

Account Summary for August 1, 2001 - August 31, 2001

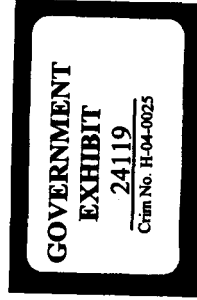
Your Financial Advisor:
ROCKY EMERY
EMERY FINANCIAL GROUP
OF FIRST UNION SECURITIES, INC
909 FANNIN STE 2100
HOUSTON, TX 77010
713-853-2401 / 866-753-9556

At a Glance

If you have more than one account with us, why not get them linked? Your summary below will list them all.
Contact Your Financial Advisor today.

Accounts	Account number	Previous portfolio value	Current portfolio value
Investment Account:	██████████ 9326	\$0.00	\$2,863,237.91
Total		\$0.00	\$2,863,237.91

006417 02 3DG 43 ***AUTO**3-DIGIT 770
 KENNETH L. LAY &
 LINDA P. LAY
 TEN IN COMM
 FAYEZ MANAGED
 HOUSTON TX



First Union Securities, Inc., Member NYSE/SIPC. Brokerage accounts are carried by First Clearing Corporation (FCC), Member NYSE/SIPC.

006417 244235538243 YANNIN NARRIN RRNNNNRN 000001

EVN0Z

GJ 05252
Confidential Treatment
Requested by K & L

Regulatory Disclosure

Estimated portfolio values

Your portfolio value is an estimate. The prices First Clearing Corporation uses to value certain securities are provided by outside services and do not always represent the exact market price.

Pricing method

Prices for listed and NASDAQ securities are as of the close of business on the last day of the period. Corporate and municipal bonds and other fixed income securities are priced by a computerized pricing service or, for less actively traded securities, by utilizing a yield-based matrix system to arrive at an estimated market value. For current prices, call Your Financial Advisor.

Effective September 30, 2001, long-term certificates of deposit will be priced using a market value pricing model. The price shown may be different than the price received if the CD is held to maturity.

SIPC protection

Coverage for cash and securities in protected client accounts is provided from two sources. The Securities Investor Protection Corporation (SIPC) protects up to \$500,000, of which \$100,000 may be cash. First Union has obtained additional protection, at no cost to you, for the remaining net equity balance, if any, of the cash and securities in your accounts. This coverage does not protect against losses from any change in market values of investments.

Margin account

If you have a margin account, this is a combined statement of your general account and the Special Memorandum Account maintained for you under Section 220.6 of Regulation T, issued by the Board of Governors of the Federal Reserve System. The permanent record of the separate account is available for your inspection.

Option information

Information on commissions and other charges associated with option transactions has been sent to you separately in transaction confirmations. Copies are available upon request.

Financial statements

Twice a year, First Clearing Corporation will update and have available, on-line, a statement of the firm's financial condition at www.firstclearingcorp.com. The most recent printed statement is available upon request.

Free credit balance

Free credit balances and fully-paid securities are available to clients upon request. Free credit balances are not segregated and may be used by the firm, but only to the extent permitted by federal regulations (Rule 15c3 on customer protection).

Tax reporting

If you are subject to 1099 reporting, we will provide you with any applicable 1099 forms. Cost basis and unrealized gain/loss are provided for informational purposes only and should not be used for tax preparation without assistance from your tax advisor. In addition, separate purchases of the same security may have been combined. To update your cost data or provide costs that are missing, contact Your Financial Advisor.

IRA Withholding Notice

Form W-4P/OMB No. 1545-0415
The withdrawals you receive from your IRA (except Education IRA) are subject to Federal income tax withholding unless you elect not to have withholding apply. If you have a periodic, or an "on demand" distribution, your election regarding our withholding of Federal income tax on your behalf stays in effect until you change it. You may change or revoke your election at any time and as often as you wish by completing a new election form. If you elect check-writing privileges you will also have previously elected to have no withholding on your withdrawals. If you decide to have taxes withheld you will not be eligible for check writing from your IRA. If you elect not to have taxes withheld you will be liable for payment of all taxes due on the taxable portion of your distribution and you may be responsible for payment of estimated tax. You may be subject to tax penalties under the estimated tax payment rules if your payments of estimated tax and withholding, if any, are not adequate.

Trading Activity

The time of transaction herein, the securities market on which the transaction was made or the name of the buyer or seller and the source and amount of any commission or fee receivable by the firm will be furnished to the Client upon written request. Clients may elect in writing not to receive confirmations for transactions entered by outside investment advisors on their behalf. Clients may receive, on request and at no additional cost, transaction confirmations for all prior transactions effected during a waiver period and if desired, immediate confirmations for all subsequent transactions including details of any transaction effected for their accounts between periodic statements.

Financial situation

You must inform Your Financial Advisor promptly of any material change in your investment objective or financial situation so that they can meet your needs.

Clearing services

First Clearing Corporation (FCC), a registered broker-dealer, a member of the New York Stock Exchange and a member of the National Association of Securities Dealers, Inc., carries your account and acts as your custodian for funds and securities deposited with us directly by you, through your introducing firm as identified on the front of this statement, or as a result of transactions we process for your account. Unless and until we receive written notice from you to the contrary, FCC may accept from the introducing firm, without inquiry or investigation:
- orders for the purchase or sale of securities for your account on margin or otherwise, and
- any other instructions concerning your account.

Questions about your statement

If you do not object to the information reported on this statement within 10 days, we consider it conclusive. Inquiries concerning the positions and balances in your account may be directed to: FCC Client Services Department, P.O. Box 6500, Glen Allen, VA 23508. All other inquiries regarding your account or the activities therein should be directed to the Branch Manager for the office listed on the front of this statement.

GJ 05253

Confidential Treatment
Requested by K & L

Account Statement for KENNETH L. LAY &

LINDA P. LAY

Account No. [REDACTED] 4326

August 2001

Portfolio Summary

	Value on June 30	Value on Aug 31
Total portfolio value	\$0.00	\$2,863,237.91
Change in value		This period \$2,863,237.91

Portfolio assets

	Value on June 30	Value on Aug 31	Percent of total assets
Cash and money market funds	\$0.00	\$22,084.52	0.77
Stocks and options	\$0.00	\$2,840,409.39	99.23
Total assets	\$0.00	\$2,862,493.91	100%
Outstanding margin balance	\$0.00	\$744.00	
Total portfolio value	\$0.00	\$2,863,237.91	

**Investment Account
for KENNETH L. LAY &
LINDA P. LAY
TEN IN COMM
FAYEZ MANAGED**

July 25 - August 31, 2001

Current Investment Objective: Growth & Income + Moderate

Message from First Union Securities

PLANNING FOR A CHILD'S OR GRANDCHILD'S EDUCATION? A 529 PLAN IS NOW A BETTERWAY TO FUND EDUCATION THAN EVER BEFORE. READ INVESTOR'S SPECTRUM TO LEARN MORE -- THEN CONTACT YOUR FINANCIAL ADVISOR TO IDENTIFY THE STRATEGIES THAT CAN WORK BEST FOR YOU.