

December 11, 2001

The Honorable Michael G. Oxley
Chairman
House Committee on Financial Services
2129 Rayburn H.O.B.
Washington, D.C. 20515

Re: Hearing of House Committee on Financial Services

Dear Mr. Chairman:

I understand that Ms. Linda Rich, Senior Counsel of the Committee, has inquired today about the Committee's invitation to me to testify before a joint hearing scheduled for tomorrow, December 12th, of two of its subcommittees.

I certainly wish to cooperate with the Committee and its subcommittees. Enron, as you know, has filed for bankruptcy. The United States Trustee had scheduled for December 12 the organizational meeting of creditors, the purpose of which is to appoint a creditors' committee. This is the same day as the joint hearing. As Chairman of the Board and Chief Executive Office, it is very important that I attend that meeting. This will regrettably preclude my accepting your invitation to testify tomorrow.

Given the multiplicity of lawsuits and investigations relating to Enron, I am in the process of completing my own arrangements for retaining counsel. I hope that process, as Ms. Rich was informed, will be completed this week and counsel will have an opportunity to familiarize themselves with the complexities involved.

Please accept my regrets for being unable to appear before the subcommittees' hearing tomorrow.

I respectfully request, Mr. Chairman, that this letter be included in the record of the subcommittees' hearing.

Sincerely,

KENNETH L. LAY

cc: Hon. John J. LaFalce
Ranking Minority Member,
Committee on Financial Services

Hon. Sue Kelly,
Chairwoman, Subcommittee on
Oversight and Investigations

Hon. Luis Gutierrez,
Ranking Minority Member,
Subcommittee on Oversight and Investigations

Hon. Richard H. Baker
Chairman, Subcommittee on
Capital Markets, Insurance and Government

Hon. Paul E. Kanjorski
Ranking Minority member,
Subcommittee on Capital Markets,
Insurance and Government

Linda Rich, Esquire
Senior Counsel, Committee
On Financial Services