

Exhibit B

WEIL, GOTSHAL & MANGES LLP
Attorneys For The Debtors
767 Fifth Avenue
New York, New York 10153
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Martin J. Bienenstock (MB 3001)
Brian S. Rosen (BR 0571)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
	:	
In re	:	Chapter 11 Case No.
	:	
ENRON CORP., <u>et al.</u>,	:	01-16034 (AJG)
	:	
	:	Jointly Administered
Debtor.	:	
-----	X	

**NOTICE OF (A) FILING OF REVISED AGREEMENT AND (B) HEARING IN
CONNECTION WITH DEBTORS' ORDER PURSUANT TO 11 U.S.C. § 363
AUTHORIZING THE DEBTORS TO ENTER INTO AN AGREEMENT
TO EMPLOY STEPHEN FORBES COOPER, LLC
AS AN INDEPENDENT CONTRACTOR TO PROVIDE MANAGEMENT
SERVICES FOR THE DEBTORS *NUNC PRO TUNC* TO JANUARY 30, 2002**

PLEASE TAKE NOTICE that, in connection with the motion, dated February 15, 2002 (the "Motion"), of Enron Corp. and its affiliated debtors (collectively, the "Debtors"), for an order authorizing the Debtors to enter into an agreement to employ Stephen Forbes Cooper LLC, annexed hereto as Exhibit "A" is a revised form of Agreement (the "Revised Agreement"), dated as of January 28, 2002, to be executed by Enron Corp., Stephen Forbes Cooper LLC and Stephen Cooper. The Revised Agreement replaces and supercedes the Agreement annexed to the Motion.

PLEASE TAKE FURTHER NOTICE that, in light of the filing of the Revised Agreement, the deadline to file and serve responses or objections, if any, to the Motion and the relief requested therein has been extended to March 15, 2002 at 5:00 p.m. Such

responses or objections must be in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, be filed electronically in accordance with General Order M-242 (General Order M-242 and the User's Manual for the Electronic Case Filing System can be found at www.nysb.uscourts.gov, the official website for the Bankruptcy Court), by registered users of the Bankruptcy Court's case filing system and, by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), Wordperfect or any other Windows-based word processing format (with a hard-copy delivered directly to Chambers), and be served in accordance with General Order M-242 and the Amended Case Management Order Establishing, Among Other Things, Noticing Electronic Procedures, Hearing Dates, Independent Website and Alternative Methods of Participation at Hearings, dated February 26, 2002, and served upon (1) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, Attn: Martin J. Bienenstock, Esq. and Brian S. Rosen, Esq. (Facsimile: 212-310-8007), counsel to the Debtors, (2) Togut, Segal & Segal LLP, One Penn Plaza, New York, New York 10119, Attn: Albert Togut, Esq. (Facsimile: 212-967-4258), cocounsel to the Debtors, (3) the Office of the United States Trustee, 33 Whitehall Street, 21st Floor, New York, NY 10004, Attn: Mary Elizabeth Tom, Esq., (4) Davis, Polk & Wardwell, 450 Lexington Avenue, New York, New York 10017, Attn: Donald S. Bernstein, Esq. and Marshall S. Huebner, Esq. (Facsimile: 212-450-3800), counsel for JP Morgan Chase Bank, as Agent, (5) Shearman & Sterling, 599 Lexington Avenue, New York, New York 10022, Attn: Douglas Bartner, Esq. and Fredric Sosnick, Esq. (Facsimile: 212-848-7179), counsel for Citicorp, as Agent, and (6) Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005-1413, Attn: Luc A.

Despins, Esq. (Facsimile: 212-822-5660), counsel for the statutory creditors' committee, so as to be received no later than March 15, 2002 at 5:00 p.m. (New York City Time).

PLEASE TAKE FURTHER NOTICE that a hearing to consider the Motion and the relief requested therein, including, without limitation, approval of the Revised Agreement, shall be held on April 4, 2002 at 10:00 a.m. before Honorable Arthur J. Gonzalez, United States Bankruptcy Judge, in Room 523 of the United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York, 10004. The moving and objecting parties are required to attend the hearing, and failure to attend in person or by counsel may result in relief being granted or denied upon default.

Dated: New York, New York
March 8, 2002

/s/ Brian S. Rosen
Martin J. Bienenstock (MB 3001)
Brian S. Rosen (BR 0571)
Melanie Gray
Martin A. Sosland
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

EXHIBIT A

AGREEMENT

This AGREEMENT (the "Agreement") dated as of January 28, 2002 is made by and between Enron Corp., an Oregon corporation ("Enron"), Stephen Cooper ("Cooper") and Stephen Forbes Cooper, LLC ("SFCooper, LLC"), a New Jersey limited liability company, relating to Enron and its subsidiaries which are currently or in the future become subject to any bankruptcy proceeding under the United States Bankruptcy Code or similar insolvency proceeding (collectively the "Debtors").

Recitals:

WHEREAS, the parties hereto desire to enter into this Agreement to set forth the basis on which Cooper and SFCooper, LLC will perform management services for the Debtors, all as set forth more fully in this Agreement.

NOW, THEREFORE, in consideration of the premises and covenants set forth herein, and intending to be legally bound hereby, the parties to this Agreement hereby agree as follows:

1. Engagement. Enron on behalf of the Debtors hereby engages Cooper and SFCooper, LLC, and Cooper and SFCooper, LLC hereby accepts such engagement, on the terms and conditions set forth in this Agreement. Cooper shall provide such hours of service as he deems necessary in his sole discretion to perform his duties hereunder, provided, however, that Cooper shall provide, on an average, a minimum of thirty-five (35) hours of service hereunder per week.. SFCooper, LLC shall provide up to fifteen (15) additional individuals certain of which are identified on Schedule 1 hereto (the "Associate Directors of Restructuring") to work for the Debtors as set forth below. In the event the use of more than fifteen Associate Directors of Restructuring are required or a change is necessary in the specific individual assigned as Associate Director of Restructuring, to meet the requirements of the work to be performed, Cooper and SFCooper, LLC will obtain prior approval by Enron and (solely with respect to the use of more than fifteen Associate Directors of Restructuring, not the specific individuals) the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") before assigning them to work for the Debtors. All compensation for the services and actions of Cooper and the Associate Directors of Restructuring under this Agreement will be paid to SFCooper, LLC.

2. Duties.

(a) Enron represents to Cooper and SFCooper, LLC that the Board of Directors of Enron (the "Board") has duly elected Cooper as the Acting Chief Executive Officer and Chief Restructuring Officer of Enron and the terms of this Agreement have been approved by the Board through a duly appointed committee of the Board. Subject to approval of this Agreement by the Bankruptcy Court, Cooper and SFCooper, LLC will assign Associate Directors of Restructuring to serve in various capacities with the Debtors and to perform other services required of SFCooper, LLC hereunder. Cooper and SFCooper, LLC shall, and shall cause each of Cooper and each Associate Director of Restructuring to enter into an agreement in the form attached hereto as Exhibit A.

(b) Pursuant to and except as limited by the terms of this Agreement, Cooper shall be authorized to make decisions with respect to all aspects of the management and operation of the Debtors' business, including without limitation organization and human resources (including, except as otherwise provided below, directing the hiring and termination of employees of the Debtors and utilization of Associate Directors of Restructuring), marketing and sales, logistics, finance and administration and such other areas as he may identify, in such manner as he deems necessary or appropriate in his sole discretion consistent with the business judgment rule and the provisions of local law and the United States Bankruptcy Code applicable to the obligations of persons acting on behalf of corporations, subject only to appropriate governance by the Board in accordance with the Debtors' Bylaws and applicable state law. Cooper and the Associate Directors of Restructuring (individually, a "Representative" and collectively, the "Representatives") shall not have any authority to make decisions with respect to hiring or terminating officers, executing transactions or otherwise committing the Debtors or its resources other than in the ordinary course of business or otherwise approved by the Board or the Executive Committee of the Board (the "Executive Committee") and, if required, the Bankruptcy Court. All material decisions of Cooper shall be discussed with one or more members of the Board or the Executive Committee, as appropriate, and with Debtors' Chief Executive Officer ("CEO"), if a non-interim CEO is appointed by the Board. Any dispute between the Executive Committee and Cooper regarding the implementation of such decisions shall be resolved definitively by the non-interim CEO, if any, and in the absence of a non-interim CEO, by the Board.

(c) In undertaking to provide the services set forth herein, Cooper and SFCooper, LLC do not guarantee or otherwise provide any assurances that they will succeed in restoring the Debtors' operational and financial health and stability and, except for the amount referenced in Section 4(c) hereof, the Debtors' obligation to provide the compensation specified under Section 4 hereof shall not be conditioned upon any particular results being obtained by Cooper and SFCooper, LLC.

(d) In view of the Debtors' precarious present circumstances, Enron, on behalf of the Debtors, acknowledges that each Representative may be required to make decisions with respect to extraordinary measures quickly and that the depth of his analyses of the information on which his decisions will be based may be limited in some respects due to the availability of information, time constraints and other factors. Moreover, each Representative shall be entitled, in performing his duties hereunder on behalf of Cooper and SFCooper, LLC, to rely on information disclosed or supplied to them without verification or warranty of accuracy or validity except to the extent that (i) such reliance is unreasonable, or (ii) such Representative has actual knowledge that such information is incorrect in a material respect.

(e) Cooper will endeavor to keep the Board and/or the Executive Committee and the non-interim CEO, if any, fully apprised of his findings, plans and activities.

3. Term. The term of Cooper and SFCooper, LLC's engagement hereunder shall commence on the date hereof and shall continue on a month to month basis until terminated by either party upon ten days prior written notice to the other party. In the event of termination prior to the end of a calendar month, Debtors shall pay Cooper and SFCooper, LLC a pro rata portion of the monthly billings for the number of days elapsed in the month up to the date of termination; provided, however, that Cooper and SFCooper, LLC shall not be terminated by Enron without approval of the Bankruptcy Court unless the Creditors' Committee otherwise agrees.

4. Compensation. Cooper and SFCooper, LLC's compensation hereunder shall consist of the following:

(a) an annual payment of \$1,320,000, payable monthly in the amount of \$110,000 in immediately available funds upon approval of this Agreement by the Bankruptcy Court and throughout the term hereof for the services of Cooper. The initial payment under this Section 4a for the period from January 28, 2002 through February 28, 2002 shall be \$110,000. The monthly payment for March, 2002 and each subsequent month shall be on the first day of each calendar month for which the services are being provided.

(b) an annual payment of \$864,000 for each Associate Director of Restructuring on the basis of 160 hours per month as a full time equivalent ("FTE") for an Associate Director of Restructuring, such fee to be payable monthly in the amount of \$72,000 in immediately available funds upon the approval of this Agreement by the Bankruptcy Court and on the first day of each calendar month thereafter throughout the term hereof for the services of the Associate Directors of Restructuring; the initial monthly payment under this Section 4(b) for the period from January 28, 2002 through February 28, 2002 shall be \$864,000. The monthly payment for March 2002 and each subsequent month will be determined as set forth in Section 4e. Additionally, a quarterly adjustment to the amounts paid monthly pursuant to Sections 4a and 4b shall be made beginning with the calendar quarter ending March 31, 2002, in accordance with Section 4e.

(c) a fee to be requested by Cooper and SFCooper, LLC, subject to Bankruptcy Court approval for reasonableness under all the circumstances, to be fixed and paid promptly after the earlier of either (i) termination of this Agreement, (ii) disposition of substantially all Enron's material assets or (iii) confirmation of a Chapter 11 plan for Enron or separate plans or a joint plan for two or more of Enron major subsidiaries, in an amount to take into account, among other things, Cooper's dedication of himself and SF Cooper, LLC to Enron, on short notice, to the exclusion of other business, comparable fees, results achieved, value maximization, and diligent progress and efforts.

(d) reimbursement of Cooper and SFCooper, LLC's reasonable out-of-pocket expenses including, but not limited to, reasonable costs of travel, reproduction, typing, computer usage, legal counsel (including legal counsel retained to draft and enforce this Agreement) and other similar direct expenses and any and all taxes (other than state, local and federal income taxes) on any of the foregoing.

(e) The Debtors shall pay to SFCooper, LLC the compensation set forth in Sections 4(a), 4(b) and 4(d) hereof based upon the submission of monthly invoices by Cooper and SFCooper, LLC setting forth the number of Associate Directors of Restructuring for the prior calendar month, a general description of the services provided and a detailed listing of the expenses sought to be reimbursed. Cooper and SFCooper, LLC shall make a retroactive upward or downward adjustment on a quarterly basis to the fee calculated pursuant to Section 4(a) and 4(b) hereof based on the actual level of efforts (i.e., the FTE's actually worked during the quarter) and experience (as indicated on Schedule 1 by the normal billing rate for similar engagements) of the individuals providing services. Such retroactive adjustment shall be reported to the Creditors' Committee and approved by Enron.

5. Confidentiality.

(a) The Debtors, including the Board, shall to treat any information received from the Cooper and SFCooper, LLC or their representatives as confidential, and except as specified in this Section 5(a), will not publish, distribute or otherwise disclose in any manner any information

developed by or received from the Cooper or SFCooper, LLC or their representatives without the Cooper or SFCooper, LLC's or such Representative's prior approval. Such approval shall not be required if either (i) the information sought is required to be disclosed by an order binding on Debtor and issued by a court having competent jurisdiction over Debtors and such information is disclosed only pursuant to the terms of such order, (ii) such information is required to be disclosed by applicable law based on the advice of legal counsel or (iii) the information is otherwise publicly available other than through disclosure by a party in breach of a confidentiality obligation with respect thereto.

(b) Cooper and SFCooper, LLC and each Representative agrees to treat any information received from the Debtors or their representatives as confidential, and except as specified in this Section 5(b), will not publish, distribute or otherwise disclose in any manner any information developed by or received from the Debtors or their representatives without the Debtors' prior approval. Such approval shall not be required if either (i) the information sought is required to be disclosed by an order binding on Cooper and SFCooper, LLC or the Representative, as the case may be, and issued by a court having competent jurisdiction over Cooper or SFCooper, LLC or the Representative, as the case may be, and such information is disclosed only pursuant to the terms of such order, (ii) such information is required to be disclosed by applicable law based on the advice of legal counsel or (iii) the information is otherwise publicly available other than through disclosure by a party in breach of a confidentiality obligation with respect thereto.

6. Representations and Warranties.

(a) As an inducement to Cooper and SFCooper, LLC to enter into this Agreement, Enron represents and warrants to Cooper and SFCooper, LLC as follows:

(i) Enron is a corporation duly organized and validly existing under the laws of the jurisdiction in which it was organized and has all requisite corporate power to enter into this Agreement.

(ii) Subject to receipt of the approval by the Bankruptcy Court of the execution by Enron of this Agreement, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein nor compliance by Enron with any of the provisions hereof will: (i) violate any order, writ, injunction, decree, law, statute, rule or regulation applicable to Enron or (ii) require the consent, approval, permission or other authorization of, or qualification or filing with or notice to, any court, arbitrator or other tribunal or any governmental, administrative, regulatory or self-regulatory agency or any other third party.

(iii) Subject to receipt of the approval by the Bankruptcy Court of the execution by Enron of this Agreement, this Agreement has been duly authorized, executed and delivered by Enron and constitutes the legal, valid and binding agreement of Enron, enforceable in accordance with its terms.

(b) As an inducement to Enron to enter into this Agreement, Cooper and SFCooper, LLC represents and warrants to Enron as follows:

(i) SFCooper, LLC is a limited liability company duly organized and validly existing under the laws of the jurisdiction in which it was organized and has all requisite corporate power to enter into this Agreement.

(ii) Subject to receipt of the approval by the Bankruptcy Court of the execution by Enron of this Agreement, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein nor compliance by Cooper and SFCooper, LLC with any of the provisions hereof will: (i) violate any order, writ, injunction, decree, law, statute, rule or regulation applicable to it or (ii) require the consent, approval, permission or other authorization of, or qualification or filing with or notice to, any court, arbitrator or other tribunal or any governmental, administrative, regulatory or self-regulatory agency or any other third party.

(iii) Subject to receipt of the approval by the Bankruptcy Court of the execution by Enron of this Agreement, this Agreement has been duly authorized, executed and delivered by Cooper and SFCooper, LLC and constitutes the legal, valid and binding agreement of SFCooper, LLC, enforceable in accordance with its terms.

7. Indemnification.

(a) The Debtors shall indemnify and hold harmless Cooper and the Representatives to the fullest extent permitted under (i) the Articles of Incorporation and by-laws of the Debtors, (ii) the laws of the State of Oregon and (iii) any order of the Bankruptcy Court providing for indemnification of persons engaged in the bankruptcy proceedings.

(b) If Cooper, SFCooper, LLC or any principal, employee, representative or agent of SFCooper, LLC is required to testify at any time after the expiration or termination of this Agreement at any administrative or judicial proceeding relating to any services provided by Cooper or SFCooper, LLC hereunder, then Cooper or SFCooper, LLC shall be entitled to be compensated by the Debtors for Cooper or SFCooper, LLC's associated time charges at the regular hourly rates in effect at the time and to be reimbursed for reasonable out-of-pocket expenses, including reasonable counsel fees.

(c) Enron has furnished to Cooper and SFCooper, LLC a true, correct and complete copy of the Directors and Officers Liability Insurance Policy No. D0079A1A98 (the "First Layer Policy") issued to Enron by Associated Electric & Gas Insurance Services Limited (Hamilton Bermuda) (the "First Layer Insurer") and the excess directors and officers liability policies (together with the First Layer Policy, the "Policies") issued to Enron by Energy Insurance Mutual Limited (Policy No. 900630-00DO), Federal Insurance Company (Policy Nos. 8142-05-47, 8181-43-14 and 8179-41-03 SWH), Twin City Fire Insurance Company (Policy No. NDA 0131301-98H), Greenwich Insurance Company issued through Executive Liability Underwriters (Policy No. ELU 82248-01), Underwriting Members of Lloyd's as specified in the policy (Policy No. 901/LK9802531), St. Paul Mercury Insurance Company (Policy No. 568CM0934) ("St. Paul"), Royal Insurance Company of America (Policy No. P SF000633) ("Royal") and ACE Bermuda Insurance Ltd. (Policy No. ENE-9459D) (together with the First Layer Insurer, the "Insurers"). Enron represents that, except as set forth below, the Policies are in full force and effect and that it has received no written notice of any event of default thereunder or of any cancellation by the Insurers of any Policy. However, the First Layer Insurer has advised Enron that it has reserved its rights and defenses (i) with respect to certain pending lawsuits and (ii) under the terms of the First Layer Policy and applicable provisions of law. The latter reservation of rights was made, in light of Enron's announced intention to restate past financial statements, on the basis that insureds may have provided false and inaccurate information in the application for the First Layer Policy. Under the terms of the notice from the First Layer Insurer, there will be no coverage for a particular insured to the extent that all of the elements under Texas law for rescinding insurance coverage on the basis of misrepresentations and omissions in an application for insurance are satisfied as to such insured. In addition, Royal has filed a motion with the bankruptcy court for relief from the automatic stay, to the extent applicable, so it may provide notice to Enron and other insureds pursuant to Article 21.17 of the Texas Insurance Code that it is preserving certain rights and defenses based upon what it asserts appears to have been material misrepresentations made to Royal during the underwriting process, including, without limitation, the right to rescind the policy; by its terms, Royal's proposed notice will not itself purport to rescind or cancel the policy. Also, St. Paul has filed a motion with the bankruptcy court for relief from the automatic stay, to the extent applicable, so it may provide notice to Enron and other insureds, although its investigation is stated not to be complete, of its determination that its policy was issued based on material misrepresentations during policy negotiations and thus that it intends not to be bound by the policy; St. Paul's motion also offers to tender the entire premium paid by Enron to obtain the policy; and, through its motion, St. Paul seeks to notify Enron and the other insureds of its intent to seek judicial rescission of the policy as necessary. Other Insurers may file similar (or different) motions with respect to coverage under the excess policies. Promptly and in any event within two business days after the Bankruptcy Court shall have entered an order approving this Agreement, Enron shall notify the Insurers of the election of Cooper as Acting Chief Executive Officer and Chief Restructuring Officer of the Debtors and of the appointment of any Associate Director of Restructuring who becomes an officer of the Debtors. Enron shall cause its insurance broker to send copies of all documentation and other communications regarding the Policies, including without limitation any renewal or cancellation thereof, to the attention of SFCooper, LLC. The Debtors shall notify Cooper and SFCooper, LLC in writing at least thirty days prior to any change to the terms,

amounts or carriers of their insurance coverage from that provided under the Policies, and promptly after providing such notice, shall discuss with Cooper the details of the changes. Cooper and any Associate Director of Restructuring who becomes an officer of Debtor shall have all indemnities available to the officers of Enron pursuant to Enron's certificate of incorporation and bylaws, and any claim for such indemnities shall be treated as an administrative expense in the Debtors' bankruptcy cases.

8. Benefits; Taxes. Cooper and SFCooper, LLC and the Representatives shall not be entitled to any benefits paid by the Debtors to its employees. Cooper and SFCooper, LLC shall be solely responsible for any tax consequences applicable to Cooper and SFCooper, LLC by reason of this Agreement and the services performed hereunder, and the Debtors shall not be responsible for the payment of any federal, state or local taxes or contributions imposed under any employment insurance, social security, income tax or other tax law or regulation with respect to Cooper and SFCooper, LLC's performance of management services hereunder. The parties agree that, subject to the terms and provisions of this Agreement, Cooper, SFCooper, LLC and the Representatives may perform any duties hereunder and set their own work schedule subject only to supervision by the Board or the Executive Committee.

9. Offer of Employment. The Debtors agree to promptly notify Cooper and SFCooper, LLC if they extend (or solicit the possible interest in receiving) an offer of employment to an employee or principal of Cooper and SFCooper, LLC and agrees that it will pay SFCooper, LLC a cash fee, upon hiring, equal to 150% of the aggregate first year's annualized compensation, including any guaranteed or target bonus, to be paid to SFCooper, LLC's former principal or employee that the Debtors hire at any time up to one year subsequent to the date of the final invoice rendered by SFCooper, LLC with respect to this Agreement.

10. Trial. The Debtors agree that neither they nor any of their assignees or successors shall (a) seek a jury trial in any lawsuit, proceeding, counterclaim or any other action based upon, or arising out of or in connection with the engagement of Cooper and SFCooper, LLC by the Debtors or any services rendered pursuant to such engagement, or (b) seek to consolidate any such action with any other action in which a jury trial cannot be or has not been waived. The provisions of this paragraph have been fully discussed by the Debtors, Cooper and SFCooper, LLC and these provisions shall be subject to no exceptions. Neither party has agreed with or represented to the other that the provisions of this section will not be fully enforced in all instances.

11. Jurisdiction. Each of the Debtors, Cooper and SFCooper, LLC hereby irrevocably and unconditionally (a) submits for itself and its property in any legal action or proceeding relating to the engagement of Cooper and SFCooper, LLC by the Debtors or any services rendered pursuant to such engagement, to the non-exclusive general jurisdiction of the Bankruptcy Courts of United States of America for the Southern District of New York, and appellate courts from any thereof; (b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; (c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Debtors, Cooper or SFCooper, LLC, as the case may be, at their address set forth in Section 17 hereof or at such other address of which the party directing the service of process shall have been notified pursuant to Section 17 hereof; (d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and (e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this subsection any special, exemplary or punitive or consequential damages.

12. Survival of Agreement. Except as provided in this Agreement, the obligations set forth under the above captioned Confidentiality, Indemnification, Compensation, Offer of Employment, Trial and Jurisdiction sections shall survive the expiration, termination, or supersession of this Agreement.

13. Conflicts. Cooper and SFCooper, LLC confirm that none of the principals or staff members of SFCooper, LLC or of its affiliates, Zolfo Cooper, LLC and Zolfo Cooper Capital, LLC, has any financial interest or business connection with the Debtors, and SFCooper, LLC is aware of no conflicts in connection with this Agreement that have not been previously disclosed. During the term of this Agreement, Cooper and SFCooper, LLC will continue to monitor potential conflicts and will promptly disclose any conflicts that develop.

14. Amendments. Any amendment to this Agreement shall be made in writing and signed by the parties hereto.

15. Enforceability. If any provision of this Agreement shall be invalid or unenforceable, in whole or in part, then such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Agreement, as the case may require, and this Agreement shall be construed and enforced to the maximum extent permitted by law as if such provision had been originally incorporated herein as so modified or restricted or as if such provision had not been originally incorporated herein, as the case may be.

16. Construction. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York.

17. Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or duly sent by certified mail, postage prepaid; by an overnight delivery service, charges prepaid; or by confirmed telecopy; addressed to such party at the address set forth below or such other address as may hereafter be designated in writing by the addressee to the addressor:

If to Enron:

Enron Corp.
1400 Smith Street
Houston, TX 77002
Facsimile: 713.853.3129
Attention: Jeffrey McMahon

with a copy to:

Thomas A. Roberts
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153
Facsimile: 212.310.8007

If to Cooper and SFCooper, LLC:

Stephen Forbes Cooper, LLC
101 Eisenhower Parkway, 3rd Floor
Roseland, NJ 07068
Facsimile: 973.618.9430
Attention: Stephen F. Cooper

Any party may from time to time change its address for the purpose of notices to that party by a similar notice specifying a new address, but no such change shall be deemed to have been given until it is actually received by the party sought to be charged with its contents.

18. Waivers. No claim or right arising out of a breach or default under this Agreement shall be discharged in whole or in part by a waiver of that claim or right unless the waiver is supported by consideration and is in writing and executed by the aggrieved party hereto or his or its duly authorized agent. A waiver by any party hereto of a breach or default by the other party hereto of any provision of this Agreement shall not be deemed a waiver of future compliance therewith, and such provisions shall remain in full force and effect.

19. Agreement Binding on the Debtors. The execution of this Agreement by Enron is for and on behalf of the Debtors and binds the Debtors to the provisions, duties and obligations hereunder.

IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the date first above written.

ENRON CORP.

By: _____

Name: Jeffrey McMahon

Title: President and Chief Operating Officer

STEPHEN FORBES COOPER, LLC

By: _____

Name: Stephen F. Cooper

Title: Manager

STEPHEN F. COOPER

By: _____

Name: Stephen F. Cooper

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