

MAY 24 2005

Michael M. Milby, Clerk

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

PAMELA M. TITTLE, et al.,

Plaintiffs,

v.

ENRON CORP., et al.,

Defendants.

CIVIL ACTION NO. H-01-3913
CONSOLIDATED CASES

ORDER OF FINAL JUDGMENT AND DISMISSAL

THIS MATTER, having come before the Court for hearing, pursuant to the Order of this Court, dated May 20, 2004, on the application of the Settling Parties for approval of the Settlement set forth in the Amended and Restated Class Action Settlement Agreement dated May 26, 2004, (the "Agreement") and due and adequate notice having been given to the Settlement Class (as defined in the Agreement) as required in said Order, and the Court having considered all papers filed and proceedings had herein, and otherwise being fully informed in the premises and good cause appearing therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED that:

1. This Order incorporates by reference the definitions in the Agreement, and all capitalized terms used herein shall have the same meanings as set forth in the Agreement.

2. This Court has jurisdiction over the subject matter of the action and over all members of the Settlement Class.

3. The notice given to the Settlement Class of the Settlement and the other matters set forth in the Agreement was the best notice practicable under the circumstances, including individual notice to all members of the Settlement Class who could be identified through reasonable effort. Said notice provided due and adequate notice of these proceedings and of the matters set forth in the Agreement, including the Proposed Settlement, to all persons entitled to such notice, and said notice fully satisfied the requirements of Fed. R. Civ. P. 23, and due process.

4. The Court finds that the Settlement was negotiated at arm's length by Plaintiffs' counsel and counsel on behalf of the Settling Defendants. The Court finds that, to the extent any of the transactions required by the Agreement and the Amended Plan of Allocation constitute a transaction prohibited by ERISA § 406(a), 29 U.S.C. § 1106(a), such transactions satisfy the provisions of Prohibited Transaction Exemption 2003-39. 68 Fed. Red. 75632 (2003). The Settlement is reasonable in light of the Plans' likelihood of substantial recovery from the Settling Defendants, the risks and costs of litigation, and the value of claims foregone. The terms and conditions of the Settlement are no less favorable to the Plans than comparable arms-length terms and conditions that would have been agreed to by unrelated parties under similar circumstances. The Settlement is not part of an agreement, arrangement, or understanding to benefit a party in interest. No extension of credit by the Plans to any party in interest is contemplated by the terms of this Judgment.

5. The Court finds that class certification is proper under Fed. R. Civ. 23(a) and (b)(1). The Plaintiffs satisfy all of the requirements under 23(a) in that numerosity, typicality, commonality, and adequacy are established as to the Settlement Class. In addition, the Court

finds that class certification is proper under Fed. R. Civ. P. 23(b)(1): the failure to certify the Class would create the risk of inconsistent adjudications with respect to individual class members which would establish incompatible standards of conduct for Defendants, and would as a practical matter be dispositive of the interests of the other members of the class not parties to the adjudications or substantially impair or impede their ability to protect their interests. As a breach of fiduciary duty case brought on behalf of the Plans, pursuant to ERISA §502(a)(2), this case is ideally suited to certification under Fed. R. Civ. P. 23(b)(1).

6. Furthermore, pursuant to Fed. R. Civ. P. 23, this Court hereby approves the Partial Settlement as set forth in the Agreement, finds that said Settlement is, in all respects, fair, reasonable, and adequate with respect to the Settlement Class, directs that the Settlement be consummated in accordance with the terms and conditions set forth in the Agreement.

7. The Court finds that the Amended Plan of Allocation of the Settlement is fair, reasonable, and adequate.

8. The Court awards an additional payment of \$3,000 to each of the Class Representatives as compensation for their contribution to the successful prosecution and partial resolution of this action.

9. This Court hereby dismisses the action, in its entirety, as to the Settling Defendants, and against the named Plaintiffs, and the Settlement Class, with prejudice and without costs (except as otherwise provided in the Agreement).

10. Except as provided by the terms of Paragraph 4.6.3 of the Agreement, upon the date the conditions of Effectiveness of Settlement as set forth in Paragraph 2.1 of the Agreement occur, the named Plaintiffs and each of the Settlement Class Members, on behalf of themselves, their successors, and assigns, and any other person claiming (now or in the future), through or on behalf of them, and regardless of whether any such named Plaintiff or Settlement Class Member ever seeks or obtains by any means, any distribution from the Settlement Trust, shall be deemed to have, and by operation of this Order of Final Judgment and Dismissal shall have, fully, finally,

and forever, released, relinquished, and discharged, all Plaintiffs' released claims against all Settling Defendants and shall have covenanted not to sue all such Settling Defendants with respect to all such Plaintiffs' released claims, and shall be permanently barred and enjoined from instituting, commencing, or prosecuting any such Plaintiffs' released claims against any Settling Defendants.

11. Except as provided by the terms of Paragraph 4.6.3 of the Agreement, upon the date the conditions of Effectiveness of Settlement as set forth in Paragraph 2.1 of the Agreement occur, all obligations of the Settling Defendants to the named Plaintiffs and the Settlement Class Members arising out of, based upon, or otherwise related to the transactions and occurrences that were alleged, or could have been alleged, on behalf of the named Plaintiffs and the Settlement Class Members in the Complaint in the action shall be fully, finally, and forever discharged, and all persons shall be permanently barred and enjoined from instituting, prosecuting, pursuing or litigating in any manner (regardless of whether such persons purport to act individually, representatively, or in any other capacity, and regardless of whether such persons purport to allege direct claims, claims for contribution, indemnification, or reimbursement, or any other claims) any such obligations.

12. Upon the date the conditions of Effectiveness of Settlement as set forth in Paragraph 2.1 of the Agreement occur, each of the Settling Defendants shall be deemed to have, and by operation of this Order of Final Judgment and Dismissal shall have, fully, finally, and forever released, relinquished, and discharged each and all of the Settlement Class Members and counsel to the named Plaintiffs from all claims (including unknown claims) arising out of, in any way relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the action, or the Plaintiffs' released claims except to enforce the releases and other terms and conditions contained in the Agreement.

13. This Order of Final Judgment and Dismissal does not release any claims against the Underwriters or any other insurance carriers pertaining to coverage under the fidelity bonds

that provide coverage to the Plans, including St. Paul Crime Loss Indemnity Policy, Policy No. 400 JW 6221; Federal Insurance Policy, Policy No. 8109-28-95G; Great American Insurance Company, Policy No. CRP 268-75-60, and any other fidelity bonds that may provide coverage to the Plans.

14. The Settlement Agreement and this Final Order of Judgment and Dismissal does not release, bar or waive any Claim that can or has been asserted under the state or federal securities laws by the Enron Plans, the Enron Plans Trustees, or any individual member of the Settlement Class directly or derivatively in the *Newby Action*.

15. This Order of Final Judgment and Dismissal is a final judgment in the action as to all claims among the Settling Defendants, on the one hand, and the named Plaintiffs and all Settlement Class Members, on the other. This Court finds, for purposes of Fed. R. Civ. P. 54(b), that there is no just reason for delay and expressly directs entry of Judgment as set forth herein.

16. Without affecting the finality of this Order of Final Judgment and Dismissal in any way, this Court retains continuing jurisdiction over: (a) implementation of the Settlement; (b) any award or distribution of the Settlement Trust, including interest earned thereon; and (c) all other proceedings related to the implementation and enforcement of the terms of the Agreement.

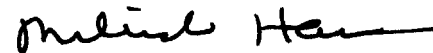
17. In the event that the conditions of Effectiveness of Settlement as set forth in paragraph 2.1 of the Agreement do not occur, this Order of Final Judgment and Dismissal shall be rendered null and void and shall be vacated *nunc pro tunc*.

18. Without affecting the finality of this Judgment, the Court retains jurisdiction for purposes of implementing the Agreement and reserves the power to enter additional orders to effectuate the fair and orderly administration and consummation of the Agreement and Settlement, as may from time to time be appropriate, and resolution of any and all disputes arising thereunder.

19. Without further Order of the Court, the parties may agree to reasonable extensions of time to carry out any provisions of the Agreement.

IT IS SO ORDERED.

Signed at Houston, Texas, this 24th day of May, 2005.



MELINDA HARMON
UNITED STATES DISTRICT JUDGE