



S E C R E T A R Y O F T H E A R M Y
W A S H I N G T O N

January 22, 2002



The Honorable Henry A. Waxman
Ranking Minority Member
Committee on Government Reform
The House of Representatives
Washington, DC 20515-6143

Dear Congressman Waxman,

This responds to your letter of January 14, 2002, in which you seek certain information regarding my contacts with Enron Corporation employees since I joined the Administration on or about May 31, 2001.

Before dealing with your four questions, let me correct a mistake on page one of your letter. In the last sentence of paragraph three you assert that I was a member of "Enron's executive committee." In fact, I was not a member of Enron's executive committee, which is a committee of the Board of Directors, but rather a member of Enron's management committee.

Answers to your questions follow:

Question 1.

Phone conversations and meetings held with Enron employees are listed at Enclosure 1. My conversations with Mr. Lay cited on September 10, 2001 were to wish him luck as he assumed his new duties as CEO of Enron. All other conversations with Enron employees cited were with personal friends of mine from my Enron days. The conversations with friends were personal in nature, with their inquiring about my progress as Secretary of the Army and my inquiring about their personal challenges as they dealt with Enron's deteriorating financial conditions. At no time in any of these conversations or meetings did any one of the Enron employees, to include Ken Lay, ask me to intercede in any way with anyone to the potential benefit of Enron Corporation.

Question 2.

In all of the phone conversations and meetings cited at Enclosure 1 and discussed above, the general financial condition of Enron Corporation was discussed. My personal view, sympathizing with my friends, was that the deterioration of Enron's financial condition was a tragedy that would seriously impact the lives of a number of good friends.

Question 3.

I have had brief conversations with Secretary of State Powell (December 12, 2001) and Secretary of Defense Rumsfeld (to the best of my knowledge November 10, 2001). The nature of both conversations was a concern on their part for the impact that the bankruptcy of Enron may have had on my personal well-being. My response in both cases was that I had suffered significant personal losses, but that I would persevere. Beyond that, I have had no conversations whatsoever about Enron Corporation with any member of the Administration, to include the President, Secretary of the Treasury, Secretary of Commerce, any cabinet member (except as cited above), or any White House staff member.

Question 4.

Since joining the Administration, I have not purchased any Enron Corporation stock. I have sold Enron Corporation stock as indicated in Enclosure 2. I have not exercised any Enron Corporation stock options and have renounced the options that I owned. Shortly after joining the Administration, I converted my Cash Balance Retirement Account into an annuity, as provided for under the Enron Corporation Retirement Plan. The annuity pays \$1,061.50 per month, \$372.51 of which is paid by a qualified trust outside the purview of Enron Corporation. The remainder (\$688.99) is an obligation of Enron Corporation. Enron Corporation has not met this obligation since declaring bankruptcy.

In summary, I wish to make one thing very clear. Since joining the Administration, no one has asked that I intercede with anyone, in any way, for the benefit of Enron Corporation. Further, I have not done so.

Respectfully,

A handwritten signature in black ink that reads "Thomas E. White". The signature is written in a cursive style and is underlined with a horizontal line.

Thomas E. White

2 Enclosures

CF: Chairman, House Government Reform Committee
General Counsel, Senate Armed Services Committee
General Counsel, House Armed Service Committee

Enclosure 1

Meetings

Date	Individual	Subjects Discussed
September 10, 2001	David Haug	
September 24, 2001	Christie Patrick	
October 4, 2001	Greg Whalley	
October 26, 2001	Chris Holmes	(Luncheon)
October 29, 2001	John Carr	
January 10, 2002	Chris Holmes	
January 16, 2002	Stan Horton	(Dinner)

Telephone Calls

Date	Individual	Subjects Discussed
June 7, 2001	David Haug	
June 22, 2001	Christie Patrick	
June 28, 2001	David Haug	
August 6, 2001	Chris Holmes	
August 8, 2001	Stan Horton	
August 14, 2001	Christie Patrick	
August 14, 2001	Chris Holmes	
August 17, 2001	Chris Holmes	
August 22, 2001	Marty Sunde	
September 10, 2001	*Ken Lay	
September 17, 2001	Chris Holmes	
October 2, 2001	*Rex Rogers	
October 11, 2001	Ed Giblin	
October 17, 2001	Jude Rolfes	
October 22, 2001	*Ken Lay	Call returned; never connected
October 30, 2001	Jude Rolfes	
November 13, 2001	Jude Rolfes	
November 20, 2001	Chris Holmes	
November 26, 2001	Jude Rolfes	
November 28, 2001	Jude Rolfes	
November 28, 2001	Chris Holmes	
November 29, 2001	Bob Hurt	
January 10, 2002	Dan Leff	

* Calls Initiated By Sec White

Enclosure 2

Enron Stock Sales

Agent	Trade Date	Number of Shares	Price
PaineWeber	6/13/01	92,000	50.347
"	6/15/01	42,338	47.597
"	6/19/01	10,000	44.699
"	6/22/01	25,000	44.036
"	9/7/01	23,000	31.000
"	9/24/01	5,000	27.100
"	10/24/01	43,000	16.100
Total		240,338	
CSFB Family Partnership	10/24/01	60,000	16.150
"	10/30/01	86,709	12.855
Total		146,709	
CSFB Personal	10/24/01	18,663	16.15

Enclosure 2