

Ken and Linda Lay
Balance Sheet Comparison
October 31, 2001

| | | | | | | |
|------------------------------------|-----|----|-----------------------|----|----------------------|--|
| | ENE | \$ | 27.2300 | \$ | 13.9000 | |
| | CPQ | \$ | 8.3100 | \$ | 8.7500 | |
| | | | <u>9/30/01</u> | | <u>10/31/01</u> | <u>Variance</u> |
| Current Assets | | | 9,607,034 | | 10,349,448 | 742,414 Proceeds from Sale of Eli Lilly and Compaq stock to be used to pay down debt 11/01. |
| Marketable Investments | | | | | | |
| Com & Pref Stocks | | | 29,711,367 | | 10,963,622 | (18,747,745) 362,051 shares of ENE stock used to pay down Enron LOC, 5,000 sh of Eli Lilly sold, 124,596 sh of Compaq sold |
| Executive Stock Options | | | 8,610,388 | | 3,190 | (8,607,198) |
| Bonds | | | 252,273 | | 255,240 | 2,967 |
| Goldman Sachs Exchange | | | 4,416,113 | | 4,545,109 | 128,996 |
| Partnerships (Family)* | | | 7,111,291 | | 4,506,999 | (2,604,292) |
| Long Term Investments | | | 68,702,162 | | 67,081,251 | (1,620,911) SRE Properties sold |
| Retirement/Deferred Assets | | | 27,771,269 | | 19,688,167 | (8,083,102) |
| Personal Non Earning Assets | | | 3,608,881 | | 3,632,279 | 23,398 |
| Current Liabilities | | | (13,407,844) | | (7,051,195) | 6,356,649 Payment from sale of ENE to ENE and liquid. proceeds of PW Juniper Fund & SRE Properties |
| Long Term Liabilities | | | (31,900,563) | | (23,289,641) | 8,610,922 Decrease in Def. Tax Liab.-unexerc gifted stk opt., paydown on NFL loc |
| Business Liabilities | | | <u>(394,503)</u> | | <u>(142,378)</u> | <u>252,125</u> PYs Payroll tax liab. (Sch H) netted against PY tax payment-corrected |
| NET WORTH | | | <u>\$ 114,087,868</u> | | <u>\$ 90,542,091</u> | <u>(23,545,777)</u> |

* Value based on FMV of partnership assets. No discount for partnership interest is shown.

NOTE: Net Worth of \$90,542,091 does not reflect 242,821 restricted shares of Enron Corp. Based on a FMV of \$13.90/share as of 10/31/01, the restricted shares are valued at \$3,337,212. The total value less deferred tax liability of 40% would add approximately \$2,025,127 to the net worth.

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Ken and Linda Lay
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CONTINGENT LIABILITIES:

Ken and Linda have guaranteed a mortgage in the amount of \$900,000 maturing on January 1, 2014 with an interest rate of 6.88% at Bank of America for their daughter, Robyn Vermeil. This loan is collateralized by property valued at \$1,500,000+.

Ken has guaranteed three secured notes for his sister, Sharon Lay. The notes in the name of Sharon Lay Productions, Inc. are as follows, \$275,000 that matured on October 23, 2001, \$275,000 maturing on February 14, 2002 and a construction loan in the amount of \$1,230,000 maturing on January 17, 2003. These loans all have an interest rate of 30-Day LIBOR + 1.5% and are collateralized by residential real estate. He has also guaranteed two unsecured notes, one in the amount of \$50,000 for Sharon Lay Productions, Inc. that matures February 21, 2002 and one in the amount of \$100,000 for Sharon S. Lay which matures September 25, 2002.

Linda has guaranteed a note secured by a 2000 Toyota Avalon in the amount of \$26,949 and a note secured by a 2001 Toyota in the amount of \$19,381.

Linda has guaranteed a note in the amount of \$130,000 maturing November 28, 2005 with an interest rate of 8.15% for Randy Gray. This loan is secured by residential real estate in Galveston.

Ken and Linda have guaranteed an unsecured \$6,000,000 line of credit for MILAND Investments, L.L.C. at Bank of America. The line of credit matures on April 5, 2002 with a floating interest rate of 30-Day LIBOR plus 1.25%. The amount currently funded on the line of credit is \$4,936,750.

On September 1, 2001, Ken and Linda have guaranteed an unsecured \$1,000,000 line of credit for KLL & LPL Investments, Ltd. at Bank of America. The line of credit matures on September 1, 2002 with a floating interest rate of 30-Day LIBOR plus 1.25%. The amount currently funded is \$0.

Kenneth L. Lay, a preferred limited partner, executed certain indemnification agreements with the general partners of the following partnerships: Haines Apartments, Ltd., Nolana, Ltd., Resaca De Las Palmas, Ltd. and SAJG Kirby Braeswood, Ltd. The amount of the contingent liability, if any, has not been determined.

Ken Lay has been named as a party defendant in several shareholder derivative actions against Enron Corp. and others.

The outstanding commitments for various investments total \$ 9,971,872.

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List of Outstanding Commitments
As of October 31, 2001

| PERSONAL | Total Commitment | Total Invested | Outstanding Commitment |
|--|-----------------------------|-----------------------|-----------------------------------|
| Broadwing, LLC | 96,000 | 48,000 | 48,000 |
| Capricorn Investors II LP | 500,000 | 500,000 | - |
| Capricorn Investors III LP | 750,000 | 402,811 | 347,189 |
| Carson Private European Fund | 1,625,000 | 1,300,000 | 325,000 |
| Chase Cap Ptrs Private Eq Fund | 5,000,000 | 2,476,864 | 2,523,136 |
| Corporate Opportunities Funds | 750,000 | 375,000 | 375,000 |
| Environmental Opportunities Fund | 500,000 | 475,000 | 25,000 |
| Environmental Opportunities II Fund | 400,000 | 216,000 | 184,000 |
| Genesis Park LP | 500,000 | 144,758 | 355,242 |
| Jester Apartments-Slidell, LA | 350,000 | 180,000 | 170,000 |
| Lazard Technology Partners II LP | 1,000,000 | 389,365 | 610,635 |
| Murphree Venture Ptners (10/24-Rev) | 125,000 | 130,000 | (5,000) |
| SMH LifeSciences Opportunity Fund | 250,000 | 125,000 | 125,000 |
| SRE Properties Partnership No. 1, L.P. | - | - | - |
| Sterling Group Partners I, L.P. | 2,500,000 | 437,500 | 2,062,500 |
| Vanguard VII LP | 3,000,000 | 900,000 | 2,100,000 |
| Westbridge Ventures, L.P. | 1,000,000 | 273,830 | 726,170 |
| SUBTOTAL | \$ 18,346,000 | \$ 8,374,128 | \$ 9,971,872 |
| List of Scheduled Commitments: | | | |
| Houston NFL Holdings (10/31-Revised) | 5,000,000 | 5,000,000 | - |
| TOTAL | \$ 23,346,000 | \$ 13,374,128 | \$ 9,971,872 |

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Kenneth L. & Linda P. Lay
SUMMARY BALANCE SHEET
 As of: October 31, 2001

ASSETS

CURRENT ASSETS

| | | | |
|-----------------------------|----|--------------|----------------------|
| Cash on Hand | \$ | 3,562.02 | |
| Checking Accounts | | 156,667.21 | |
| Money Market Accounts | | 90,000.00 | |
| Brokerage Accounts | | 1,548,715.06 | |
| Savings Accounts | | 46.30 | |
| Treasury Bills | | 600.00 | |
| Short-term Receivables | | 7,091,069.29 | |
| Notes Receivable | | 1,458,788.27 | |
| TOTAL CURRENT ASSETS | | \$ | 10,349,448.15 |

MARKETABLE INVESTMENTS

| | | | |
|-------------------------------------|----|--------------|----------------------|
| Enron Corp. | \$ | 3,442,279.40 | |
| Common Stock-Director | | 4,345,480.00 | |
| Sanders Morris Mundy-Com | | 331,529.67 | |
| Cypress Asset Mgmt.-Com | | 2,827,167.66 | |
| Paine Webber Core Hold. | | 17,165.00 | |
| Vested Exec Stock Options | | 3,190.10 | |
| TOTAL MARKETABLE INVESTMENTS | | \$ | 10,966,811.83 |

LONG-TERM INVESTMENTS

| | | | |
|------------------------------------|----|---------------|----------------------|
| Residence | \$ | 10,156,723.27 | |
| Real Estate Other Homes | | 20,342,222.85 | |
| Real Estate Active Rental | | 2,103,490.81 | |
| Real Estate Partnerships | | 4,770,161.08 | |
| Farming Interests | | 4,500.00 | |
| Privately-Held Stock | | 13,212,220.37 | |
| Corporate Bond-Convertible | | 255,240.00 | |
| GS 1999 Exchange Funds | | 4,545,109.31 | |
| Family Partnerships | | 4,506,999.00 | |
| Other Investments | | 16,491,932.47 | |
| TOTAL LONG-TERM INVESTMENTS | | \$ | 76,388,599.16 |

RETIREMENT/DEFERRED ASSETS

| | | | |
|---|----|---------------|----------------------|
| IRA | \$ | 41,597.94 | |
| IRA/Spouse | | 41,632.16 | |
| Retirement Plan | | 5,924,504.13 | |
| Deferred Compensat'n Plan | | 13,680,432.50 | |
| TOTAL RETIREMENT/DEFERRED ASSETS | | \$ | 19,688,166.73 |

PERSONAL/NON-EARNING ASSET

| | | | |
|------------------------|----|--------------|--|
| Automobile(s) | \$ | 475,478.20 | |
| Home Furnishings | | 3,012,673.94 | |
| Other Vehicles & Equip | | 144,127.31 | |
| | | \$ | |

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Kenneth L. & Linda P. Lay
SUMMARY BALANCE SHEET
As of: October 31, 2001

| | | |
|----------------------------------|----|-----------------------|
| TOTAL PERSONAL/NON-EARNING ASSET | | 3,632,279.45 |
| TOTAL ASSETS | \$ | <u>121,025,305.32</u> |

LIABILITIES

CURRENT LIABILITIES

| | | | |
|---------------------------|----|---------------------|--------------|
| Notes Payable | \$ | 5,865,613.76 | |
| Security Deposits | | 1,369.18 | |
| Margin Acct Liability | | <u>1,184,212.01</u> | |
| TOTAL CURRENT LIABILITIES | \$ | | 7,051,194.95 |

LONG-TERM LIABILITIES

| | | | |
|-----------------------------|----|------------------|---------------|
| Home Mortgage | \$ | 5,295,743.50 | |
| Other Real Estate Mtge | | 14,689,746.82 | |
| Investment Liabilities | | 3,280,074.87 | |
| Deferred Tax Liabilities | | <u>24,076.00</u> | |
| TOTAL LONG-TERM LIABILITIES | | | 23,289,641.19 |

BUSINESS LIABILITIES

| | | | |
|----------------------------|----|------------------|----------------------|
| Employer Taxes/Bus | \$ | 107,685.49 | |
| Accrue Social Sec Tax/Bus | | <u>34,692.76</u> | |
| TOTAL BUSINESS LIABILITIES | | | 142,378.25 |
| TOTAL LIABILITIES | \$ | | <u>30,483,214.39</u> |

EQUITY

| | | |
|---------------------------------|----|-----------------------|
| TOTAL NET WORTH | \$ | 90,542,090.93 |
| TOTAL LIABILITIES AND NET WORTH | \$ | <u>121,025,305.32</u> |

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Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
As of: October 31, 2001

| | <u>Balance</u> |
|------------------------------|---------------------|
| <u>ASSETS</u> | |
| CURRENT ASSETS | |
| Cash on Hand: | |
| CASH ON HAND/BVLILT | 1,553.05 |
| CASH ON HAND/CHUGLI | 214.44 |
| CASH ON HAND/LEONA | 381.63 |
| CASH ON HAND/MSTURGIS | 199.77 |
| CASH ON HAND/PRAKER | 219.33 |
| CASH ON HAND/PSTOKES | 779.03 |
| CASH ON HAND/SK | 214.77 |
| Total Cash on Hand: | <u>3,562.02</u> |
| Checking Accounts: | |
| BANK OF AMER/LPL PROP | 8,418.45 |
| BANK OF AMER/STOKES | 312.65 |
| BANK OF AMERICA 0707 | 137,441.47 |
| CHASE BANK CHECKING | 1,385.35 |
| UNITY 109-900 | 4,424.90 |
| VECTRA BANK | 4,684.39 |
| Total Checking Accounts: | <u>156,667.21</u> |
| Money Market Accounts: | |
| WASHINGTON DC ACCT | 90,000.00 |
| Total Money Market Accounts: | <u>90,000.00</u> |
| Brokerage Accounts: | |
| FIRST UNION MMA/FTU-24 | 91.83 |
| FIRST UNION MMA/FTU-26 | 455.55 |
| FIRST UNION MMA/FTU-30 | 0.68 |
| FIRST UNION MMA/FTU-54 | 9,294.49 |
| FIRST UNION MMA/FTU-58 | 77.53 |
| FIRST UNION MMA/FTU-60 | 1,536,344.21 |
| GOLDMAN SACHS/GS-61 | 625.17 |
| PAINE WEBBER MMA/PW-22 | 1,840.31 |
| SANDERS MORRIS MMA/SMH-JT | -14.71 |
| Total Brokerage Accounts: | <u>1,548,715.06</u> |
| Savings Accounts: | |
| ENRON CREDIT UNION/KLL | 46.30 |
| Total Savings Accounts: | <u>46.30</u> |
| Treasury Bills: | |
| SAVINGS BONDS | 600.00 |
| Total Treasury Bills: | <u>600.00</u> |

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Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
As of: October 31, 2001

| | <u>Balance</u> |
|--------------------------------------|----------------------|
| Short-term Receivables: | |
| ACCT RECV-A. PHILLIPS | 37,000.00 |
| ACCT RECV-BJONES | 102,412.99 |
| ACCT RECV-BLANCA PEREIRA | 25,000.00 |
| ACCT RECV-CHAD MODAD | 20,000.00 |
| ACCT RECV-CHRISTINA EMERSON | 10,000.00 |
| ACCT RECV-D. HOBBS | 66,666.00 |
| ACCT RECV-DANIELA TERRAZAS | 4,178.00 |
| ACCT RECV-E MCELROY | 350.00 |
| ACCT RECV-ELV(FL) | 580,000.00 |
| ACCT RECV-FREDERICA MAYO | 280.50 |
| ACCT RECV-G KINNEAR | 900,000.00 |
| ACCT RECV-HUGUES HEYMAN | 44,914.35 |
| ACCT RECV-J EMERSON | 28,615.85 |
| ACCT RECV-JANE TRAN | 25,000.00 |
| ACCT RECV-JIM EMERSON | 18,000.00 |
| ACCT RECV-KLL & LPL INVEST | 4,302,500.00 |
| ACCT RECV-MARCELO LIQUITAY | 10,000.00 |
| ACCT RECV-MISC | 5,051.95 |
| ACCT RECV-MKL | 150,000.00 |
| ACCT RECV-OSVALDO PEREIRA | 15,000.00 |
| ACCT RECV-P TERRAZAS | 12,939.96 |
| ACCT RECV-PAMELA MAYORGA | -19.17 |
| ACCT RECV-PAOLA TERRAZAS | 724.45 |
| ACCT RECV-RENT DEP (#1000) | 2,102.08 |
| ACCT RECV-RENT DEP (#811) | 1,058.33 |
| ACCT RECV-RUTH VILLALOBOS | 50,000.00 |
| ACCT RECV-RV | 84,643.00 |
| ACCT RECV-S. ADARO | 9,985.00 |
| ACCT RECV-S. HOBBS | 66,666.00 |
| ACCT RECV-T. ZILBERFARB | 15,000.00 |
| ACCT RECV-TDH | 500,000.00 |
| ACCT RECV-VAN STOKES | 3,000.00 |
| Total Short-term Receivables: | 7,091,069.29 |
| Notes Receivable: | |
| FAM PTRNS ANNUITY-2/KLL | 730,081.17 |
| FAM PTRNS ANNUITY-2/LPL | 728,707.10 |
| Total Notes Receivable: | 1,458,788.27 |
| TOTAL CURRENT ASSETS | 10,349,448.15 |
| MARKETABLE INVESTMENTS | |
| Enron Corp.: | |
| ENRON 5000SH 7-01/NFL | 695,000.00 |
| ENRON CORP 1,859SH(S)/NFL | 25,840.10 |

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| | <u>Balance</u> |
|--------------------------|---------------------|
| ENRON CORP 2,246SH/CBT | 31,219.40 |
| ENRON CORP 35,000/BA-INV | 486,500.00 |
| ENRON CORP 68,620SH/NFL | 953,818.00 |
| ENRON CORP 79,691SH/NFL | 1,107,704.90 |
| ENRON CORP 790SH(S)/NFL | 10,981.00 |
| ENRON CORP 9,440SH/NFL | 131,216.00 |
| Total Enron Corp.: | <u>3,442,279.40</u> |

Common Stock-Director:

| | |
|------------------------------|---------------------|
| COMPAQ COMP 11,970SH/BA | 104,737.50 |
| COMPAQ COMP 124596SH(2)/BA | 1,090,215.00 |
| COMPAQ COMP 20,000SHS/CBT | 175,000.00 |
| COMPAQ COMP 30,000/BA-INV | 262,500.00 |
| COMPAQ COMP 71,094SH/BA | 622,072.50 |
| COMPAQ COMP 83,064/BA-INV | 726,810.00 |
| ELI LILLY 100-1SH/FTU-54 | 7,650.00 |
| ELI LILLY 100-2SH/FTU-54 | 7,650.00 |
| ELI LILLY 200SH/FTU-54 | 15,300.00 |
| ELI LILLY 330 SHS/NFL | 25,245.00 |
| ELI LILLY 5,000 SHS(1)/CBR | 382,500.00 |
| ELI LILLY 5,000 SHS(2)/CBR | 382,500.00 |
| ELI LILLY 5000SH-2/NFL | 382,500.00 |
| I2 TECHN 2000SH/FTU-60 | 18,240.00 |
| I2 TECHN 500SH/FTU-60 | 4,560.00 |
| TNPC 100,000SH/FTU-60 | 92,000.00 |
| TNPC 25,000SH-2/FTU-60 | 23,000.00 |
| TNPC 25,000SH/FTU-60 | 23,000.00 |
| Total Common Stock-Director: | <u>4,345,480.00</u> |

Sanders Morris Mundy-Com:

| | |
|---------------------------------|-------------------|
| CAP ENVIR 10,000SH/SMH-JT | 38,000.00 |
| CAP TITLE GR 37,037/SMH-JT | 78,148.07 |
| CAP TITLE GR 5,000/SMH-JT | 10,550.00 |
| TYLER TECHN INC/SMH-JT | 161,500.00 |
| WASTE CORP 16,666SH/SMH-JT | 43,331.60 |
| Total Sanders Morris Mundy-Com: | <u>331,529.67</u> |

Cypress Asset Mgmt.-Com:

| | |
|---------------------------|-----------|
| ABBOTT LAB 100-1SH/FTU-54 | 5,298.00 |
| ABBOTT LAB 300-2SH/FTU-54 | 15,894.00 |
| AMER EXPRESS 100SH/FTU-54 | 8,829.00 |
| AMER EXPRESS 150SH/FTU-54 | 13,243.50 |
| AMER HOME 100SH-4/FTU-54 | 5,583.00 |
| AMER HOME 150SH-1/FTU-54 | 8,374.50 |
| AMER HOME 150SH-2/FTU-54 | 8,374.50 |

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| | <u>Balance</u> |
|----------------------------|----------------|
| AMER HOME 150SH/FTU-54 | 8,374.50 |
| AMER HOME 300SH-2/FTU-54 | 16,749.00 |
| AMER HOME 400SH/FTU-54 | 22,332.00 |
| AMER INTL GRP 100-2/FTU-54 | 11,790.00 |
| AMER INTL GRP 100SH/FTU-54 | 14,698.20 |
| AMER INTL GRP 256SH/FTU-54 | 37,728.00 |
| AMER INTL GRP 64SH/FTU-54 | 9,432.00 |
| AMER INTL GRP 75SH/FTU-54 | 8,881.80 |
| AMER INTL GRP 80SH/FTU-54 | 11,790.00 |
| AMER INTL GRP 868SH/FTU-54 | 68,224.80 |
| ANADARK PET 200SH-1/FTU-54 | 11,410.00 |
| ANADARK PET 200SH-2/FTU-54 | 11,410.00 |
| ANADARK PET 500SH/FTU-54 | 28,525.00 |
| ANALOG DEV 200SH-1/FTU-54 | 15,200.00 |
| ANALOG DEV 200SH-2/FTU-54 | 11,400.00 |
| ANALOG DEV 500SH/FTU-54 | 26,600.00 |
| AOL TIME 100 S-1/FTU-54 | 4,633.90 |
| AOL TIME 100 S-2/FTU-54 | 4,633.90 |
| AOL TIME 100 S-3/FTU-54 | 4,633.90 |
| AOL TIME 100 S-4/FTU-54 | 4,633.90 |
| AOL TIME 100 S-5/FTU-54 | 4,633.90 |
| AOL TIME 200 S/FTU-54 | 9,485.50 |
| AOL TIME 300 SHS/FTU-54 | 13,901.70 |
| AOL TIME 400 S/FTU-54 | 18,753.30 |
| APPLIED MAT 150SH/FTU-54 | 5,116.50 |
| APPLIED MAT 250SH/FTU-54 | 8,527.50 |
| APPLIED MAT 700SH/FTU-54 | 20,466.00 |
| BANK OF NY 100SH/FTU-54 | 3,401.00 |
| BANK OF NY 200SH-2/FTU-54 | 6,802.00 |
| BANK OF NY 200SH-3/FTU-54 | 6,802.00 |
| BANK OF NY 200SH-4/FTU-54 | 6,802.00 |
| BANK OF NY 200SH/FTU-54 | 6,802.00 |
| BANK OF NY 300SH/FTU-54 | 10,203.00 |
| BANK OF NY 500SH-1/FTU-54 | 17,005.00 |
| BANK OF NY 500SH-2/FTU-54 | 17,005.00 |
| BERKSHIRE HATH 14/FTU-54 | 32,956.00 |
| BERKSHIRE HATH 3/FTU-54 | 7,062.00 |
| BERKSHIRE HATH 4/FTU-54 | 9,416.00 |
| BERKSHIRE HATH B3/FTU-54 | 7,062.00 |
| BERKSHIRE HATH 2S/FTU-54 | 4,708.00 |
| BMC SOFTWARE 300SH/FTU-54 | 4,521.00 |
| BMC SOFTWARE 800SH/FTU-54 | 12,056.00 |
| BRISTOL-MYERS 600SH/FTU-54 | 32,070.00 |
| BURLING RES 200SH-1/FTU-54 | 7,450.00 |
| BURLING RES 200SH-2/FTU-54 | 7,450.00 |

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| | <u>Balance</u> |
|----------------------------|----------------|
| BURLINGTON 100SH/FTU-54 | 3,725.00 |
| BURLINGTON 300SH/FTU-54 | 11,175.00 |
| BURLINGTON 600SH/FTU-54 | 22,350.00 |
| CISCO SYST 150SH/FTU-54 | 10,152.00 |
| CISCO SYST 205SH/FTU-54 | 6,937.20 |
| CISCO SYST 290SH/FTU-54 | 4,906.80 |
| CISCO SYST 500SH/FTU-54 | 8,460.00 |
| CISCO SYST 50SH-1/FTU-54 | 3,384.00 |
| CISCO SYST 50SH-2/FTU-54 | 3,384.00 |
| CISCO SYST 800SH/FTU-54 | 13,536.00 |
| CITIGROUP 100SH/FTU-54 | 8,557.76 |
| CITIGROUP 150-1SH/FTU-54 | 13,064.24 |
| CITIGROUP 150-2SH/FTU-54 | 13,064.24 |
| CITIGROUP 200SH-1/FTU-54 | 12,199.36 |
| CITIGROUP 200SH-2/FTU-54 | 9,104.00 |
| CITIGROUP 225SH/FTU-54 | 18,754.24 |
| CITIGROUP 450SH/FTU-54 | 37,508.48 |
| CITIGROUP 234SH/FTU-54 | 10,651.68 |
| COCA COLA 100SH/FTU-54 | 4,788.00 |
| COCA COLA 150-1SH/FTU-54 | 7,182.00 |
| COCA COLA 150-2SH/FTU-54 | 7,182.00 |
| COCA COLA 150-3SH/FTU-54 | 7,182.00 |
| COCA COLA 150-4SH/FTU-54 | 7,182.00 |
| COCA COLA 200SH/FTU-54 | 9,576.00 |
| COCA COLA 300SH/FTU-54 | 14,364.00 |
| COSTCO C0 100-2SH/FTU-54 | 7,566.00 |
| COSTCO C0 100-3SH/FTU-54 | 7,566.00 |
| COSTCO CO 100-1SH/FTU-54 | 7,566.00 |
| COSTCO CO 200SH/FTU-54 | 15,132.00 |
| DELL COMP 200SH/FTU-54 | 4,796.00 |
| DELL COMP 300SH/FTU-54 | 7,194.00 |
| DELL COMP 500SH/FTU-54 | 11,990.00 |
| DELL COMP 700SH/FTU-54 | 16,786.00 |
| DISNEY WALT 100-2SH/FTU-54 | 1,859.00 |
| DISNEY WALT 200-1SH/FTU-54 | 3,718.00 |
| DISNEY WALT 200-2SH/FTU-54 | 3,718.00 |
| DISNEY WALT 300-1SH/FTU-54 | 5,577.00 |
| DISNEY WALT 300-2SH/FTU-54 | 5,577.00 |
| DISNEY WALT 300-3SH/FTU-54 | 5,577.00 |
| DISNEY WALT 600SH/FTU-54 | 11,154.00 |
| FANNIE MAE 200SH/FTU-54 | 16,192.00 |
| FANNIE MAE 300SH/FTU-54 | 24,288.00 |
| GENERAL ELECT 100-1/FTU-54 | 10,923.00 |
| GENERAL ELECT 100-2/FTU-54 | 10,923.00 |
| GENERAL ELECT 100-3/FTU-54 | 10,923.00 |

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| | <u>Balance</u> |
|----------------------------|----------------|
| GENERAL ELECT 100-4/FTU-54 | 10,923.00 |
| GENERAL ELECT 200-1/FTU-54 | 21,846.00 |
| GENERAL ELECT 200-2/FTU-54 | 21,846.00 |
| GENERAL ELECT 200-3/FTU-54 | 7,282.00 |
| GENERAL ELECT 200-4/FTU-54 | 7,282.00 |
| GLOBAL CROSS 300SH/FTU-54 | 339.00 |
| GLOBAL CROSS 700SH/FTU-54 | 791.00 |
| HONEYWELL 1100SH/FTU-54 | 32,505.00 |
| HONEYWELL 150SH/FTU-54 | 4,432.50 |
| HONEYWELL 250SH/FTU-54 | 7,387.50 |
| IBM 100 SHS-1/FTU-54 | 21,614.00 |
| IBM 100 SHS-2/FTU-54 | 10,807.00 |
| IBM 150SH/FTU-54 | 16,210.50 |
| IBM 50 SHS/FTU-54 | 10,807.00 |
| IBM 75-1SH/FTU-54 | 16,210.50 |
| IBM 75-2SH/FTU-54 | 16,210.50 |
| IBM 75-3SH/FTU-54 | 16,210.50 |
| INTEL CORP 200SH/FTU-54 | 4,884.00 |
| INTEL CORP 300SH/FTU-54 | 12,503.04 |
| INTEL CORP 344SH/FTU-54 | 16,800.96 |
| JOHN & JOHN 100SH-2/FTU-54 | 11,582.00 |
| JOHN & JOHN 100SH-3/FTU-54 | 11,582.00 |
| JOHN & JOHN 100SH-4/FTU-54 | 11,582.00 |
| JOHN & JOHN 100SH-5/FTU-54 | 11,582.00 |
| JOHN & JOHN 150SH-1/FTU-54 | 17,373.00 |
| JOHN & JOHN 150SH-2/FTU-54 | 17,373.00 |
| JOHN & JOHN 175SH/FTU-54 | 20,268.50 |
| JOHN & JOHN 50SH/FTU-54 | 5,791.00 |
| JOHN & JOHN 75SH/FTU-54 | 8,686.50 |
| LINEAR TECHN 300SH/FTU-54 | 11,640.00 |
| LINEAR TECHN 400SH/FTU-54 | 27,160.00 |
| LUCENT TECH 1000SH/FTU-54 | 6,700.00 |
| LUCENT TECH 163SH/FTU-54 | 1,092.10 |
| LUCENT TECH 300SH/FTU-54 | 2,010.00 |
| LUCENT TECH 637SH/FTU-54 | 4,267.90 |
| LUCENT TECH 63SH/FTU-54 | 422.10 |
| LUCENT TECH 837SH/FTU-54 | 2,257.90 |
| MEDTRONIC 300SH/FTU-54 | 12,090.00 |
| MEDTRONIC 700SH/FTU-54 | 28,210.00 |
| MELLON FIN 1250SH/FTU-54 | 42,000.00 |
| MERCK 100-1SH/FTU-54 | 12,762.00 |
| MERCK 100-2SH/FTU-54 | 12,762.00 |
| MERCK 100-3SH/FTU-54 | 12,762.00 |
| MERCK 100-4SH/FTU-54 | 6,381.00 |
| MERCK 100-5SH/FTU-54 | 6,381.00 |

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Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
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| | <u>Balance</u> |
|----------------------------|----------------|
| MERCK 50 SHS/FTU-54 | 6,381.00 |
| MERRILL LYNCH 100-1/FTU-54 | 8,742.00 |
| MERRILL LYNCH 100-2/FTU-54 | 4,371.00 |
| MERRILL LYNCH 300SH/FTU-54 | 26,226.00 |
| MERRILL LYNCH 50-1/FTU-54 | 4,371.00 |
| MICROSFT 100SH-4/FTU-54 | 5,815.00 |
| MICROSFT 100SH-5/FTU-54 | 5,815.00 |
| MICROSFT 100SH-6/FTU-54 | 5,815.00 |
| MICROSFT 100SH-7/FTU-54 | 5,815.00 |
| MICROSFT 125SH/FTU-54 | 7,268.75 |
| MICROSFT 500SH/FTU-54 | 29,075.00 |
| MICROSFT 75SH/FTU-54 | 4,361.25 |
| MOLEX INC 200SH/FTU-54 | 6,212.50 |
| MOLEX INC 300-1SH/FTU-54 | 9,318.75 |
| MOLEX INC 300-2SH/FTU-54 | 9,318.75 |
| MOLEX INC 600-1SH/FTU-54 | 18,637.50 |
| MOLEX INC 600-2SH/FTU-54 | 18,637.50 |
| MORGAN STANL 100-1/FTU-54 | 9,784.00 |
| MORGAN STANL 100-2/FTU-54 | 9,784.00 |
| MORGAN STANL 100-3/FTU-54 | 9,784.00 |
| MORGAN STANL 200SH/FTU-54 | 19,568.00 |
| NOKIA CORP 200SH-1/FTU-54 | 4,102.00 |
| NOKIA CORP 200SH-2/FTU-54 | 4,102.00 |
| NOKIA CORP 300SH-1/FTU-54 | 6,153.00 |
| NOKIA CORP 300SH-2/FTU-54 | 6,153.00 |
| NOKIA CORP 325SH/FTU-54 | 26,663.00 |
| PEPISCO 150 SHS-1/FTU-54 | 7,306.50 |
| PEPISCO 150 SHS-2/FTU-54 | 7,306.50 |
| PEPISCO 200SH-2/FTU-54 | 9,742.00 |
| PEPISCO 200SH-3/FTU-54 | 9,742.00 |
| PEPISCO 200SH-4/FTU-54 | 9,742.00 |
| PEPISCO 300SH-2/FTU-54 | 14,613.00 |
| PEPISCO 500SH/FTU-54 | 24,355.00 |
| PEPSICO 200 SHS/FTU-54 | 9,742.00 |
| PEPSICO 300 SH-1/FTU-54 | 14,613.00 |
| PFIZER 100SH-1/FTU-54 | 3,142.50 |
| PFIZER 100SH-2/FTU-54 | 12,570.00 |
| PFIZER 4125SH/FTU-54 | 172,837.50 |
| PROCT & GAM 100SH-1/FTU-54 | 7,378.00 |
| PROCT & GAM 100SH-2/FTU-54 | 7,378.00 |
| PROCT & GAM 100SH-3/FTU-54 | 7,378.00 |
| PROCT & GAM 100SH-4/FTU-54 | 7,378.00 |
| PROCT & GAM 150SH/FTU-54 | 11,067.00 |
| PROCT & GAM 200SH/FTU-54 | 14,756.00 |
| PROCT & GAMB 50SH/FTU-54 | 3,689.00 |

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BALANCE SHEET ANALYSIS
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| | <u>Balance</u> |
|----------------------------|----------------|
| ROYAL DUTCH 100SH-1/FTU-54 | 5,051.00 |
| ROYAL DUTCH 100SH-2/FTU-54 | 5,051.00 |
| ROYAL DUTCH 125SH/FTU-54 | 6,313.75 |
| ROYAL DUTCH 150SH/FTU-54 | 7,576.50 |
| ROYAL DUTCH 500SH/FTU-54 | 23,992.25 |
| ROYAL DUTCH 50SH/FTU-54 | 2,525.50 |
| SBC COMM 101SH/FTU-54 | 38.11 |
| SBC COMM 999SH/FTU-54 | 38,071.89 |
| TARGET CORP 100SH/FTU-54 | 6,230.00 |
| TARGET CORP 200SH-2/FTU-54 | 12,460.00 |
| TARGET CORP 200SH/FTU-54 | 12,460.00 |
| TARGET CORP 400SH/FTU-54 | 24,920.00 |
| TEXACO 100 SHS-1/FTU-54 | 6,818.35 |
| TEXACO 100 SHS-2/FTU-54 | 6,818.35 |
| TEXACO 100 SHS-3/FTU-54 | 6,818.35 |
| TEXACO 100 SHS-4/FTU-54 | 6,818.35 |
| TEXACO 150SH/FTU-54 | 10,227.53 |
| TEXACO 200 SHS/FTU-54 | 13,636.70 |
| TEXACO 300 SHS/FTU-54 | 20,455.05 |
| TEXACO 50SH/FTU-54 | 3,409.18 |
| TX INSTR 100SH-1/FTU-54 | 11,196.00 |
| TX INSTR 100SH-2/FTU-54 | 5,598.00 |
| TX INSTR 150SH-1/FTU-54 | 8,397.00 |
| TX INSTR 150SH-2/FTU-54 | 4,198.50 |
| TX INSTR 300SH-1/FTU-54 | 8,397.00 |
| TX INSTR 300SH-2/FTU-54 | 8,397.00 |
| TX INSTR 50SH-1/FTU-54 | 5,598.00 |
| TX INSTR 50SH-2/FTU-54 | 5,598.00 |
| TX INSTR 50SH-3/FTU-54 | 5,598.00 |
| TX INSTR 75SH/FTU-54 | 4,198.50 |
| VERIZON COM 122SH-1/FTU-54 | 6,076.82 |
| VERIZON COM 122SH-2/FTU-54 | 6,076.82 |
| VERIZON COM 122SH-3/FTU-54 | 6,076.82 |
| VERIZON COM 129SH/FTU-54 | 6,425.49 |
| VERIZON COM 305SH/FTU-54 | 15,192.05 |
| VERIZON COMM 100SH/FTU-54 | 4,981.00 |
| VIACOM INC 300SH/FTU-54 | 10,953.00 |
| VIACOM INC 700SH-1/FTU-54 | 25,557.00 |
| VIACOM INC 700SH-2/FTU-54 | 25,557.00 |
| WALMART 100 SHS/FTU-54 | 5,140.00 |
| WALMART 150 SHS-1/FTU-54 | 15,420.00 |
| WALMART 150 SHS-2/FTU-54 | 7,710.00 |
| WALMART 150 SHS-3/FTU-54 | 7,710.00 |
| WALMART 200 SHS-1/FTU-54 | 10,280.00 |
| WALMART 200 SHS-2/FTU-54 | 10,280.00 |

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Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
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| | <u>Balance</u> |
|----------------------------------|----------------|
| XILINX 100 SHS/FTU-54 | 6,084.00 |
| XILINX 200 SHS-1/FTU-54 | 24,336.00 |
| XILINX 200 SHS-2/FTU-54 | 12,168.00 |
| XILINX 300 SHS/FTU-54 | 3,042.00 |
| XILINX 50 SHS/FTU-54 | 6,084.00 |
| Total Cypress Asset Mgmt.-Com: | 2,827,167.66 |
| | |
| Paine Webber Core Hold.: | |
| CELESTICA 500SH/FTU-60 | 17,165.00 |
| Total Paine Webber Core Hold.: | 17,165.00 |
| | |
| Vested Exec Stock Options: | |
| CPQ ESO 4-97 4370SH | 3,190.10 |
| Total Vested Exec Stock Options: | 3,190.10 |
| TOTAL MARKETABLE INVESTMENTS | 10,966,811.83 |

LONG-TERM INVESTMENTS

| | |
|------------------------|---------------|
| Residence: | |
| REAL ESTATE/HUNTINGDON | 10,156,723.27 |
| Total Residence: | 10,156,723.27 |

Real Estate Other Homes:

| | |
|--------------------------------|---------------|
| PIRATES' COVE LOTS | 299,742.66 |
| REAL ESTATE/2514 AVALON | 288,433.94 |
| REAL ESTATE/ASPEN1 | 2,869,323.52 |
| REAL ESTATE/ASPEN2 | 5,665,823.97 |
| REAL ESTATE/ASPEN3 | 6,258,044.41 |
| REAL ESTATE/ASPEN4 | 1,771,985.27 |
| REAL ESTATE/B-3429 | 770,503.39 |
| REAL ESTATE/B-3431 | 759,970.73 |
| REAL ESTATE/B-3433 | 880,881.97 |
| REAL ESTATE/REBA | 492,639.61 |
| REAL ESTATE/WESTGATE | 284,873.38 |
| Total Real Estate Other Homes: | 20,342,222.85 |

Real Estate Active Rental:

| | |
|----------------------------------|--------------|
| REAL ESTATE/1741SR | 147,309.00 |
| REAL ESTATE/1852MAR | 104,044.97 |
| REAL ESTATE/1856MAR | 173,048.67 |
| REAL ESTATE/1918SR | 243,875.17 |
| REAL ESTATE/2403AVALON | 944,179.00 |
| REAL ESTATE/KINGS | 190,000.00 |
| REAL ESTATE/MEXICO MO | 240,026.00 |
| REAL ESTATE/VIKING | 61,008.00 |
| Total Real Estate Active Rental: | 2,103,490.81 |

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BALANCE SHEET ANALYSIS
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| | <u>Balance</u> |
|---------------------------------|---------------------|
| Real Estate Partnerships: | |
| BLENHEIM APARTS, LTD. | 175,412.00 |
| CREEKSTONE SOUTH RICE PTRS | 266,115.00 |
| CREEKSTONE WALNUT LP | 748,409.00 |
| DYMAXION APARTMENTS, LTD | 21,943.00 |
| HAINES APARTMENTS, LTD. | 100,000.00 |
| J.T.FAM,SR. INVEST., LTD. | 526,650.00 |
| JESTER APTS PARTNERS,LTD | 652,654.00 |
| LAKE CHARLES APTS., LTD. | 176,023.00 |
| MILAND INVESTMENTS LLC | 569,455.08 |
| NOLANA, LTD. | 186,000.00 |
| RESACA DE LAS PALMAS | 240,000.00 |
| SAJG KIRBY BRAESWOOD | 180,000.00 |
| TRAILSIDE APTS, LTD. | 486,208.00 |
| W.A.REHAUSENLOT INV LTD | 123,578.00 |
| W.E. TRADE INVESTMENTS LTD | 317,714.00 |
| Total Real Estate Partnerships: | <u>4,770,161.08</u> |
| Farming Interests: | |
| 11ACRES ILLINOIS | 4,500.00 |
| Total Farming Interests: | <u>4,500.00</u> |
| Privately-Held Stock: | |
| ACOUSTIC TECH 100,000 SH-B | 210,000.00 |
| AMER EQ LIFE 2500/SMH-JT | 39,975.00 |
| AMER EQ LIFE HLDG/SMH-JT | 199,875.00 |
| COUNTRYWATCH.COM | 250,000.00 |
| DR RED DUKE INC 52,632 SHS | 100,000.80 |
| ECOUTLOOK COM SERIES B | 200,000.00 |
| ECOUTLOOK COM SERIES C | 299,999.57 |
| ETERNITY, INC. 1,500 SH-A | 150,000.00 |
| ETERNITY, INC. NOTE | 37,500.00 |
| EVELOCITY CORP 1000000 P-B | 500,000.00 |
| EVELOCITY CORP 150,000 P-B | 75,000.00 |
| EVELOCITY CORP 18345.2 P-B | 18,345.20 |
| EVELOCITY CORP 300,000 P-B | 300,000.00 |
| EVELOCITY CORP 850,000 P-B | 850,000.00 |
| FLASHFIND CORP 150,000 P-B | 112,500.00 |
| FLASHFIND CORP NOTE 3/01 | 75,000.00 |
| FLASHFIND CORP NOTE 5/01 | 75,000.00 |
| FLASHFIND CORPORATION | 250,000.00 |
| HOSTCENTRIC 54,347 SH-B | 249,996.20 |
| INDX SOFTWARE 18588/SMH-JT | 50,001.72 |
| LOMBARDI SOFT 7500S/SMH-JT | 75,000.00 |

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| | <u>Balance</u> |
|----------------------------------|----------------------|
| MRS. FIELDS HOLDING CO. | 81,000.00 |
| NETVERSANT 125,000/SMH-JT | 500,000.00 |
| OLD BALDY CORP 250 SHS | 28,360.00 |
| OLD BALDY CORP 33 SHS | 12,000.00 |
| PHOTOFETE.COM CONVERT NOTE | 123,103.12 |
| QUESTIA MEDIA 12,295SH | 40,327.60 |
| QUESTIA MEDIA 12,821SH | 42,052.88 |
| QUESTIA MEDIA 1294297SH-B | 4,245,294.16 |
| QUESTIA MEDIA 558,306 SH-A | 1,831,243.68 |
| QUESTIA MEDIA 647,148SH-C | 2,122,645.44 |
| RED SKY INT 2,000SH/SMH-JT | 50,000.00 |
| SMH AGENCY 20-A/SHM-JT | 18,000.00 |
| Total Privately-Held Stock: | <u>13,212,220.37</u> |
| Corporate Bond-Convertible | |
| EARTHCARE CO 1534SH/SMH-JT | 1,534.00 |
| EARTHCARE CO 1SH-2/SMH-JT | 1.00 |
| EARTHCARE CO 1SH/SMH-JT | 1.00 |
| EARTHCARE CO 2531SH/SMH-JT | 2,531.00 |
| EARTHCARE CO 2594SH/SMH-JT | 2,594.00 |
| EARTHCARE CO 2688SH/SMH-JT | 2,688.00 |
| EARTHCARE CO 2756SH/SMH-JT | 2,756.00 |
| EARTHCARE CO 2794SH/SMH-JT | 2,794.00 |
| EARTHCARE CO 2833/SMH-JT | 2,833.00 |
| EARTHCARE CO 2967/SMH-JT | 2,967.00 |
| EARTHCARE CO DEB/SMH-JT | 100,000.00 |
| LAKEWOOD SPORT CONV/SMH-JT | 52,250.00 |
| LAKEWOOD SPORT-1/SMH-JT | 52,250.00 |
| LAKEWOOD SPRT CONV2/SMH-JT | 30,041.00 |
| Total Corporate Bond-Convertible | <u>255,240.00</u> |
| GS 1999 Exchange Funds: | |
| GS 1999 EXCH FND/GS-61 | 4,545,109.31 |
| Total GS 1999 Exchange Funds: | <u>4,545,109.31</u> |
| Family Partnerships: | |
| KLL & LPL FAMILY PTRNS | 685,323.00 |
| KLL & LPL INVESTMENT PTRNS | 3,821,676.00 |
| Total Family Partnerships: | <u>4,506,999.00</u> |
| Other Investments: | |
| BBT PARTNERS, L.P. | 250,000.00 |
| BROADWING, LLC | 162,331.00 |
| CAPRICORN INVESTORS II LP | 510,441.00 |
| CAPRICORN INVESTORS III | 378,855.00 |

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BALANCE SHEET ANALYSIS
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| | <u>Balance</u> |
|--------------------------------|----------------------|
| CARSON PRIV CAP EUROPE LP | 1,254,212.00 |
| CHAMPION L.L.C./SMH-JT | 96,812.00 |
| CHASE CAP PTRS PRV FUND | 2,238,950.65 |
| CORPORATE OPPT FUND/SMH-JT | 339,000.00 |
| CPC YELL, L.P. | 250,000.00 |
| ENVIR OPP 500,000SH/SMH-JT | 213,000.00 |
| ENVIRON OPP FUND II/SMH-JT | 125,200.00 |
| GENESIS PARK LP | 95,878.00 |
| HOUSTON NFL HOLDINGS 2.5% | 3,993,705.00 |
| LAZARD TECH PTRS II LP | 381,360.00 |
| LOMBARDI LLC/SMH-JT | 40,832.50 |
| MURPHREE VENTURE PTRS LP | 120,610.00 |
| MV PARTNERS | 250,000.00 |
| MV PTRNS-CYBER DIALOGUE | 346,478.00 |
| SANDERS OPPORT FUND/SMH-JT | 940,744.87 |
| SMH CERI, LLC/SMH | 70,000.00 |
| SMH INDX LLC/SMH-JT | 10,928.60 |
| SMH LIFE SCIENCES/SMH-JT | 125,000.00 |
| STERLING GROUP I LP | 415,015.85 |
| TACONIC CAPITAL PTRS LP | 2,722,705.00 |
| TCW WESTBRIDGE VENTURES | 271,435.00 |
| VANGUARD VII LP | 853,938.00 |
| WESTTX ASSOCIATES, LP | 34,500.00 |
| Total Other Investments: | <u>16,491,932.47</u> |
| TOTAL LONG-TERM INVESTMENTS | <u>76,388,599.16</u> |
| RETIREMENT/DEFERRED ASSETS | |
| IRA: | |
| FIRST UNION-IRA/KLL-FTU | 41,597.94 |
| Total IRA: | <u>41,597.94</u> |
| IRA/Spouse: | |
| FIRST UNION-IRA/LPL-FTU | 41,632.16 |
| Total IRA/Spouse: | <u>41,632.16</u> |
| Retirement Plan: | |
| ENRON RO-IRA/FTU-56 | 1,134,476.30 |
| ENRON ESOP | 1,686.63 |
| ENRON SAV RO MMA/FTU-56 | 85,287.94 |
| ENRON SAVINGS 401K | 265,369.00 |
| ENRON-RETIREMENT | 4,220,212.93 |
| FID GROWTH CO 401(K)/KLL | 17,067.00 |
| FID MAGELLAN 401(K)/KLL | 51,344.00 |
| FID OTC 401(K)/KLL | 9,202.00 |
| FID OVERSEAS 401(K)/KLL | 18,991.00 |

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| | <u>Balance</u> |
|----------------------------------|----------------|
| KEOGH MMA/PW-18 | 2,342.90 |
| KEOGH MUNDER TECH/PW-18 | 118,524.43 |
| Total Retirement Plan: | 5,924,504.13 |
| Deferred Compensat'n Plan: | |
| ELI LILLY DEFERRED COMP | 1,370,413.04 |
| ENRON DEFERRED COMP-85 | 3,737,057.12 |
| ENRON DEFERRED COMP-94 | 1,256,391.00 |
| ENRON PHANTOM STOCK DEF | 7,205,350.00 |
| HNG PLAN-85 | 83,604.00 |
| TCW DEFERRED COMP | 27,617.34 |
| Total Deferred Compensat'n Plan: | 13,680,432.50 |
| TOTAL RETIREMENT/DEFERRED ASSETS | 19,688,166.73 |
| PERSONAL/NON-EARNING ASSET | |
| Automobile(s): | |
| 00 MERCEDES G500 LWB | 149,176.18 |
| 00 MERCEDES ML55 | 73,348.19 |
| 00 RED JEEP WRANGLER | 20,400.00 |
| 00 SILVER JEEP WRANGLER | 20,400.00 |
| 00 YELLOW JEEP WRANGLER | 20,400.00 |
| 01 GMC DENALI | 48,272.40 |
| 01 GRAND CHEROKEE | 37,801.28 |
| 92 4WD JEEP CHEROKEE | 7,400.00 |
| 93 MERCEDES 600SL | 40,000.00 |
| 95 LT SUBURBAN CHEVY | 13,000.00 |
| 96 RANGE ROVER | 30,000.00 |
| 97 SUBURBAN CHEVY | 15,280.15 |
| Total Automobile(s): | 475,478.20 |
| Home Furnishings: | |
| HOME FURNISH/2514AVALON | 1,536.28 |
| HOME FURNISHINGS/ASPEN1 | 138,984.11 |
| HOME FURNISHINGS/ASPEN2 | 264,641.69 |
| HOME FURNISHINGS/ASPEN3 | 553.86 |
| HOME FURNISHINGS/B-3429 | 80,833.15 |
| HOME FURNISHINGS/B-3431 | 196,815.63 |
| HOME FURNISHINGS/B-3433 | 106,522.74 |
| HOME FURNISHINGS/HUNT | 2,222,786.48 |
| Total Home Furnishings: | 3,012,673.94 |
| Other Vehicles & Equip: | |
| BW 21' OUTRAGE BOAT | 49,327.00 |
| DUFFY 18'-I | 19,098.00 |
| DUFFY 18'-II | 19,098.00 |

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BALANCE SHEET ANALYSIS
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| | <u>Balance</u> |
|----------------------------------|----------------|
| HURRICANE 19' | 22,695.14 |
| SPIRIT CANOE | 406.43 |
| SUPER SPORT BOAT 1997 | 33,502.74 |
| Total Other Vehicles & Equip: | 144,127.31 |
| TOTAL PERSONAL/NON-EARNING ASSET | 3,632,279.45 |
| TOTAL ASSETS | 121,025,305.32 |

LIABILITIES

CURRENT LIABILITIES

Notes Payable:

| | |
|-------------------------|--------------|
| ACCT PAYABLE (ST)-ENRON | 100,742.62 |
| COMPASS BANK LOC | 789,871.12 |
| ENRON CORP. LOAN | 4,975,000.00 |
| PAINE WEBBER-LOC/PW-42 | 0.02 |
| Total Notes Payable: | 5,865,613.76 |

Security Deposits:

| | |
|--------------------------|----------|
| SEC DEPOSIT/Z-1856MAR | 125.00 |
| SEC DEPOSIT/Z-1918SR | 850.20 |
| SEC DEPOSIT/Z-MCDUF | 393.98 |
| Total Security Deposits: | 1,369.18 |

Margin Acct Liability:

| | |
|------------------------------|--------------|
| FIRST UNION MARGIN/FTU-52 | 1,184,212.01 |
| Total Margin Acct Liability: | 1,184,212.01 |
| TOTAL CURRENT LIABILITIES | 7,051,194.95 |

LONG-TERM LIABILITIES

Home Mortgage:

| | |
|---------------------------|--------------|
| BANK OF AMER/HUNT #2 LIEN | 485,636.75 |
| BANK OF AMER/HUNT #3 LIEN | 486,924.55 |
| BANK OF AMER/HUNTINGDON | 4,323,182.20 |
| Total Home Mortgage: | 5,295,743.50 |

Other Real Estate Mtge:

| | |
|--------------------------|--------------|
| BANK OF AM/ASPEN2 | 4,239,352.70 |
| BANK OF AM/ASPEN3 | 5,464,352.60 |
| BANK OF AMER/2403AVALON | 833,690.30 |
| BANK OF AMER/2514 AVALON | 225,000.00 |
| BANK OF AMER/ASPEN1 | 1,488,695.66 |
| BANK OF AMER/ASPEN4 | 1,200,000.00 |
| BANK OF AMER/B-3429 | 235,227.52 |
| BANK OF AMER/B-3433 | 519,766.30 |
| BANK OF AMER/REBA | 315,304.03 |

November 26, 2001

Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
As of: October 31, 2001

| | <u>Balance</u> |
|----------------------------------|-----------------------|
| CITICORP MORTGAGE/B-3431 | 168,357.71 |
| Total Other Real Estate Mtge: | <u>14,689,746.82</u> |
| Investment Liabilities: | |
| BANK OF AMER/GALV LOTS | 88,824.87 |
| BANK OF AMER/WESTGATE LOT | 191,250.00 |
| BK OF AM/CREDIT FACILITY | 3,000,000.00 |
| Total Investment Liabilities: | <u>3,280,074.87</u> |
| Deferred Tax Liabilities: | |
| DEF TAX LIAB-STK OPT ONLY | 24,076.00 |
| Total Deferred Tax Liabilities: | <u>24,076.00</u> |
| TOTAL LONG-TERM LIABILITIES | <u>23,289,641.19</u> |
| | |
| BUSINESS LIABILITIES | |
| Employer Taxes/Bus: | |
| FIT WITHHELD-EE (TX) | 66,993.86 |
| FIT WITHHELD-LPL EE(TX) | 5,643.00 |
| MEDIC WITHHELD-LPL EE(TX) | 631.37 |
| MEDIC WITHHELD-EE (TX) | 7,991.76 |
| SIT WITHHELD-EE (HH-CO) | 354.00 |
| SOC SEC WITHHELD-EE (TX) | 23,371.98 |
| SOC SEC WITHHELD-LPL (EE) | 2,699.52 |
| Total Employer Taxes/Bus: | <u>107,685.49</u> |
| Accrue Social Sec Tax/Bus: | |
| MEDIC PAYABLE-ER (TX) | 7,989.89 |
| MEDIC PAYABLE-LPL ER(TX) | 631.37 |
| SOC SEC PAYABLE-ER (TX) | 23,371.98 |
| SOC SEC PAYABLE-LPL ER(TX) | 2,699.52 |
| Total Accrue Social Sec Tax/Bus: | <u>34,692.76</u> |
| TOTAL BUSINESS LIABILITIES | <u>142,378.25</u> |
| TOTAL LIABILITIES | <u>30,483,214.39</u> |
| | |
| <u>NET WORTH</u> | |
| TOTAL NET WORTH | 90,542,090.93 |
| TOTAL LIABILITIES AND NET WORTH | <u>121,025,305.32</u> |

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