

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

APR 18 2002 LF

Michael N. Milby, Clerk

Mark NEWBY,
Plaintiff,

v.

ENRON CORP., et al.,
Defendants.

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C.A. No. H-01-3624
AND CONSOLIDATED CASES

PAMELA M. TITTLE, on behalf of herself
and a class of persons similarly situated, et al.,
Plaintiff,

v.

ENRON CORP., an Oregon Corporation, et al.,
Defendants.

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C.A. No. H-01-3913
AND CONSOLIDATED CASES

**ARTHUR ANDERSEN LLP'S
EMERGENCY MOTION TO EXTEND TIME TO
ANSWER, MOVE, OR OTHERWISE RESPOND
TO THE CONSOLIDATED COMPLAINTS**

Defendant Arthur Andersen LLP ("Andersen") files this Emergency Motion to Extend Time to Answer, Move or Otherwise Respond to the Consolidated Complaints filed by Lead Plaintiffs in the two above-captioned cases, for 14 additional days or until May 22, 2002. Andersen joins and adopts the reasoning set forth in the motion seeking similar relief filed on April 12, 2002, by 34 individual defendants¹ and, in addition, in support of this motion would show the following:

¹Andersen joins the following defendants in their motion to extend time to respond: Robert A. Belfer, Norman P. Blake, Jr., Ronnie C. Chan, John H. Duncan, Joey H. Foy, Wendy L. Gramm, Robert K. Jaedicke, Charles A. Lemaistre, Jerome J. Meyer, John Wakeham, Charls E. Walker, Herbert S. Winokur, Jr., The Estate of J. Clifford Baxter, Deceased, Richard B. Buy, Richard A.

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A. Background

On February 27, 2002, the Court entered a Scheduling Order requiring the lead plaintiffs in the *Newby* and *Tittle* actions to file a consolidated complaint in each of those actions (the “Consolidated Complaints”) by April 1, 2002, and requiring Defendants to file their motions to dismiss the Consolidated Complaints by May 1, 2002. Following a one-week adjournment of these dates, granted by the Court in order to facilitate the *Newby* and *Tittle* Plaintiffs’ participation in mediation with Andersen, both the *Newby* and *Tittle* Plaintiffs on April 8, 2002 filed consolidated, amended complaints. The new complaints comprise more than 800 pages in length. Moreover, in excess of 15 individual partners and employees of Andersen have been newly named as defendants in these consolidated proceedings before the Court. A number of these newly-named individuals have not yet been served to the best of Andersen’s knowledge with service of process, and, as a result, cannot be required to respond by May 8. Many of these newly-named individuals may be represented by the same counsel as represents Andersen.

B. Argument

In light of the vastly expanded breadth of the Consolidated Complaints, as evidenced by their volume alone, plus the large number of new individual defendants who will require an adequate opportunity to respond, and given Andersen’s desire and interest in avoiding duplication and in conserving its own resources, as well as those of the Court, Andersen respectfully requests that it be given an additional fourteen (14) days within which to respond to the massive Consolidated

Causey, Mark A. Frevert, Joseph M. Hirko, Stanley C. Horton, Steven J. Kean, Mark E. Koenig, Michael S. McConnell, Jeffrey McMahon, J. Mark Metts, Cindy K. Olson, Lou L. Pai, Kenneth D. Rice, Joseph W. Sutton, Paula Reiker, Jeffrey K. Skilling, Andrew Fastow, Kenneth Lay, James Derrick, John A. Urquhart and Rebecca Mark-Jusbache.

Complaints so that it may be able to attempt coordination with the newly-named Andersen defendants.

Like all other parties, Andersen recognizes and shares the Court's desire to have these lawsuits proceed expeditiously and fairly and therefore has limited its request to only an additional 14 days, until Wednesday May 22, 2002, even though Andersen believes this will not fully eliminate the timing complications and duplication problems that are created as a result of the addition of more than Andersen partners and employees as defendants. However, Andersen believes that a two-week extension will help alleviate these problems to some extent and will not delay in any realistic way the progress of these lawsuits.

C. Plaintiffs' Request for Similar Treatment If Andersen's Motion is Granted

Andersen has contacted Lead Plaintiff's counsel in the *Newby* case and was asked to inform the Court that while they do not consent to the extension of time requested, in the event the Court grants an extension to Andersen, Lead Plaintiff requests that it be given a similar extension on its time to respond. A copy of the letter from Lead Plaintiff's counsel is attached as Exhibit A. Counsel for the *Tittle* Plaintiffs have made a similar request. Andersen has no objection to Plaintiffs' request.

D. Emergency Motion

Under Southern District of Texas Court Local Rule 7.3, this motion would ordinarily be submitted on May 8, 2002. In light of the fact that submission on that date would moot this motion, Andersen requests that the Court set this motion for submission on April 24, 2002.

E. Prayer

For the foregoing reasons, Defendants respectfully request that the Court allow Defendants until May 22, 2002 to file their motions to dismiss the *Newby* and *Tittle* Consolidated Complaints.

Respectfully submitted,



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Attorney-in-Charge for
Defendant Arthur Anderson LLP

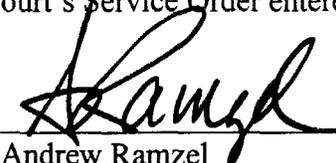
OF COUNSEL

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CERTIFICATE OF SERVICE

I certify that on this 18 day of April, 2002, a true and correct copy of the foregoing pleading was served on all counsel pursuant to the Court's Service Order entered April 10, 2002.



Andrew Ramzel

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Apr-12-2002 17:18 From:WILBERG, WEISS... 6182317423 T-415 P.002/002 F-182

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New York
San Francisco
Los Angeles
Boca Raton
Seattle

April 12, 2002

Sharon Katz
DAVIS POLK & WARDWELL
450 Lexington Avenue
New York, NY 10017

Re: Enron Securities Litigation

Dear Sharon:

This is to confirm our conversation in the last couple of days. You asked if we would agree to extend the time for the defendants to respond to the Complaint. We cannot agree to extend the time for the defendants to respond to the Complaint. If the defendants seek the Court's assistance and get an extension, we will be seeking a similar extension. That is, if the defendants get six weeks or eight weeks to respond to the Complaint, we will ask to have the same amount of time to respond to the motions. Please advise the Court of this in your motion.

Very truly yours,

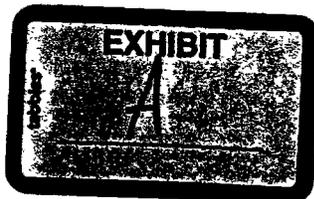


HELEN J. HODGES

HJH:dsg

cc: G. Paul Howes
James L. Jaconette
Roger Greenberg

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Defendants. §

**ORDER ON ARTHUR ANDERSEN LLP'S
EMERGENCY MOTION TO EXTEND TIME TO
ANSWER, MOVE, OR OTHERWISE RESPOND
TO THE CONSOLIDATED COMPLAINTS**

On this day came to be considered Arthur Andersen LLP's Emergency Motion to Extend Time to Answer, Move or Otherwise Respond to the Consolidated Complaints.

It is ORDERED that Arthur Andersen's time to Answer, Move or Otherwise Respond to the Consolidated Complaints is extended until May 22, 2002.

Signed at Houston, Texas this ___ day of _____, 2002 at _____ o'clock p.m.

MELINDA HARMON
UNITED STATES DISTRICT JUDGE