

# BUSINESS LOAN APPLICATION

For Presentation to the Senior Loan Committee on AUGUST 9, 1994

**BORROWER:**

Kenneth and Linda Lay

Houston, Texas 77019

713/630-0007

Group:  
Galleria

Division:  
Corporate

Officer:  
WGF

Date Last Presentation:  
3/24/94

Grade:  
Proposed 2

Date Last F/S:  
10/19/93

Reporting Requirements:

**ACTION REQUESTED:**

Approval to increase \$5,000,000 existing revolving line of credit to \$7,500,000.

**\*\*This will cancel out the \$7.5MM revolving line of credit, previously approved, for KLL & LPL Investments, Ltd.**

Current balance \$ 3,969,392.40  
Loan #62525-002

**PURPOSE:**

Personal expenses and investments

**RATE:**

90 Day Libor + 1 3/4%

**MATURITY/REPAYMENT:**

1 Year; interest quarterly

**COLLATERAL:**

228,936 s/s Enron Corporation valued at \$31 1/8 per share at close of business 08/03/94 per CAD. Total collateral value \$7,125,633. Collateral is margin stock - maximum available value \$3,562,816.5

At a later date, additional collateral will be received to allow borrowings upto \$7.5MM

Margin agreement 70% → Non margin stock  
" " 50% - margin stock

**GUARANTOR:**

None

**SOURCE OF REPAYMENT:**

- 1) Cash flow
- 2) Income from collateral
- 3) Sale of collateral

**TOTAL DEBT**

Committed: \$5,274,194.18  
Outstanding: \$4,243,586.58

To the best of my knowledge all related debt is included in the presentation and the current loan will not cause the relationship to exceed lending limit restrictions.

Originating Officer: \_\_\_\_\_



SENIOR COMMITTEE	
<input type="checkbox"/> REPORT	<input type="checkbox"/> MEMO
<input checked="" type="checkbox"/> APPROVED	<input type="checkbox"/> DEFERRED
<input type="checkbox"/> DECLINED	<input type="checkbox"/> OTHER
AUG 09 1994	
GRADE 2	SEC TSM

NW  
gr 2  
42  
to  
debt 2

