation in paragraph 292 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Enron's 2000 Form 10-K was signed on his behalf. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 292.

293. Mr. Skilling denies each and every allegation in paragraph 293 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that Enron's 2000 Annual Report included a letter that was signed by Mr. Skilling, which speaks for itself. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 293.

294. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 294, except admits that plaintiffs purport to quote or cite from Enron's 2000 Annual Report, which speaks for itself.

295. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 295, except admits that plaintiffs purport to quote or cite from Enron's 2000 Annual Report, which speaks for itself.

296. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 296, except admits that plaintiffs purport to quote or cite from Enron's 2000 Annual Report, which speaks for itself.

297. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 297, except admits that plaintiffs purport to quote or cite from Enron's 2000 Annual Report, which speaks for itself.

298. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 298, except admits that plaintiffs purport to quote or cite from Enron's 2000 Annual Report, which speaks for itself.

299. Mr. Skilling denies each and every allegation in paragraph 299 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 299.

300. Mr. Skilling denies each and every allegation in paragraph 300 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that RAC generally prepared net present value calculations for proposed international deals, that the calculation of net present value and return on investment required the use of numerous assumptions, and that EES entered into DSM contracts. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 300.

301. Mr. Skilling denies each and every allegation in paragraph 301 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 9, 2001 Bloomberg News article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 301.

302. Mr. Skilling denies each and every allegation in paragraph 302 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 12, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 302.

303. Mr. Skilling denies each and every allegation in paragraph 303 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 12, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 303.

304. Mr. Skilling denies each and every allegation in paragraph 304 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 12, 2001 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 304.

305. Mr. Skilling denies each and every allegation in paragraph 305 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 305.

306. Mr. Skilling denies each and every allegation in paragraph 306 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 13, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 306.

307. Mr. Skilling denies each and every allegation in paragraph 307 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 22, 2001 Bloomberg article. To the extent that article exists, it speaks for itself. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 307.

308. Mr. Skilling denies each and every allegation in paragraph 308 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 22, 2001 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 308.

309. Mr. Skilling denies each and every allegation in paragraph 309 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call to discuss Enron's business on March 23, 2001. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 309.

310. Mr. Skilling denies each and every allegation in paragraph 310 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 22, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 310.

311. Mr. Skilling denies each and every allegation in paragraph 311 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that he met with Enron broadband executives and employees in March 2001 in Portland, Oregon, and spoke at a public meeting in New Orleans the same month. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 311.

312. Mr. Skilling denies each and every allegation in paragraph 312 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 31, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 312.

313. Mr. Skilling denies each and every allegation in paragraph 313 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 313.

314. Mr. Skilling denies each and every allegation in paragraph 314 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 314.

315. Mr. Skilling denies each and every allegation in paragraph 315 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 3, 2001 Enron press release. To the extent that press release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 315.

316. Mr. Skilling denies each and every allegation in paragraph 316 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's April 17, 2001 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 316.

317. Mr. Skilling denies each and every allegation in paragraph 317 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on April 17, 2001 and an analyst conference on April 18, 2001. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 317.

318. Mr. Skilling admits that on April 17, 2001 he was interviewed on CNNfn, but denies that the purported quote fully or accurately depicts Mr. Skilling's public statements. Mr. Skilling further denies each and every remaining allegation in paragraph 318.

319. Mr. Skilling denies each and every allegation in paragraph 319 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 17, 2001 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 319.

320. Mr. Skilling denies each and every allegation in paragraph 320 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 18, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 320.

321. Mr. Skilling denies each and every allegation in paragraph 321 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 18, 2001 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 321.

322. Mr. Skilling denies each and every allegation in paragraph 322 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 8, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 322.

323. Mr. Skilling denies each and every allegation in paragraph 323 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an April 19, 2001 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 323.

324. Mr. Skilling denies each and every allegation in paragraph 324 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 324.

325. Mr. Skilling denies each and every allegation in paragraph 325 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a May 18, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 325.

326. Mr. Skilling denies each and every allegation in paragraph 326 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a May 18, 2001 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 326.

327. Mr. Skilling denies each and every allegation in paragraph 327 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a June 7, 2001 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 327.

328. Mr. Skilling denies each and every allegation in paragraph 328 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's July 12, 2001 earnings release. To the extent that earnings release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 328.

329. Mr. Skilling denies each and every allegation in paragraph 329 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron held a conference call on July 12, 2001 and analyst conferences on July 25, 26, and 27, 2001. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 329.

330. Mr. Skilling denies each and every allegation in paragraph 330 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 12, 2001 Bloomberg News article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 330.

331. Mr. Skilling admits that on July 12, 2001 he was interviewed on CNNfn, but denies that the purported quote fully or accurately depicts Mr. Skilling's public statements. Mr. Skilling further denies each and every remaining allegation in paragraph 331.

332. Mr. Skilling admits that on July 12, 2001 he was interviewed on CNNfn, but denies that the purported quote fully or accurately depicts Mr. Skilling's public statements. Mr. Skilling further denies each and every remaining allegation in paragraph 332.

333. Mr. Skilling denies each and every allegation in paragraph 333 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 12, 2001 JP Morgan e-mail. To the extent that e-mail exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 333.

334. Mr. Skilling denies each and every allegation in paragraph 334 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 13, 2001 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 334.

335. Mr. Skilling denies each and every allegation in paragraph 335 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 13, 2001 CitiGroup report. To the extent that report exists, it speaks for itself. To the extent

any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 335.

336. Mr. Skilling denies each and every allegation in paragraph 336 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except he admits that the referenced Registration Statement was signed on his behalf. Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 336.

337. Mr. Skilling denies each and every allegation in paragraph 337 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 25, 2001 Bloomberg News article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 337.

338. Mr. Skilling denies each and every allegation in paragraph 338 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a July 26, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 338.

339. Mr. Skilling denies each and every allegation in paragraph 339 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that RAC generally prepared net present value calculations for proposed international deals, that the calculation of net present value and return on investment required the use of numerous assumptions. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 339.

340. Mr. Skilling denies each and every allegation in paragraph 340 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 340.

341. Mr. Skilling denies each and every allegation in paragraph 341 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 14, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 341.

342. Mr. Skilling denies each and every allegation in paragraph 342 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and

stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 342.

343. Mr. Skilling denies each and every allegation in paragraph 343 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits the allegations in the first sentence of paragraph 343, and Mr. Skilling admits that he participated in an Enron conference call on August 14, 2001. Mr. Skilling denies, however, that the purported quotes fully or accurately depict Mr. Skilling's public statements. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 343.

344. Mr. Skilling denies each and every allegation in paragraph 344 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 344.

345. Mr. Skilling denies each and every allegation in paragraph 345 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 14, 2001 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 345.

346. Mr. Skilling denies each and every allegation in paragraph 346 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 14, 2001 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 346.

347. Mr. Skilling denies each and every allegation in paragraph 347 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 15, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 347.

348. Mr. Skilling denies each and every allegation in paragraph 348 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 15, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 348.

349. Mr. Skilling denies each and every allegation in paragraph 349 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 15, 2001 CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 349.

350. Mr. Skilling denies each and every allegation in paragraph 350 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 350.

351. Mr. Skilling denies each and every allegation in paragraph 351 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 351.

352. Mr. Skilling denies each and every allegation in paragraph 352 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 17, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 352.

353. Mr. Skilling denies each and every allegation in paragraph 353 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 17, 2001 Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 353.

354. Mr. Skilling denies each and every allegation in paragraph 354 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 17, 2001 CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 354.

355. Mr. Skilling denies each and every allegation in paragraph 355 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 28, 2001 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 355.

356. Mr. Skilling denies each and every allegation in paragraph 356 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 28, 2001 Bloomberg News article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 356.

357. Mr. Skilling denies each and every allegation in paragraph 357 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an August 28, 2001 Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 357.

358. Mr. Skilling denies each and every allegation in paragraph 358 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 358.

359. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 359.

360. Mr. Skilling denies each and every allegation in paragraph 360 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 360.

361. Mr. Skilling denies each and every allegation in paragraph 361 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 361.

362. Mr. Skilling denies each and every allegation in paragraph 362 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 9, 2001 Merrill Lynch report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 362.

363. Mr. Skilling denies each and every allegation in paragraph 363 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 9, 2001 JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 363.

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364. Mr. Skilling denies each and every allegation in paragraph 364 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Enron's October 16, 2001 release. To the extent that release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 364.

365. Mr. Skilling denies each and every allegation in paragraph 365 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 365.

366. Mr. Skilling denies each and every allegation in paragraph 366 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 366.

367. Mr. Skilling denies each and every allegation in paragraph 367 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 16, 2001 Bloomberg News article. To the extent that article exists, it speaks for itself.

To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 367.

368. Mr. Skilling denies each and every allegation in paragraph 368 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 16, 2001, CNNfn transcript. To the extent that transcript exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 368.

369. Mr. Skilling denies each and every allegation in paragraph 369 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 16, 2001, CNBC transcript. To the extent that transcript exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 369.

370. Mr. Skilling denies each and every allegation in paragraph 370 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 16, 2001, CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 370.

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371. Mr. Skilling denies each and every allegation in paragraph 371 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 16, 2001, Bank of America report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 371.

372. Mr. Skilling denies each and every allegation in paragraph 372 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 17, 2001, CIBC report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 372.

373. Mr. Skilling denies each and every allegation in paragraph 373 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 17, 2001, JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 373.

374. Mr. Skilling denies each and every allegation in paragraph 374 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 19, 2001, CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 374.

375. Mr. Skilling denies each and every allegation in paragraph 375 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 19, 2001, CitiGroup report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 375.

376. Mr. Skilling denies each and every allegation in paragraph 376 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 20, 2001, JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 376.

377. Mr. Skilling denies each and every allegation in paragraph 377 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 377.

378. Mr. Skilling denies each and every allegation in paragraph 378 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 23, 2001, CS First Boston report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 378.

379. Mr. Skilling denies each and every allegation in paragraph 379 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of from an October 23, 2001, Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 379.

380. Mr. Skilling denies each and every allegation in paragraph 380 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 23, 2001, JP Morgan report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 380.

381. Mr. Skilling denies each and every allegation in paragraph 381 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 24, 2001, Lehman Brothers report. To the extent that report exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 381.

382. Mr. Skilling denies each and every allegation in paragraph 382 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an October 25, 2001 Enron press release. To the extent that press release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 382.

383. Mr. Skilling denies each and every allegation in paragraph 383 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a November 1, 2001 Enron press release. To the extent that press release exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 383.

384. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 384.

385. Mr. Skilling denies each and every allegation in paragraph 385 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 385.

386. Mr. Skilling denies each and every allegation in paragraph 386 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 386.

387. Mr. Skilling denies each and every allegation in paragraph 387 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 387.

388. Mr. Skilling denies each and every allegation in paragraph 388 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 388.

389. Mr. Skilling denies each and every allegation in paragraph 389 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 389.

390. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 390.

391. Mr. Skilling denies each and every allegation in paragraph 391 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 391.

392. Mr. Skilling denies each and every allegation in paragraph 392 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Congress launched an investigation into Enron's bankruptcy, that Congress summoned the individuals named in paragraph 392 (among

others) as witnesses to testify, and that those individuals refused to testify on Fifth Amendment grounds. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 392.

393. Mr. Skilling denies each and every allegation in paragraph 393 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 393.

394. Paragraph 394 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 394 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 394.

395. Paragraph 395 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 395 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 395.

396. Paragraph 396 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 396 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent

they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 396.

397. Paragraph 397 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 397 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 397.

398. Mr. Skilling denies each and every allegation in paragraph 398 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 398.

399. Mr. Skilling denies each and every allegation in paragraph 399 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 399.

400. Paragraph 400 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 400 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind

of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 400.

401. Paragraph 401 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 401 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 401.

402. Mr. Skilling denies each and every allegation in paragraph 402 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 402.

403. Mr. Skilling denies each and every allegation in paragraph 403 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 403.

404. Mr. Skilling denies each and every allegation in paragraph 404 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 404.

405. Paragraph 405 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 405 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 405, except Mr. Skilling admits that he had a 10b5-1 plan, and at time made sales pursuant to that plan.

406. Allegations in paragraph 406 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 406 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

407. Allegations in paragraph 407 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 407 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

408. Allegations in paragraph 408 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 408 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

409. Allegations in paragraph 409 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 409 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

410. Allegations in paragraph 410 appear to assert a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 410 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr.

Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

411. Allegations in paragraph 411 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 411 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

412. Allegations in paragraph 412 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 412 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

413. Allegations in paragraph 413 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 413 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind

of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

414. Allegations in paragraph 414 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 414 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

415. Allegations in paragraph 415 relate to a purported expert opinion, which is inappropriate at this stage in the proceeding and to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 415 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in this paragraph, including the admissibility of plaintiffs' purported expert report and the designation of Hakala as an expert.

416. Mr. Skilling denies each and every allegation in paragraph 416 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 416.

417. Mr. Skilling denies each and every allegation in paragraph 417 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 417.

418. Mr. Skilling denies each and every allegation in paragraph 418 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 418.

419. Mr. Skilling denies each and every allegation in paragraph 419 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 419.

420. Mr. Skilling denies each and every allegation in paragraph 420 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and

stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 420.

421. Mr. Skilling denies each and every allegation in paragraph 421 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 421.

422. Mr. Skilling denies each and every allegation in paragraph 422 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 22, 2000 article from Accounting Malpractice.com. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 422.

423. Mr. Skilling denies each and every allegation in paragraph 423 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 423.

424. Mr. Skilling denies each and every allegation in paragraph 424 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 424.

425. Mr. Skilling denies each and every allegation in paragraph 425 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases, SEC filings, and stock price speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 425.

426. Paragraph 426 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 426 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 426.

427. Paragraph 427 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 427 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 427.

428. Plaintiffs' purported quotation of the 1934 Act is a legal conclusion to which no response is required. To the extent a response is required, Mr. Skilling denies each and every

allegation in paragraph 428 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 428.

429. Mr. Skilling denies each and every allegation in paragraph 429 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 429.

430. Mr. Skilling denies each and every allegation in paragraph 430 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of ARB No. 51. To the extent that ARB No. 51 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 430.

431. Mr. Skilling denies each and every allegation in paragraph 431 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of SFAS No. 94. To the extent that SFAS No. 94 exists, it speaks for itself. To the extent any of the

allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 431.

432. Mr. Skilling denies each and every allegation in paragraph 432 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of SFAS No. 125. To the extent that SFAS No. 125 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 432.

433. Mr. Skilling denies each and every allegation in paragraph 433 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 433.

434. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 434, except admits that plaintiffs purport to quote portions of a January 18, 2001 Wall Street Journal article. To the extent that article exists, it speaks for itself.

435. Mr. Skilling denies each and every allegation in paragraph 435 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 435.

436. Mr. Skilling denies each and every allegation in paragraph 436 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron had a joint venture investment partnership called JEDI, and further admits that CalPERS sold its interest in JEDI in 1997. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 436.

437. Mr. Skilling denies each and every allegation in paragraph 437 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 437.

438. Mr. Skilling denies each and every allegation in paragraph 438 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 438.

439. Mr. Skilling denies each and every allegation in paragraph 439 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 439.

440. Paragraph 440 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 440 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 440.

441. Mr. Skilling denies each and every allegation in paragraph 441 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 441.

442. Mr. Skilling denies each and every allegation in paragraph 442 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 442.

443. Mr. Skilling denies each and every allegation in paragraph 443 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 443.

444. Mr. Skilling denies each and every allegation in paragraph 444 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 444.

445. Mr. Skilling denies each and every allegation in paragraph 445 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of APB No. 9. To the extent that APB No. 9 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 445.

446. Mr. Skilling denies each and every allegation in paragraph 446 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 446.

447. Mr. Skilling denies each and every allegation in paragraph 447 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 447.

448. Mr. Skilling denies each and every allegation in paragraph 448 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron from time-to-time entered into transactions with LJM1 and LJM2. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 448.

449. Mr. Skilling denies each and every allegation in paragraph 449 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 449.

450. Mr. Skilling denies each and every allegation in paragraph 450 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 450.

451. Mr. Skilling denies each and every allegation in paragraph 451 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits the allegations in the first and last sentences of the paragraph. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 451.

452. Mr. Skilling admits the allegations in paragraph 452.

453. Mr. Skilling denies each and every allegation in paragraph 453 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron made a \$10 million investment in Rhythms NetConnections stock and that the Enron Board of Directors approved a hedge of that investment in order to lock in gains. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 453.

454. Mr. Skilling denies each and every allegation in paragraph 454 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 454.

455. Mr. Skilling denies each and every allegation in paragraph 455 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 455.

456. Mr. Skilling denies each and every allegation in paragraph 456 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 456.

457. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 457.

458. Mr. Skilling denies each and every allegation in paragraph 458 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 458.

459. Mr. Skilling denies each and every allegation in paragraph 459 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 459.

460. Mr. Skilling denies each and every allegation in paragraph 460 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that the Finance Committee recommended approval of the formation LJM2 and Enron's Board of Directors approved the formation of LJM2. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 460.

461. Mr. Skilling denies each and every allegation in paragraph 461 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 461.

462. Mr. Skilling denies each and every allegation in paragraph 462 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 462.

463. Mr. Skilling denies each and every allegation in paragraph 463 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 463.

464. Mr. Skilling denies each and every allegation in paragraph 464 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 464.

465. Mr. Skilling denies each and every allegation in paragraph 465 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that he wanted to protect the value of Enron's merchant investments and avoid excessive quarter-to-quarter volatility in Enron's reported earnings resulting from fluctuations in the value of Enron's merchant investments. To the extent any of the

allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 465.

466. Mr. Skilling denies each and every allegation in paragraph 466 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 466.

467. Mr. Skilling denies each and every allegation in paragraph 467 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 467.

468. Mr. Skilling denies each and every allegation in paragraph 468 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 468.

469. Mr. Skilling denies each and every allegation in paragraph 469 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 469.

470. Mr. Skilling denies each and every allegation in paragraph 470 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 470.

471. Mr. Skilling denies each and every allegation in paragraph 471 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 471.

472. Mr. Skilling denies each and every allegation in paragraph 472 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 472.

473. Mr. Skilling denies each and every allegation in paragraph 473 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 473.

474. Mr. Skilling denies each and every allegation in paragraph 474 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 474.

475. Mr. Skilling denies each and every allegation in paragraph 475 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron had embarked on an effort to build a national fiber optic network. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 475.

476. Mr. Skilling denies each and every allegation in paragraph 476 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 476.

477. Mr. Skilling denies each and every allegation in paragraph 477 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Raptor I was created to engage in hedging transactions with Enron. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 477.

478. Mr. Skilling denies each and every allegation in paragraph 478 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 478.

479. Mr. Skilling denies each and every allegation in paragraph 479 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that the Enron Board of Directors approved a hedging transaction between Enron and Talon. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 479.

480. Mr. Skilling denies each and every allegation in paragraph 480 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 480.

481. Mr. Skilling denies each and every allegation in paragraph 481 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 481.

482. Mr. Skilling denies each and every allegation in paragraph 482 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron established Raptors II and IV, which were designed to engage in valid derivative transactions with Enron. To the extent any of the

allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 482.

483. Mr. Skilling denies each and every allegation in paragraph 483 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 483.

484. Mr. Skilling denies each and every allegation in paragraph 484 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 484.

485. Mr. Skilling denies each and every allegation in paragraph 485 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that New Power's stock price speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 485.

486. Mr. Skilling denies each and every allegation in paragraph 486 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that New Power's stock price speaks for itself.

To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 486.

487. Mr. Skilling denies each and every allegation in paragraph 487 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that New Power was a power delivery company formed by Enron. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 487.

488. Mr. Skilling denies each and every allegation in paragraph 488 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 488.

489. Mr. Skilling denies each and every allegation in paragraph 489 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 489.

490. Mr. Skilling denies each and every allegation in paragraph 490 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 490.

491. Mr. Skilling denies each and every allegation in paragraph 491 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 491.

492. Mr. Skilling denies each and every allegation in paragraph 492 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 492.

493. Mr. Skilling denies each and every allegation in paragraph 493 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of EITF No. 85-1. To the extent that EITF No. 85-1 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 493.

494. Mr. Skilling denies each and every allegation in paragraph 494 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 494.

495. Mr. Skilling denies each and every allegation in paragraph 495 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, or to the extent they relate to events at Enron after his resignation. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 495.

496. Mr. Skilling denies each and every allegation in paragraph 496, including subparagraphs (a) and (b) therein, for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 496.

497. Mr. Skilling denies each and every allegation in paragraph 497 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 497.

498. Mr. Skilling denies each and every allegation in paragraph 498 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 498.

499. Mr. Skilling denies each and every allegation in paragraph 499 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 499.

500. Mr. Skilling denies each and every allegation in paragraph 500 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 500.

501. Paragraph 501 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 501 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of SFAS No. 125. To the extent that SFAS No. 125 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 501.

502. Paragraph 502 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 502 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the

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extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 502.

503. Paragraph 503 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 503 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 503.

504. Mr. Skilling denies each and every allegation in paragraph 504 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 504.

505. Mr. Skilling denies each and every allegation in paragraph 505 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 505.

506. Mr. Skilling denies each and every allegation in paragraph 506 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 506.

507. Paragraph 507 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 507 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of SFAS No. 57. To the extent that SFAS No. 57 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 507.

508. Mr. Skilling denies each and every allegation in paragraph 508 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Item 404 of SEC Regulation S-K. To the extent that Item 404 of SEC Regulation S-K exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 508.

509. Paragraph 509 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 509 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of Statements of Financial

Accounting Concepts 1 and 2. To the extent that these publications exist, they speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 509.

510. Mr. Skilling denies each and every allegation in paragraph 510 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 510.

511. Paragraph 511 asserts legal conclusions and a summary of generally accepted accounting principles to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 511 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 511.

512. Mr. Skilling denies each and every allegation in paragraph 512 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 512.

513. Mr. Skilling denies each and every allegation in paragraph 513 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 513.

514. Mr. Skilling denies each and every allegation in paragraph 514 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 514.

515. Paragraph 515 asserts legal conclusions to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 515 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 515.

516. Mr. Skilling denies each and every allegation in paragraph 516 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 516.

517. Mr. Skilling denies each and every allegation in paragraph 517 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of SEC Staff Accounting Bulletin No. 99. To the extent that SAB No. 99 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 517.

518. Paragraph 518 asserts legal conclusions and a summary of generally accepted accounting principles, to which no response is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 518 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 518.

519. Mr. Skilling denies each and every allegation in paragraph 519 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 22, 2002 article from Accounting Malpractice.com. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 519.

520. Mr. Skilling denies each and every allegation in paragraph 520 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron entered the broadband market through EBS. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 520.

521. Mr. Skilling denies each and every allegation in paragraph 521 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 521.

522. Mr. Skilling denies each and every allegation in paragraph 522 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 522.

523. Mr. Skilling denies each and every allegation in paragraph 523 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 523.

524. Mr. Skilling denies each and every allegation in paragraph 524 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that by year-end 2000 VOD was up and running in four test market cities. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 524.

525. Mr. Skilling denies each and every allegation in paragraph 525 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 525.

526. Mr. Skilling denies each and every allegation in paragraph 526 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 526.

527. Mr. Skilling denies each and every allegation in paragraph 527 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 527.

528. Mr. Skilling denies each and every allegation in paragraph 528 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that EBS, as part of its business, engaged in

commerce with counterparties through bandwidth trades and swaps of dark fiber. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 528.

529. Mr. Skilling denies each and every allegation in paragraph 529 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 529.

530. Mr. Skilling denies each and every allegation in paragraph 530 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 29, 2002 New York Times article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 530.

531. Mr. Skilling denies each and every allegation in paragraph 531 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 531.

532. Mr. Skilling denies each and every allegation in paragraph 532 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 532.

533. Mr. Skilling denies each and every allegation in paragraph 533 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 533.

534. Paragraph 534 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 534 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron used mark-to-market accounting in certain situations. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 534.

535. Mr. Skilling denies each and every allegation in paragraph 535 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs have provided a generic definition of DSM contracts. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 535.

536. Mr. Skilling denies each and every allegation in paragraph 536 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 536.

537. Mr. Skilling denies each and every allegation in paragraph 537 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 537.

538. Mr. Skilling denies each and every allegation in paragraph 538 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron as part of its day-to-day business, at times, monetized various long-term contracts. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 538.

539. Mr. Skilling denies each and every allegation in paragraph 539 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 539.

540. Mr. Skilling denies each and every allegation in paragraph 540 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 540.

541. Mr. Skilling denies each and every allegation in paragraph 541 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 541.

542. Mr. Skilling denies each and every allegation in paragraph 542 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 18, 2002 Washington Post article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 542.

543. Mr. Skilling denies each and every allegation in paragraph 543 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 543.

544. Mr. Skilling denies each and every allegation in paragraph 544 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 544.

545. Mr. Skilling denies each and every allegation in paragraph 545 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 545.

546. Mr. Skilling denies each and every allegation in paragraph 546 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 546.

547. Mr. Skilling denies each and every allegation in paragraph 547 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that EBS and Rice University agreed to a 10 year contract for broadband services, which Rice University eventually cancelled. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 547.

548. Mr. Skilling denies each and every allegation in paragraph 548 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 548.

549. Mr. Skilling denies each and every allegation in paragraph 549 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 549.

550. Mr. Skilling denies each and every allegation in paragraph 550 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron had a division called Assets and Investments and that plaintiffs purport to cite or quote portions of a March 2001 Fortune magazine article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 550.

551. Mr. Skilling denies each and every allegation in paragraph 551 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 551.

552. Paragraph 552 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 552 for lack of knowledge or information sufficient to

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form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 552.

553. Paragraph 553 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 553 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 553.

554. Mr. Skilling denies each and every allegation in paragraph 554 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 554.

555. Mr. Skilling denies each and every allegation in paragraph 555 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 555.

556. Mr. Skilling denies each and every allegation in paragraph 556 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 556.

557. Mr. Skilling denies each and every allegation in paragraph 557 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 557.

558. Mr. Skilling denies each and every allegation in paragraph 558 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 558.

559. Mr. Skilling denies each and every allegation in paragraph 559 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a Houston Chronicle article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 559.

560. Mr. Skilling denies each and every allegation in paragraph 560 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 560.

561. Mr. Skilling denies each and every allegation in paragraph 561 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 561.

562. Mr. Skilling denies each and every allegation in paragraph 562 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that there are circumstances under which prepaid forward sales contracts are valid. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 562.

563. Mr. Skilling denies each and every allegation in paragraph 563 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 2, 2002 ruling by the Honorable Jed S. Rakoff. To the extent that ruling exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 563.

564. Mr. Skilling denies each and every allegation in paragraph 564 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 19, 2002 article in The New York Times. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 564.

565. Mr. Skilling denies each and every allegation in paragraph 565 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that one valid definition of a “swap” is a transaction where two parties trade the future returns on investments over a set period of time. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 565.

566. Mr. Skilling denies each and every allegation in paragraph 566 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 566.

567. Mr. Skilling denies each and every allegation in paragraph 567 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 17, 2002 New York Times article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 567.

568. Mr. Skilling denies each and every allegation in paragraph 568 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 568.

569. Mr. Skilling denies each and every allegation in paragraph 569 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 569.

570. Mr. Skilling denies each and every allegation in paragraph 570 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 22, 2002 New York Times article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 570.

571. Mr. Skilling denies each and every allegation in paragraph 571 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 571.

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572. Mr. Skilling denies each and every allegation in paragraph 572 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 572.

573. Mr. Skilling denies each and every allegation in paragraph 573 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 573.

574. Mr. Skilling denies each and every allegation in paragraph 574 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 574.

575. Mr. Skilling denies each and every allegation in paragraph 575 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron used non-recourse debt to finance projects at various points in time. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 575.

576. Mr. Skilling denies each and every allegation in paragraph 576 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 576.

577. Mr. Skilling denies each and every allegation in paragraph 577 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron did have international projects in Cuiaba, Brazil; Sardinia; southeastern Poland; and Piti, Guam. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 577.

578. Mr. Skilling denies each and every allegation in paragraph 578 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of ARB No. 45. To the extent that ARB No. 45 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 578.

579. Mr. Skilling denies each and every allegation in paragraph 579 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 579.

580. Mr. Skilling denies each and every allegation in paragraph 580 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 580.

581. Mr. Skilling denies each and every allegation in paragraph 581 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 581.

582. Mr. Skilling denies each and every allegation in paragraph 582 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 582.

583. Mr. Skilling denies each and every allegation in paragraph 583 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 583.

584. Mr. Skilling denies each and every allegation in paragraph 584 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of SFAS No. 121. To the extent that SFAS No. 121 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 584.

585. Mr. Skilling denies each and every allegation in paragraph 585 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of SFAS No. 115. To the extent that SFAS No. 115 exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 585.

586. Mr. Skilling denies each and every allegation in paragraph 586 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 586.

587. Mr. Skilling denies each and every allegation in paragraph 587 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 587.

588. Mr. Skilling denies each and every allegation in paragraph 588 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, to the extent they relate to events at Enron after his resignation, or to the extent they relate to the propriety or accuracy of Enron's restatement. Further, Mr. Skilling asserts that Enron's public releases and SEC filings are matters of public record that speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 588.

589. Mr. Skilling denies each and every allegation in paragraph 589 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 589.

590. Mr. Skilling denies each and every allegation in paragraph 590 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits the allegations in the first three sentences of paragraph 590 and admits that Azurix invested in other water plants. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 590.

591. Mr. Skilling denies each and every allegation in paragraph 591 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 591.

592. Mr. Skilling denies each and every allegation in paragraph 592 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 592.

593. Mr. Skilling denies each and every allegation in paragraph 593 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron formed Atlantic Water Trust to purchase part of Azurix. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 593.

594. Mr. Skilling denies each and every allegation in paragraph 594 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 594.

595. Mr. Skilling denies each and every allegation in paragraph 595 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings

speaking for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 595.

596. Mr. Skilling denies each and every allegation in paragraph 596 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 596.

597. Mr. Skilling denies each and every allegation in paragraph 597 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 597.

598. Mr. Skilling denies each and every allegation in paragraph 598 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron became involved in the building of a power plant near Dabhol, India and that construction of the Dabhol power plant did experience delays and cost overruns. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 598.

599. Mr. Skilling denies each and every allegation in paragraph 599 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron encountered regulatory and political problems in finalizing construction of the Dabhol power plant. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 599.

600. Mr. Skilling denies each and every allegation in paragraph 600 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of an undated Wall Street Journal article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 600.

601. Mr. Skilling denies each and every allegation in paragraph 601 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 601.

602. Mr. Skilling denies each and every allegation in paragraph 602 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 602.

603. Mr. Skilling denies each and every allegation in paragraph 603 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 603.

604. Mr. Skilling denies each and every allegation in paragraph 604 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 604.

605. Mr. Skilling denies each and every allegation in paragraph 605 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron purchased a stake in Elektro. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 605.

606. Mr. Skilling denies each and every allegation in paragraph 606 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 606.

607. Mr. Skilling denies each and every allegation in paragraph 607 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

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the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron purchased an interest in a pipeline owned by PromiGas. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 607.

608. Mr. Skilling denies each and every allegation in paragraph 608 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron had an interest in Enron Oil Transportation and Trade (“EOTT”) and an interest in Project Timber. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 608.

609. Mr. Skilling denies each and every allegation in paragraph 609 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 609.

610. Paragraph 610 purports to state a summary of generally accepted accounting principles, to which no response is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 610 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron’s public releases and SEC filings speak for themselves. To the extent

any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 610.

611. Mr. Skilling denies each and every allegation in paragraph 611 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 611.

612. Mr. Skilling denies each and every allegation in paragraph 612 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 612.

613. Mr. Skilling denies each and every allegation in paragraph 613 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 613.

614. Mr. Skilling denies each and every allegation in paragraph 614 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed a registration statement on December 31, 1997. That registration statement, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 614.

615. Mr. Skilling denies each and every allegation in paragraph 615 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 615.

616. Mr. Skilling denies each and every allegation in paragraph 616 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 616.

617. Mr. Skilling denies each and every allegation in paragraph 617 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties

other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 617.

618. Mr. Skilling denies each and every allegation in paragraph 618 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 618.

619. Mr. Skilling denies each and every allegation in paragraph 619 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 619.

620. Mr. Skilling denies each and every allegation in paragraph 620 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 620.

621. Mr. Skilling denies each and every allegation in paragraph 621 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to

the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 621.

622. Mr. Skilling denies each and every allegation in paragraph 622 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 622.

623. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 623.

624. Mr. Skilling denies each and every allegation in paragraph 624 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 624.

625. Mr. Skilling denies each and every allegation in paragraph 625 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings,

speaking for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 625.

626. Mr. Skilling denies each and every allegation in paragraph 626 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 626.

627. Mr. Skilling denies each and every allegation in paragraph 627 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 627.

628. Mr. Skilling denies each and every allegation in paragraph 628 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 628.

629. Mr. Skilling denies each and every allegation in paragraph 629 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 629.

630. Mr. Skilling denies each and every allegation in paragraph 630 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 630.

631. Mr. Skilling denies each and every allegation in paragraph 631 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 631.

632. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 632.

633. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 633.

634. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 634.

635. Mr. Skilling denies each and every allegation in paragraph 635 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 635.

636. Mr. Skilling denies each and every allegation in paragraph 636 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 636.

637. Mr. Skilling denies each and every allegation in paragraph 637 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that as of December 2000 EBS had at least four pooling points. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 637.

638. Mr. Skilling denies each and every allegation in paragraph 638 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 638.

639. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every allegation in paragraph 639.

640. Mr. Skilling denies each and every allegation in paragraph 640 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 640.

641. Mr. Skilling denies each and every allegation in paragraph 641 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.

641.1 Mr. Skilling denies each and every allegation in paragraph 641.1 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent

they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.1.

641.2 Mr. Skilling denies each and every allegation in paragraph 641.2 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.2.

641.3 Mr. Skilling denies each and every allegation in paragraph 641.3 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.3.

641.4 Mr. Skilling denies each and every allegation in paragraph 641.4 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind

of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.4.

641.5 Mr. Skilling denies each and every allegation in paragraph 641.5 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.5.

641.6 Mr. Skilling denies each and every allegation in paragraph 641.6 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.6.

641.7 Mr. Skilling denies each and every allegation in paragraph 641.7 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.7.

641.8 Mr. Skilling denies each and every allegation in paragraph 641.8 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.8.

641.9 Mr. Skilling denies each and every allegation in paragraph 641.9 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.9.

641.10 Mr. Skilling denies each and every allegation in paragraph 641.10 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.10.

641.11 Mr. Skilling denies each and every allegation in paragraph 641.11 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration

statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.11.

641.12 Mr. Skilling denies each and every allegation in paragraph 641.12 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.12.

641.13 Mr. Skilling denies each and every allegation in paragraph 641.13 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.13.

641.14 Mr. Skilling denies each and every allegation in paragraph 641.14 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.14.

641.15 Mr. Skilling denies each and every allegation in paragraph 641.15 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.15.

641.16 Mr. Skilling denies each and every allegation in paragraph 641.16 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.16.

641.17 Mr. Skilling denies each and every allegation in paragraph 641.17 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.17.

641.18 Mr. Skilling denies each and every allegation in paragraph 641.18 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent

they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.18.

641.19 Mr. Skilling denies each and every allegation in paragraph 641.19 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.19.

641.20 Mr. Skilling denies each and every allegation in paragraph 641.20 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.20.

641.21 Mr. Skilling denies each and every allegation in paragraph 641.21 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings,

speaking for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.21.

641.22 Mr. Skilling denies each and every allegation in paragraph 641.22 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.22.

641.23 Mr. Skilling denies each and every allegation in paragraph 641.23 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.23.

641.24 Mr. Skilling denies each and every allegation in paragraph 641.24 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.24.

641.25 Mr. Skilling denies each and every allegation in paragraph 641.25 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent

they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.25.

641.26 Mr. Skilling denies each and every allegation in paragraph 641.26 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.26.

641.27 Mr. Skilling denies each and every allegation in paragraph 641.27 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.27.

641.28 Mr. Skilling denies each and every allegation in paragraph 641.28 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings,

speaking for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.28.

641.29 Mr. Skilling denies each and every allegation in paragraph 641.29 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.29.

641.30 Mr. Skilling denies each and every allegation in paragraph 641.30 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.30.

641.31 Mr. Skilling denies each and every allegation in paragraph 641.31 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.31.

641.32 Mr. Skilling denies each and every allegation in paragraph 641.32 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent

they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.32.

641.33 Mr. Skilling denies each and every allegation in paragraph 641.33 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.33.

641.34 Mr. Skilling denies each and every allegation in paragraph 641.34 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.34.

641.35 Mr. Skilling denies each and every allegation in paragraph 641.35 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings,

speaking for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.35.

641.36 Mr. Skilling denies each and every allegation in paragraph 641.36 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.36.

641.37 Mr. Skilling denies each and every allegation in paragraph 641.37 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.37.

641.38 Mr. Skilling denies each and every allegation in paragraph 641.38 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.38.

641.39 Mr. Skilling denies each and every allegation in paragraph 641.39 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent

they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.39.

641.40 Mr. Skilling denies each and every allegation in paragraph 641.40 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.40.

641.41 Mr. Skilling denies each and every allegation in paragraph 641.41 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.41.

641.42 Mr. Skilling denies each and every allegation in paragraph 641.42 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration

statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.42.

641.43 Mr. Skilling denies each and every allegation in paragraph 641.43 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.43.

641.44 Mr. Skilling denies each and every allegation in paragraph 641.44 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that Enron filed numerous registration statements. Those registration statements, as well as Enron's other public releases and SEC filings, speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 641.44.

642. The allegations in paragraph 642 relate solely to the Bank Defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 642 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to quote or cite from certain published case law, which

speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 642.

643. The allegations in paragraph 643 relate solely to the Bank Defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 643 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 25, 2002 Business Week article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 643.

644. The allegations in paragraph 644 relate solely to the Bank Defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 644 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 19, 2002 Miami Herald article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 644.

645. The allegations in paragraph 645 relate solely to the Bank Defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 645 for lack of knowledge or information sufficient to form a

belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 26, 2002 Dow Jones News Service article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 645.

646. Mr. Skilling denies each and every allegation in paragraph 646 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that LJM2 was privately held entity in which Merrill Lynch held an interest. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 646.

647. Mr. Skilling denies each and every allegation in paragraph 647 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 647.

648. Mr. Skilling denies each and every allegation in paragraph 648 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a February 11, 2002 Business Week article, a March 22, 2002 Washington Post article, and a February 19, 2002 New York Times article. To the extent those articles exist, they speak for

themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 648.

649. Mr. Skilling denies each and every allegation in paragraph 649 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 649.

650. The allegations in paragraph 650 relate to the Bank Defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 650 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 650.

651. The allegations in paragraph 651 relate to the Bank Defendants, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 651 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 651.

652. The allegations in paragraph 652 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every

allegation in paragraph 652 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that JP Morgan provided commercial banking and investment banking services to Enron. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 652.

653. The allegations in paragraph 653 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 653 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 653, except Mr. Skilling admits that at times he interacted with JP Morgan officials.

654. The allegations in paragraph 654 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 654 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 654.

655. The allegations in paragraph 655 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 655 for lack of knowledge or information sufficient to form a belief as to the

truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that at times JP Morgan acted as underwriter for Enron securities. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 655.

656. The allegations in paragraph 656 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 656 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that at times JP Morgan acted as underwriter for Enron securities. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 656.

657. Mr. Skilling denies each and every allegation in paragraph 657 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 657.

658. The allegations in paragraph 658 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 658 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits

that JP Morgan's commercial paper back-up credit facilities helped Enron maintain its access to the commercial paper market. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 658.

659. The allegations in paragraph 659 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 659 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 659.

660. The allegations in paragraph 660 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 660 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 660.

661. The allegations in paragraph 661 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 661 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the

allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 661.

662. The allegations in paragraph 662 relate to JP Morgan, for which no response from Mr. Skilling is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 662 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that Enron's public releases and SEC filings speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 662.

663. The allegations in paragraph 663 relate to JP Morgan, for which no response from Mr. Skilling is required. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 663 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling asserts that analyst reports issued by JP Morgan speak for themselves. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 663.

664. The allegations in paragraph 664 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 664 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling. To the extent any of the

allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 664.

665. The allegations in paragraph 665 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 665 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to quote from an opinion in *J.P. Morgan Chase Bank v. Liberty Mutual Ins.*, No. 01 Civ. 11523 (S.D.N.Y. Mar. 5, 2002). To the extent that opinion exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 665.

666. The allegations in paragraph 666 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 666 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements, degree of knowledge, or state of mind of parties other than Mr. Skilling, except Mr. Skilling admits that plaintiffs purport to cite or quote portions of a March 5, 2002 Dow Jones article. To the extent that article exists, it speaks for itself. To the extent any of the allegations relate to Mr. Skilling, Mr. Skilling denies each and every remaining allegation in paragraph 666.

667. The allegations in paragraph 667 relate to JP Morgan, to which no response from Mr. Skilling is necessary. To the extent a response is required, Mr. Skilling denies each and every allegation in paragraph 667 for lack of knowledge or information sufficient to form a belief as to the truth of the allegations to the extent they relate to the actions, inactions, oral or written statements,

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