



U.S. Department of Justice

Criminal Division

Washington, D.C. 20530

June 26, 2008

VIA FAX at (619-231-7423) and EMAIL at PaulH@csgrr.com

G. Paul Howes, Esquire
Coughlin Stoia Rudman & Robbins LLP
655 West Broadway, Suite 1900
San Diego, California 92101

Re: United States v. Bayly et al., 08-20038, 20039 and 20040 (5th Cir.)
United States v. Kevin Howard, Cr. H-03-93-04
United States v. Scott Yeager, Cr. 3-093-6
United States v. Joseph Hirko and Rex Shelby, Cr. 3-093-7 and 3-093-4

Dear Mr. Howes:

According to our records, you and members of the shareholders' class action lawsuit captioned "*Newby et al. v. Enron Corp., et al.*, No. H-01-3624" are entitled to be notified of the court proceedings relating the criminal litigation of these and certain other Enron cases. This letter is to inform you of events that have occurred or will occur in near future:

United States v. Daniel Bayly et al. 08-20038, 20039, 20040 (5th Cir.) The January 28, 2008 trial date of former Merrill Lynch executives Daniel Bayly and Robert S. Furst (James A. Brown was scheduled for a separate retrial) was vacated by Judge Werlein on January 23, 2008 because of the pending appeals filed by the three defendants with the U.S. Court of Appeals for the Fifth Circuit. These appeals are still pending, and the due date for the filing of their reply briefs is July 10, 2008.

United States v. Kevin Howard (Re-trial is pending) A pre-trial conference has been set for Monday, June 30, 2008, at 10:00 a.m. before Judge Vanessa Gilmore in Courtroom 9A, United States Courthouse, 515 Rusk Avenue, Houston, Texas, 77002. July selection and trial are set for Monday, January 12, 2009, at 1:30 p.m.

United States v. Scott Yeager (Re-trial is pending) A pre-trial conference has been set for Monday, June 30, 2008, at 10:00 a.m. before Judge Vanessa Gilmore in Courtroom 9A, United States Courthouse, 515 Rusk Avenue, Houston, Texas, 77002. July selection and trial are set for Monday, January 12, 2009, at 1:30 p.m.

United States v. Joseph Hirko and Rex Shelby (Re-trial is pending) A pre-trial conference has been set for Monday, September 8, 2008 at 9:30 a.m. before Judge Vanessa D. Gilmore in Courtroom 9A, United States Courthouse, 515 Rusk Avenue, Houston, Texas 77002. Jury selection and trial set for Monday, November 3, 2008, at 1:30 p.m.

Updated information on these events and other future court proceedings in Enron-related cases is available on the Criminal Division's Victim Witness webpage at: <http://www.usdoj.gov/criminal/vns/index.html>.

I understand that you agree to provide this notice to the members of the civil class action lawsuit. If you opt not to do so, please call me immediately at 1-888-549-3945, as other arrangements must be made to notify potential victims.

Sincerely,

Pamela Washington /BNJ

Pamela Washington
Legal Administrative Specialist