

ENRON CORPORATION UNSECURED CREDITORS COMMITTEE

Prior to the fall of 2001, Enron was one of the world's largest companies with total reported revenues in excess of \$100 billion in 2000. For six consecutive years, Fortune Magazine named Enron as its "Most Innovative Company in America." Following a series of financial disclosures and restatement of Enron's financial statements involving accounting errors and inappropriate related party and structured finance transactions in the fall of 2001, Enron filed what was then the largest bankruptcy in U.S. history. In the months immediately after Enron's first disclosures, the role of several key Enron executives and Enron's outside professionals in the collapse came to light. The claims against officers and professionals of Enron were originally assigned to the Official Committee of Unsecured Creditors of Enron Corp. The Creditors Committee called upon McKool Smith to handle these claims in connection with the consolidated Enron multi-district proceedings pending before Judge Melinda Harmon in the United States District Court for the Southern District of Texas .

As the Enron Bankruptcy Examiners' reports totaling thousands of pages reveal, the scope and complexity of the fraudulent transactions in which certain key Enron executives, with the help of outside professionals and other parties, entangled Enron is breathtaking. Drawing upon its experience in officer and professional cases and understanding of complex accounting issues and financial structures, McKool Smith has investigated the conduct of former key Enron officers and outside professionals and guided the Creditors Committee and the Enron estate through the maze of federal litigation, civil forfeiture and related proceedings involving these parties. To maximize the recovery for Enron's creditors, McKool Smith has sought, where possible, settlements with the officers and professionals without the necessity for filing costly and time consuming litigation. Where the parties could not reach agreement, McKool Smith has judiciously filed breach of fiduciary duty, fraud, and other tort claims against selected officers and professionals. To date, McKool Smith's approach successfully resolved numerous claims and suits brought on behalf of the bankruptcy estate against various defendants connected with the financial collapse of Enron.