

MS. PEARSON'S STATEMENT TO THE SENATE
December 17, 2001

My name is Mary Bain Pearson. I am 70-years of age. I am the widow of G.P. Pearson, formerly a state representative from Grimes County, Texas. After my husband passed away, I tried to follow the teachings of my husband and my father by setting aside money for the eventual downturn in the economy which always seems to occur. I am a child of the depression and my father had told me after having worked in a bank that failed, that I should set aside my money in safe investments for my retirement and for needed medical expenses.

After attending a board meeting, I was impressed with what the leaders of the company had to say and decided to buy more stock for my granddaughter. I have been adding to my stock over the years and have not sold because my accountant also believed Enron was a good company and that I shouldn't sell. I believed what the people at the company said, not only in their public statement, but in the annual reports and believed in the people who were on the board of directors such as Dr. Charles LeMaitre, former Chancellor of the University of Texas and Wendy Gramm, wife of U.S. Senator Phil Gramm. I knew some other members of the board who resided in Houston and believed them when they represented that they were running the company in the best interest of the shareholders.

Many times when I picked up the newspaper Ken Lay was either giving money to charities or helping raise money for some worthy purpose. I believed he was a good man and kept my money with his company because I thought he and the people he had placed in positions of trust in the company were honest.

I am just a pebble in the stream, just a little bitty stockholder, but both my granddaughter and I have lost money we had set aside for our future and do not know how we will replace those losses. I specifically set aside my stock for my long-term health care needs because I took care of my ailing husband for seven years before he passed away. I was happy to take care of him, but I do not want my grown children to have the responsibility to take care of me if something should happen to me health wise.

Thank you for taking the time to listen to me and to consider my plight which is not nearly so bad as many of the people who worked for Enron for many years and had their life savings disappear.