

# **EXHIBIT D**

Nigerian Brigs

3 Brigs assets of Eni's Division

Her people were pretty tight from to sell

Eni's of approached some investors - many  
which were M.L.

Resulted in phone call to E.

F was in, Fester was in, Boyle,  
Belin B. Schragger  
Plus Litany of M.L. people

Belin R. Fester M.L. Petroleum Offices

Context of call - M.L. had expressed interest  
would invest

What was that E would assist them  
in selling when to market. What  
assume that E would  
make efforts to syndicate it  
out to them.

Disc. between Eni & M.L.  
Agreed that E would use best  
efforts to help them sell assets

Was there a desire to get sold by end of yr  
to Google assets

This was 1974 asset

Steve made rep to MC that ~~you~~ E would  
buy them out at price a @ 10%  
of return.

Why needed someone to step in on short  
term basis?

Don't know - 1974 deal

I was involved b/c as TRS, I was in  
charge of bank work

MC wanted Deal Hwy 1974 letter, MC  
and AF.

Even tho 29mm - not unusual to have  
all these people involved if one of our  
fin institutions - wanted to make  
sure all our dis contracts y fin inst.  
(know of)

AF agreed that E would help them  
reassess their equity 6 mo after  
closing

What happened @ end of 6 month - heard via Paul Rapp  
that LTM purchased it

Tracked after the one phone call? None that  
I recall

None recall any disc that such a person was made  
in phone call

Were likely to make sure committee was  
supplied @ top level of Co

How if LTM was paid a fee to purchase  
M.C. contract & the idea

Anyone ever call you after (my call to  
you) remind you that E had much  
representation?

No. Instruct of VES purchase My knowledge  
was from Paul Rapp. Took place  
in Nov 2000 - was out of Finance Dept

- Did credit agencies know how using prepays? Don't know
- Think it would be important to them =>

Delta Energy - ~~new~~ <sup>don't recall hearing of it outside of conversation</sup> ~~lead~~

Makoria - entity related to prepays done w/ Chase  
 - doesn't know who owns it or anything about it

Nigerian Barges

↳ wouldn't take the WSJ article as a secret source

→ 3 barges assets of Intl. Div. run by Rob McDonald; her fin. people trying to sell those barges; fin folks approached sev. pot. investors; Tim Merrill

↳ PC from ML to E.; McMahon & Fustow on call (as well as Fin people)

↳ (ML folks) - Rob Furst (ML relat. officer)  
 on call - doesn't recall if Schyle Tilley on call

↳ from Enron  
 ↳ Dan Boyle  
 ↳ Barry Schneggen  
 ↳ Intl. Div.

↳ ML had approved deal internally & wanted assurance E-would assist them in reselling that asset in 6 mos.



↳ use best efforts to try to resell

↳ not unusual to not be in writing

- Date = Dec. 1999 for the call

↳ ML ready to execute => but wanted to make

↳ he understood ML was trying to validate what had been ~~the~~ agreed upon @ a lower level; trying to confirm its understanding of the deal w/ the E. CFO

\* doesn't recall any <sup>other</sup> convos. w/ ML or other inst. banks

- other prospective buyers

\* desire to get done by yr. end? => ~~ML~~ doesn't recall

Doesn't know why couldn't close long-term deal

↳ sep. division - the APACHE group ↳ Don Byler & Burg Schneppen worked in that div.

↳ he coordinated all bank relationships; ML asked for him to be on the phone

- Andy agreed E would help them mkt. the equity w/in 6 mos. after closing

↳ E & ML would <sup>work to</sup> help them remarket for the 6 mos. after

↳ it

Offer 6 mos. →

\* No involvement in buying after the phone convo.

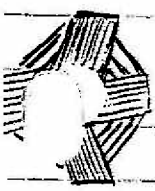
\* Doesn't recall there being such a ~~specific~~ verbal warranty to get ML out w/in 6 mos.

- Doesn't know if LJM paid a fee to purchase ML's interest

- Anyone from ML contact him & indicate to him that ML had been <sup>promised</sup> ~~but taken out of a~~ part. rate of ret.

↳ after call

↳ Not that he's aware of



WSS Article  
McMahon called Merrill

Recant

3 Bergas - Assocs of In'tl Divk - Rebecca McDonald  
Finance folks in In'tl approx several indivs  
- incl. Merrill

Merrill called E  
McMahon, Factor, Boyle, Schnapp on call  
plus Tiney of Merrill people  
- incl. Rob Furst  
N.R. if Tiney

Recollections of call

Merrill had approved purchase of pages  
Looking for Factor's assurance that  
E help Merrill send out w/in  
6 months

Verbal agreement - best efforts

Not typically put in writing  
~~late~~ Dec. '99 - home on vacation

Call - purpose was for Merrill to affirm  
that resources put behind

Not believe spoke on call  
Prob. having prior call/correspondence w/ Merrill  
- possible - Not uncommon

N.R. if desire to get done by year end

No - never wanted to take out w/ rate of return

As treasurer coordinate all banks relations  
- so Merrill asked for him to be on phone

Perkins (copy), Not unusual  
Boyd & Schneider - in ~~that~~ APACHE  
- based in Houston all here were

Andy about Fe will help, ~~various~~ - equity  
w/ in next 6 months,  
- No further commitment  
Time of transfer at end of 6 mos  
Send in papers that LTM done

No involved - any phase call

N.R. guaranty/practice ever being discussed

"No idea" JCTM paid a fee to cover  
Merrill's interest

N.R. ever reading call for Merrill afterwards

No nodata / pending (except Enron) to AES re program



# Nigerian barges

WSJ article.

• Says McMahon asked if ML would invest in the deal. Enron wanted to raise \$120mm

- 3 barges were assets of Int'l decision
- + then people were selling the barges
- + finance Int'l approached several potential investors incl. ML
- + ML called Enron - A.F., J.M., Dan Boyle, Barry Schnapper and other ML people.

context of call: ML approved the deal internally they wanted ENR to help them resell it in the next six months

bonds debt  
stocks equity

Enron would use best efforts to help re-market the equity.

This was in Dec. 1999 - I recall bc I was @ home on vacat I participated from my home. They wanted to make sure that Enron would keep them. Did not speak on that phone call.

Happens a lot when banks would loan us \$

common to cut them in later to collectively market it later.

My recollection was that this was a conference call.

3 prospective buyers

If the buyer would not be a 1/1 holder it was not unusual to help them market it later.

Doesn't recall any other discussions.

This was an int'l asset - something that I didn't know.

Why involved? BC had the role of coord. all the bank relationships.

They wanted me & A.F.

J.M. was trying to coordinate the overall relationship w/ the bank

ML wanted A.F. to be involved

Don Boyle } finance in int'l - worked in  
Schnapp } APACHE

Transactional support: doesn't know who worked with

I recall that A.F. agreed that ENR would help them remarket in 6 mos.

Powers report said that LJM bought it after phone conv - no more involvement

I don't recall any promise that Enron would get ~~free~~ out.

did not follow what was going on

Doesn't recall LHM being mentioned at all.

~~XXXXXXXXXXXX~~

Enron Industrial Markets

Fishtail - Bacchi - Sundance  
CEO of EI Markets in mid-2000  
(pumps paper & steel) My job  
Size: 250-300 people

Houston, London, Quebec City  
he took over - 100 people.

ASSETS: trading book \$10s of millions  
total value \$200mm (paper value)  
Book value → at end

Fishtail: we were going to buy 50% for cash  
(of all ENE Ind. Mkts)

Skulling called deal in 4th Q 2000  
- Fishtail was a replacement for that transaction  
it securitized in the industrial Mkts.

Governance: BAH wanted features in JV that  
would make sure ENE Ind Mkts was in line but  
not necessarily in time w/ Enron Corp

# Nigerian Barges:

WST article: McMahon's review:

3 barges

Assets of Ind'l Division under Rebecca McDonald

- Finance people were talking to a # of people about selling, asking them ML

o Barry Schaeffer, ASF, McMahon and <sup>Dan Boyle</sup> others were on the call to discuss ML investing/buying the barges.

1st  
Dec 99

← ML wanted ENE / OFootw's assurance that ENE would use best efforts to "syndicate" or find a buyer for these assets.

o This was a verbal agreement, nothing in writing

o "This was not unusual"

o Can't recall if there was a definition put to get this done by year-end.

- He was involved b/c as Treasurer he had all the financial instit. relationships, and since ML was involved, McMahon joined the call.

- Why was ASF involved on a deal so small? He thinks it was at ML's request.

- He doesn't recall any "guaranteed" McMahon 4

Take-overs at the end of the 6 month re-marketing period.

- It turns out at the end of 6 months LJM bought the barges.
- He was not involved apart from this Dec<sup>99</sup> phone call.
- DK if ML was paid a fee ~~to~~ to purchase the barges.
- Doesn't believe LJM was ever mentioned on this call.
- Only knows of AES's subsequent purchase from the Power Report.

### ~~Enron~~ Enron Industrial Markets

Fichtel → Bureau - a Justice...

- Made CEO of EIM, mid-2000
- EIM: pulp and paper and steel business. His job was to grow the business.
- Size: ~ 250-300 people  
Houston, London, Quebec
- Trading book: 10s of millions
- ~~Trading book~~ ~ 200 million <sup>when started</sup> ~~when sold in~~ <sub>bankruptcy</sub>

"Fichtel et al."

- 50% of EIM for sale: Bain Capital was looking at it.
- JKS killed the deal in 4Q 2000

to detail want  
= go up  
control  
= corp corp  
responsibility

McMahan - 5

3

One's not better than the other

Look at credit - worthiness of company

Not Calculated in debt to capital ratio - look at obligations of company not debt; look at obligations that aren't classified as debt

prepay intended to offset a similar commodity; offset non-cash earning + cash earnings

Intention of Yosemite

where ENRON owed money to the banks into public securities

prepay v. debt

doesn't know if easier to execute a prepay than get a loan

Yos I - only re familiar + doesn't recall what the proceed were used for

#U.49

- Not familiar + detailed of prepay
- previous treasurer was fired b/c of his lack of relationship + credit agencies  
Bill Gaffman

W. - never heard of Delta entity that engaged in prepay + Chase has heard of Mahima - doesn't know who owns Mahima

### Nigerian Barges

WSJ Article - Inaccurate; Agent wouldn't typically be put in writing

- 3 Barges of Intl. Division run by Rebecca McDonald + finance people were putting together financing
- phone call from Mlynch to ENRON; call included Dan Boyle, Barry Schnapper, ASF, + a bunch of Mlynch people  
ML approved deal internally + wanted ENRON's assurance that ENRON would assist them in next 6 mos - common practice

- Dec. '99 - At home on vacation - big conference call  
one thing they (me) wanted since Enron knew Assets better  
than anyone
- affirm what intl. finance people had promised + wanted to  
confirm c ASF
- buying equity in companies that turned bargo - only 1 conference  
call - doesn't need additional conversation re: deals

no involvement socially market  
I recall what did happen - LJM bought it! Powers Report  
after that - AF verbally agreed  
- why not in writing - no - did then all time  
- when happened - late Dec 1999 - I was  
in vantage - participated for hours - conf  
call - MZ setup conf. call

we knew  
assets  
(buy for)  
best

They were trying to affirm what int assets rec'd and  
told them - help sell  
- I don't feel I had a speaking part in  
phone call  
- happened all time they'd loan we'd  
help subscribe

That's my recollection  
- don't recall any others  
Rebecca  
McDonald's  
ML other calls - don't recall any  
Int Group  
renewal

Don't recall if year end booky was comp -  
Ever make any representation to Merrill - get  
out w/in 6 mos and return investment  
w/ profit!

Integrated Why need short term booky - DK - Int assets  
Don't recall Why were you involved? - they asked for me AF +  
situation Seal Team - my relationships

no Don't recall any promise beyond 6 months  
VERBAL agreement only  
- shortly after phone call I was no longer Treas  
Don't recall



Was LTM paid a fee to purchase? -  
No idea!

Anyone for me contact after conf call - abt promises -  
no!

LTM mentioned in phone call - don't recall that  
- knowledge of LTM purchase from Powers report! -

Role in EIM + Knowledge in Firsttail Business  
Sunk

I was made CEO of mid 00 - pulp of paper; steel -  
my job to grow it for fidelity -  
managed pro - etc. 1000 people

Size - when we fell for bankruptcy 250-300 people Home Lender  
Quebec City;

In  
Zuppan

Value of assets - started - truly book value - tens of million  
200 mil<sup>+</sup> on paper side - not increase steel side

Firsttail - et al I'd describe it - not fam w/ structure  
chain - we were doing dex terms whereby

Brain cap to buy 50% of EIM for cash - governance  
Shelby killed deal - 4th Qtr 00 - compensation  
issues - TV features - <sup>my intent in line w/ Brain not En</sup> <sub>etc deduct to EIM pay not En</sub>

- Firsttail replaced the transaction - securities

intent in money pulp; paper  
in big transactions - not aware of LTM involvement  
in ArDrapurna

Bachus  
AYMUS - FA } not familiar w/

went to AF deal team - I don't know structure

Bell  
Brown  
was  
my CFO

It was a  
Leveraged structure managed by the CFO

All assets out of EIM -  
from a managerial perspective no impact of Firsttail

CFO had reports. Dev head led Treas.