what's new | what's the same

Enron Corp. Savings Plan Changes

money in *motion*

ENRON

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AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

What's NEW?

In late November, Hewitt Associates will become our new administrator for the Enron Corp. Savings Plan, providing improved customer service and quicker processing of your requests. Hewitt is recognized as a leader in benefit plan administration, with a reputation of providing quality service to many Fortune 500 companies.

Fund Changes

On November 20, the Fidelity Freedom™ Funds will replace the Vanguard LifeStrategy® Funds. These new funds invest in a wide variety of underlying Fidelity mutual funds to provide you with broader diversification. And speaking of diversification – all investment funds will now be listed by asset class in order of risk factor – from the least risky to the most risky.

YOUR ACCOUNT BALANCE WILL MOVE FROM THESE INVESTMENT OPTIONS		TO THESE OPTIONS WITH SIMILAR INVESTMENT OBJECTIVES
*Vanguard LifeStrategy Conservative Growth	→	Fidelity Freedom 2000
Vanguard LifeStrategy Moderate Growth	→	Fidelity Freedom 2010
Vanguard LifeStrategy Growth Portfolio	→	Fidelity Freedom 2020

*default fund

Loans, Withdrawals and Distributions

There may be a time when it is necessary for you to use a portion of your funds; so we've made it simpler for you to make withdrawals and take loans. There's an easy paperless process for in-service withdrawals and distributions (now offered on a daily basis). The loan administration fee will be $35.

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New Website Features

- Personal Rate of Return
- Reduced Self-Directed Account (SDA) fees
- Retirement Report Card – coming soon
- **Password Hint** – No more hunting for that PIN; assign your own and use the hint to help you remember

A GREAT NEW FEATURE FOR ACTIVE EMPLOYEES

Will my finances support my long-term goals?

What funds should I invest in, and how much should I put in each fund?

In early December, Enron will offer you an online investment education and advice tool that will help turn your financial dreams into reality. The new mPower website will feature a personalized Retirement Report Card to help you quickly determine your financial readiness for the future. mPower is the nation's leading provider of online retirement planning advice. mPower takes the guesswork out of investing, and in just a few minutes can provide personalized and fund-specific answers to important questions.

WATCH FOR MORE INFORMATION ON THIS POWERFUL NEW FEATURE.

What's THE SAME?

- The same great benefit
- Easy access through the web or voice response system
- Benefit service representatives to help you when you need personal assistance
- One phone number to remember for access to your benefits

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IMPROVED SELF-DIRECTED ACCOUNT SERVICES

Hewitt Financial Services, in partnership with **CSFB*direct*, will replace Charles Schwab as the brokerage firm providing this service.** Backed by Credit Suisse First Boston, CSFB*direct* offers you a comprehensive line of brokerage products, including extended-hours trading and reduced commissions for online stock trades. However, there are some minor changes that you need to be aware of listed below.

Have a Current Schwab Account? READ ON!

At 3:00 PM CST on October 19, your Schwab Personal Choice Account will be frozen until 8:00 AM CST on November 20 when the transition period ends.

Don't Panic!

Your holdings as of market close on October 19 will NOT be liquidated! They will remain invested and moved **in kind** to CSFB*direct*.

Schwab Mutual Funds No Longer Available

If you are invested in Schwab's family of mutual funds, you must choose an alternative investment before the transition period begins. If you do not choose an alternative, your funds will be liquidated and transferred to the Money Market Fund and will remain there until the transition period ends.

SDA Contribution Allocations No Longer Allowed

Effective November 20, all contribution allocations must be made among the core funds. If you have not changed your allocation by 3:00 PM CST on October 26, your funds will be allocated to the Fidelity Freedom 2000 Fund.

Current Schwab account holders will receive a Welcome Kit in November. For information visit www.hewitt.csfbdirect.com

To establish online access to your CSFB*direct* account, you must call 1-800-890-3200 after November 12.

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TRANSITION ACTION ITEMS

Your fund balances will remain invested during the transition.

ask...

During the transition period, you will NOT have access to your funds. Your fund balances will remain invested in the market based on your fund choices as of 3:00 PM October 26. All activity must be completed by the dates shown below.

why...

Fund balances of approximately $1.4 billion for 24,000 participants will be moved and balanced. Each record must be correct for every account, i.e. before-tax, after-tax, company match, etc. Once the records are balanced, investment returns and November payroll contributions will be added.

october 19
3:00 PM CST

Last Date For:

- Loan Requests
- In-Service Withdrawals & Distributions
- Hardship Withdrawals
- Loan Payoffs
- Rollovers into the Plan
- SDA Schwab Fund Liquidation

october 26
3:00 PM CST

Last Date For:

- Investment Fund Balance Transfers/Allocation Changes
- Contribution Rate Changes

november 20
8:00 AM CST

TRANSITION ENDS...

Savings Plan system opens with all the great new features!

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No Excuses...

The Savings Plan is a great benefit provided by Enron. It allows you to save for the future by making contributions directly from your paycheck on a pre-tax basis—before any federal or state income taxes are deducted. The company match...it's like receiving free money!

For complete details on the Plan, refer to the Money-in-Motion guide on the Enron Intranet site or contact a Benefits Service Representative.

CONNECT

1

Internet
Access your Savings Plan through
enron: benefits.enron.com
home: http://resources.hewitt.com/enron

2

Voice Response System
Access your Savings Plan 24/7 by calling (800) 332-7979, option 3. Benefits Service Representatives are available Monday through Friday, 8:30 AM to 5:00 PM CST.

EnronBenefits...*keeping pace with your lifestyle*

2001

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