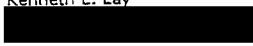


Pledge Agreement

<p><b>BANK/SECURED PARTY:</b>                  Bank of America, N.A.                  Banking Center: Private Bank                  700 Louisiana Street                  Houston, Texas 77002-2700</p> <p>County: Harris</p> <p>(Name and street address including county)</p>	<p><b>PLEDGOR(S)/DEBTOR(S):</b>                  Kenneth L. Lay  </p> <p>County:</p> <p>(Name and street address including county)</p>
<p>Pledgor/Debtor is: <u>Individual</u>                  Address is Pledgor's/Debtor's: <u>Place of Business</u></p>	

1. **Security Interest.** For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Pledgor/Debtor (hereinafter referred to as "Pledgor") pledges, assigns and grants to Bank a security interest and lien in the Collateral (hereinafter defined) to secure the payment and the performance of the Obligation (hereinafter defined).

2. **Collateral.** The security interest is granted in the following collateral (the "Collateral"):

A. **Description of Collateral.**

**Specific Investment Property/Securities:** The following investment property and/or securities, together with all investment property and/or securities hereafter delivered to Bank in substitution therefor or in addition thereto: See Schedule A to Pledge Agreement attached hereto and by reference made a part hereof.

It is contemplated by the parties that Pledgor may provide additional collateral from time to time hereunder as additional security for the Obligation, and may from time to time with the prior written consent of Bank sell or otherwise dispose of any Collateral provided that Pledgor provides Bank with substitute collateral. At the time of each addition or substitution of Collateral, the securities added or substituted shall be identified on a Pledge Certificate, substantially in the form of Schedule II attached hereto (the "Pledge Certificate"), and delivered to Bank. Bank has no obligation to make any advances requested in connection therewith unless (i) such additional and/or substituted Collateral is satisfactory to Bank and (ii) the perfected security interest granted to Bank therein is completed to the satisfaction of Bank. All such additional and/or substituted Collateral shall be Collateral for purposes of this Agreement, and shall secure the Obligation in the same manner as the Collateral for which it is added to and/or substituted.

B. **Proceeds.** All additions, substitutes and replacements for and proceeds of the above Collateral (including all income and benefits resulting from any of the above, such as dividends payable or distributable in cash, property or stock; interest, premium and principal payments; redemption proceeds and subscription rights; and shares or other proceeds of conversions or splits of any securities in the Collateral). Any investment property and/or securities received by Pledgor, which shall comprise such additions, substitutes and replacements for, or proceeds of, the Collateral, shall be held in trust for Bank and shall be delivered immediately to Bank. Any cash proceeds shall be held in trust for Bank and upon request shall be delivered immediately to Bank.

C. **Deposit Accounts.** The balance of every deposit account of Pledgor maintained with Bank and any other claim of Pledgor against Bank, now or hereafter existing, liquidated or unliquidated, and all money, instruments, investment property, securities, documents, chattel paper, credits, claims, demands, income, and any other property, rights and interests of Pledgor which at any time shall come into the possession or custody or under the control of Bank or any of its agents or affiliates, for any purpose, and the proceeds of any thereof. Bank shall be deemed to have possession of any of the Collateral in transit to or set apart for it or any of its agents or affiliates.

3. **Obligation.**

A. **Description of Obligation.** The following obligations ("Obligation") are secured by this Agreement:

i. **All Debt:** All debts, obligations, liabilities and agreements of Pledgor and/or Kenneth L. Lay and Linda P. Lay to Bank, now or hereafter existing, arising directly or indirectly between Pledgor and Bank whether absolute or contingent, joint or several, secured or unsecured, due or not due, liquidated or unliquidated, arising by operation of law or otherwise, and all renewals, extensions and rearrangements of any of the above;

ii. All costs and expenses incurred by Bank, including attorney's fees, to obtain, preserve, perfect, enforce and defend this Agreement and maintain, preserve, collect and realize upon the Collateral, together with interest thereon at the highest rate allowed by law, or if none, 25% per annum;

iii. All amounts which may be owed to Bank pursuant to all other loan documents executed in connection with the indebtedness described in subpart i. above.

In the event any amount paid to Bank on any Obligation is subsequently recovered from Bank in or as a result of any bankruptcy, insolvency or fraudulent conveyance proceeding involving an obligor of the Obligation other than Pledgor, Pledgor shall be liable to Bank for the amounts so recovered up to the fair market value of the Collateral whether or not the Collateral has been released or the security interest terminated. In the event the Collateral has been released or the security interest terminated, the fair market value of the Collateral shall be determined, at Bank's option, as of the date the Collateral was released, the security interest terminated, or said amounts were recovered.

B. **Use of Proceeds.** The proceeds of any indebtedness or obligation secured by the Collateral will not be used directly or indirectly to purchase or carry any "margin stock" as that term is defined in Regulation U of the Board of Governors of the Federal Reserve System, or extend credit to or invest in other parties for the purpose of purchasing or carrying any such "margin stock," or to reduce or retire any indebtedness incurred for such purpose or otherwise in a manner which would violate Regulations G, T or U.

Approved: 10/01/99  
 Revised: 10/01/99

TX218P.MRG

BOA / FBI / LAY : 12703

**GOVERNMENT  
 EXHIBIT  
 129**

