

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Mark E. Koenig, his agents, servants, employees, and attorneys-in-fact, and those persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act")[15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder, directly or indirectly, by, through the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- A. employing any device, scheme, or artifice to defraud;
- B. making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- C. engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)] and Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], Mr. Koenig is prohibited permanently from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15

U.S.C. § 781] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Mr. Koenig shall pay or cause to be paid disgorgement and a civil penalty in the amounts and in the manner specified in Sections IV and V below representing proceeds from the conduct alleged in the Complaint.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that within five (5) business days of the entry of this Final Judgment, Mr. Koenig shall pay or cause to be paid by wire transfer or check(s) in the amount of \$746,836 payable to “Clerk, United States District Court, Southern District of Texas” and delivered to the Clerk of the Court, United States District Court, Southern District of Texas, 515 Rusk Avenue, Houston, Texas 77002, representing full payment of the civil penalty and partial payment of the disgorgement described in Section III of this Final Judgment. The check(s) shall bear on its face the caption “Securities and Exchange Commission v. Mark E. Koenig,” and be transmitted to the Clerk under cover of a letter that identifies Mark E. Koenig, the caption and case number of this action, and the name of this Court. Copies of the cover letter and payment shall be sent to Luis R. Mejia, Assistant Chief Litigation Counsel, 450 Fifth Street, N.W., Washington, D.C. 20549-0911.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that in addition to the payment set forth in Section IV, and as part of his Cooperation Agreement in the parallel federal criminal action captioned United States v. Mark E. Koenig, Mr. Koenig will not contest the

forfeiture of, and will surrender all claims he may have to, approximately \$746,736 in assets which Mr. Koenig acknowledges represent assets or substitute assets for criminally derived property, and which shall constitute additional disgorgement.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Clerk of this Court, or the Financial Deputy Clerk, is hereby directed to deposit the wired proceeds or check specified in Section IV of this Final Judgment into an interest bearing account for this case with the Court Registry Investment System (the "C.R.I.S. account"). In accordance with the guidelines set by the Director of the Administrative Office of the United States Court, the Clerk of the Court is directed, without further order of this Court, to deduct from the income earned on the funds deposited a fee, not exceeding that authorized by the Judicial Conference of the United States, equal to ten (10) percent of the income earned on these funds. Funds in the C.R.I.S. account shall be held until further order of this Court, and shall thereafter be distributed to victims pursuant to a plan for disposition of disgorgement funds, to be filed by the SEC with the Court. Mr. Koenig shall not be entitled to service of the plan proposed by the SEC, and shall not have the right to be heard with respect to the Court's consideration of such plan. In no event shall any of the funds paid into the Registry of the Court revert, directly or indirectly, to Mr. Koenig, his heirs, successors, or assigns.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, the payments in the amounts and in the manner specified in Sections IV and V represent the entirety of his monetary obligations with respect to this proceeding and any Commission matter against him arising from the SEC's investigation entitled In the Matter of Enron Corp.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of the Consent are incorporated herein with the same force and effect as if fully set forth herein and that Mr. Koenig shall comply with his Consent.

IX.

IT IS FURTHER ORDERED, that this Court shall retain jurisdiction over this action for the purpose of enforcing this Final Judgment.

X.

There being no just reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure to enter this Final Judgment forthwith and without further notice.

DATED: *September 1*, 2004


UNITED STATES DISTRICT JUDGE

United States District Court
S I G N E D
SEP - 1 2004
Judge Lynn N. Hughes