

Testimony of
Ms. Janice Farmer

June 19, 2002

Dear Members of the Judiciary Committee

I am Janice Farmer, an Enron retiree, from Orlando, Florida. I am a very proud woman. It is with extreme emotional difficulty that I come before you today to share my financial plight and personal problems. However, I feel compelled to explain my situation to you. In doing so, I truly hope to be a voice for all Enron employees.

I once had close to \$700,000 in my 401K Savings Plan. That was in late 2000. After years of hard work and dedication, I had achieved my life's dream - enough money to retire comfortably, to live independently with financial security. It was part of my dream to leave my children and grandchildren a respectable inheritance to enrich their lives. For all of those years, I faithfully put money into the savings plan and fiercely protected it. Never touching my savings no matter what hardships came along.

In 1994 Enron discontinued its formal retirement program, making each employee responsible for their own retirement planning. I still tenaciously worked toward my dream. Then in 2001, at the most crucial time, Enron denied employees access to our own money. The shrewdly scheduled lock-down of the 401K denied other employees and myself access to our money for weeks just prior to the collapse of the seventh largest company in the United States. While company executives managed to sell stock worth millions, employees were brutally forced to watch helplessly while the 401K lost \$1.3 billion in value. As I understand it, the plan administrators had the opportunity to lift and/or postpone this lock-down, but chose not to. I feel it is very clear that employees were not only victimized by Enron executives, we were sacrificed for their own personal gain. What had taken me a lifetime to build was destroyed in only a matter of days. When the lock-down was finally lifted and I was allowed access to sell, I received a check for \$20,418. That was all that was left.

I am now 61 years old and will not have the opportunity to re-coup my losses. I suffer from Degenerative Arthritis of the spine along with three ruptured discs. This causes constant and severe pain. I am diabetic which has caused neuropathy of my lower extremities. I also suffer from Plantars Fasciitis, which is like having constant muscle cramps on the soles of both feet. This too is painful and very disabling.

Now, I try to get by on Social Security survivor's benefits, about \$500.00 a month after health insurance and medical prescription costs. Out of that \$500 I must pay my car and house insurance, plus my property taxes. Whatever will I do if anything breaks down or if I should get sick?

Now, I am afraid of my electric bill, so at night I sit in the dark. I used no heat during the winter months. I use air conditioning only on the very hottest and most humid days, or when I have

visitors. The lowest I been able to reduce my monthly bill to is \$51.00. I try to save money wherever possible, and to name just a very few:

I stopped the newspaper delivery and was glad to get a refund of \$33.00. That is now a week's worth of groceries.

Stopped the yard service and try to do it myself on my good days.

Cut my telephone and other household services to the barest minimum.

I no longer shop at Publix or nice department stores. Instead, I shop at discount food stores and thrift shops.

I do not mean to give the impression I am too good for, or above any of this. But, retirement was not supposed to be like this. It is certainly not what Enron had continually touted to its employees. For years we were lied to about the financial condition and the future of our company. They told us everything was great, never better, but these lies were all part of the sham. Enron had become a house of cards and the people that knew it, protected only themselves.

They took more than my money and my life's dream. They destroyed my pride in my career. I am now very ashamed that I worked for Enron. The emotional toll my family and I have suffered defies description. The strength and emotional support from my children has been invaluable.

The executives, even this long after causing the collapse of Enron by their criminal behavior, go scot-free and are living their normal lives of luxury, in no way negatively affected by their illegal actions. The amount of money taken from me was surely less than 1% of what the Executives already had - and yet they took it anyway. What a blatant and enormous testimony to corporate greed, and when does it stop? Is this the way corporate America repays dedication and loyalty? How many millions do they need to feel secure?

We employees, average Americans, trusted in the system. We played by the rules. Yet we were lied to and cheated not only by Enron, but also the auditors, and Wall Street analysts. We have done nothing wrong and yet we suffer the greatest pain and the greatest losses. If the collapse of Enron does not show that employee needs and lives are just being swept under the carpet as mere inconveniences - what will it take?

It is my deepest hope and prayer that you, the Senate Judiciary Committee, can give us assistance in getting back what is rightfully ours. Give us retribution. Make us whole again. Give us protection. Put into place measures that will help prevent such rampant white-collar crime. Make the punishment more appropriately severe and swift.

I truly appreciate the opportunity to participate in this Victim Impact Panel and make my plea to you for justice.

Thank you.