



Questions & Answers: Distribution of the *Newby* Settlement

1. Q: What is the status of the *Newby v. Enron* settlement for stock acquired in the Enron Savings Plan and ESOP?

A: More than 14,000 packages were mailed on Friday, February 12, 2010 to participants and beneficiaries in the Enron Savings Plan and ESOP who are eligible for a distribution in the *Newby v. Enron* settlement.

Enron Savings Plan participants who are currently members of successor plans at EOG, PGE or AEI will not receive an Election Form. Instead, they will receive notification when the *Newby* payment is deposited in their account in the EOG, PGE or AEI savings plan. These transfers have not yet been made.

Packages have not yet been sent out to a few hundred people for whom we have not been able to verify mailing addresses or settlement amounts. We expect to be able to resolve the remaining issues and mail the remaining packages by the end of March.

2. Q: What is the process for former Enron employees and beneficiaries to receive their share of the *Newby* settlement from the Savings Plan?

A: Most participants and beneficiaries can indicate on the election forms whether they want to receive the settlement proceeds directly or as a rollover into an IRA or another employer's plan. Election forms should be returned by April 30, 2010. After elections have been received and verified, the settlement money will be distributed.

For those Enron Savings Plan participants who are currently members of successor plans at EOG, PGE or AEI, settlement money will be automatically transferred into their account in the EOG, PGE or AEI savings plan.

3. Q: What options will I have for receiving settlement proceeds from the Savings Plan?

A: The options will be (1) rollover to an IRA or another employer's qualified retirement plan with no current tax obligation; (2) taxable cash, which may also be subject to a 10% penalty tax for those less than age 59 1/2 or (3) a combination of cash and rollover. You will use the Election Form mentioned in Question 2 above to make this election.

4. Q: I received part of the settlement in the *Tittle v. Enron* litigation involving the Plans. Does that mean I will receive part of the *Newby* settlement?

A: Not necessarily. The *Newby* settlement only covers Enron stock acquired during the Eligible Period (September 9, 1997 through December 2, 2001). The *Tittle* settlement covered Enron stock acquired or held during the Eligible Period for that settlement. If you did not acquire any Enron stock during the *Newby* Eligible Period, you will not share in the *Newby* settlement. For example, most of the stock in the ESOP was acquired before the Eligible Period and will not be entitled to any recovery in the *Newby* settlement. In addition, sales during the Eligible Period may offset the stock you acquired during that period. Further, while the *Tittle* settlement included participants in the Enron Cash Balance Plan, the *Newby* settlement does not because the Cash Balance Plan did not acquire any Enron Stock during the Eligible Period.

5. Q: Will there be additional distributions from the *Newby* settlement?

A: According to the web site of Gilardi & Co., LLC, the Claims Administrator, www.gilardi.com/enron/securities/, additional distributions are anticipated, but their timing and amount remain to be determined. If the Savings Plan receives further *Newby* distributions, Fiduciary Counselors will decide how they should be allocated, then notify participants and beneficiaries.

6. Q: If elections were made for the *Tittle* settlement can they be used for the *Newby* settlement?

A: No. The *Tittle* and *Newby* cases are separate and require separate elections.

7. Q: Who should I contact if my address has changed?

A: Any changes to your contact information should be made online at www.enronsavingsplan.com. This is the only way that you can be sure your contact information is accurate.

8. Q: Who should I contact about *Newby* distributions I already received?

A: Contact the Claims Administrator, Gilardi & Co. at classact@gilardi.com or 1-800-961-2086. *Newby* distributions made prior to February, 2010 are not from the Enron Savings Plan's recovery for its claim in the *Newby* settlement. They could be for stock or options acquired outside the Savings Plan, ESOP or PGE Plan. They also could be for stock acquired in one of the plans and distributed in-kind or rolled over to an IRA during the Eligible Period.

9. Q: I received a *Newby* settlement check. Can I deposit it into an IRA and defer current taxes?

A: Any *Newby* distribution you receive prior to completing the election form you receive from Fiduciary Counselors is not from the Savings Plan. We are not in a position to determine whether or not you can deposit part or all of a *Newby* settlement check other than the check you will receive from the Savings Plan. We note, however, that the answer may depend on where you held the shares that were the basis for the claim and related distribution. For example, if you held the shares in an IRA, you may be able to deposit the distribution based on those shares in the IRA. In contrast, if the claim was based on shares or options you held outside a qualified plan or IRA, the distribution is not eligible for tax-deferred rollover into an IRA. Contact your tax advisor if you have questions about tax treatment and eligibility for deposit in an IRA. Contact the Claims Administrator, Gilardi & Co. at classact@gilardi.com or 1-800-961-2086, if you have questions regarding the claim on which the distribution was based.

10. Q: I worked for Portland General Electric ("PGE") before it was merged with Enron on July 1, 1997. My PGE stock in the Portland General Holdings, Inc. Retirement Savings Plan ("PGE Plan") was converted to Enron stock at that time. In July 1999, the PGE Plan was merged into the Enron Savings Plan. Did the claim you filed include the Enron stock I acquired in the PGE Plan?

A: The *Newby* settlement applies to you if you acquired Enron stock through the PGE Plan or the Enron Savings Plan and/or ESOP between September 9, 1997 and December 2, 2001 (the Eligible Period). The *Newby* settlement does not apply to PGE stock converted to Enron stock at the time of the merger on July 1, 1997, since that is before the beginning of the Eligible Period. The Enron stock acquired by the PGE Plan during the Eligible Period was included in the claims that we filed, and your allocation will take that stock into account. If you are currently a participant in the PGE Plan, you will not receive an Election Form. Instead, you will receive notification when your *Newby* payment is deposited in your account in the PGE Plan. These transfers have not yet been made.

11. Q: Who can I call if I have questions about the *Newby* settlement from the Savings Plan?

A: For questions related to the Savings Plan distributions, call Gilardi & Co. at 877-234-4518 or email classact@gilardi.com.

12. Q: Who can I call if I have questions about the *Newby* settlement from the Savings Plan?

A: All calculations in the *Newby* case are based on the Plan of Allocation approved by the court, which can be found in the Notice of Hearing at <http://www.gilardi.com/pdf/enro1not2.pdf>. The discussion of the Plan of Allocation starts on page 3. Enron Stock is in Category 1 of Eligible Securities. The relevant discussion ends with the table at the top of page 7.