

Exhibit No.:
Issue: May 18, 2001 Agreement
Witness: Sheryl P. Moschner
Sponsoring Party: AmerenUE
Type of Exhibit: Rebuttal Testimony
Case No.: EC 2002-112
Date Testimony Filed: May 31, 2002

REBUTTAL TESTIMONY

OF

SHERYL P. MOSCHNER

ON BEHALF OF

AMERENUE

CASE NO. EC-2002-112

St. Louis, Missouri
May 2002

REBUTTAL TESTIMONY

OF

SHERYL P. MOSCHNER

ON BEHALF OF

AMERENUE

CASE NO. EC-2002-112

Q. Please state your name and business address.

A. Sheryl P. Moschner, 1901 Chouteau, St. Louis, MO 63103.

Q. Please state your occupation and by whom you are employed.

A. Manager, Customer Relations employed by Ameren Services.

Q. Please summarize your work experience for AmerenUE.

A. I have worked for Ameren (formerly Union Electric) since 1974. My work experience is: Manager, Customer Relations, Assistant Manager Customer Relations, General Supervisor Credit & Collection, Supervisor, Customer Service, Marketing Services Supervisor, Methods Analyst, Senior Accountant, Accountant. I have also held various clerical and secretarial positions.

Q. What is your educational background?

A. BS in English and Business Administration and MBA from Webster University.

Q. On whose behalf are you appearing in this proceeding?

A. I am appearing on behalf of myself and AmerenUE.

Q. What is the purpose of your Rebuttal Testimony in this proceeding?

1 A. To testify about the circumstances that led to the signing of an agreement on May
2 18, 2001 between AmerenUE, Sterling's Market and P&B Real Estate.

3 Q. Have you read and are you familiar with the Direct Testimony filed in this
4 proceeding by Sterling Moody, Louis Biernbaum and Brian McNamara?

5 A. Yes.

6 Q. Are you familiar with the grocery store which was located in 2001 at 8350
7 North Broadway in the City of St. Louis and known as Sterling's Market?

8 A. Yes.

9 Q. How are you familiar with Sterling's Market?

10 A. These were delinquent accounts which we disconnected for non-payment in 2001.
11 Subsequent to the disconnection of service, we negotiated an agreement for payment of the
12 arrears and restoration of the service.

13 Q. Who is Mike Foy?

14 A. Mike Foy is a Credit & Collection Supervisor employed by AmerenUE.

15 Q. In January 2001, what was your position with respect to Mike Foy?

16 A. I was the manager of the department in which Mike worked.

17 Q. What position did Mike Foy have in April 2001?

18 A. He was a Customer Service Supervisor for AmerenUE

19 Q. Did that continue throughout the year 2001?

20 A. No. In October, he became a Credit & Collection Supervisor.

21 Q. Please identify Schedule 1 to your testimony.

22 A. This is an e-mail from Mike Foy dated 1/26/01.

1 Q. Did you receive this e-mail from Mike Foy near the end of January 2001 in
2 the normal course of your duties at AmerenUE?

3 A. Yes.

4 Q. Did you respond to Mr. Foy's e-mail?

5 A. Yes. I instructed Mr. Foy to talk to Frank Lefler who had had previous
6 experience with these accounts.

7 Q. Please identify Schedule 2 to your testimony.

8 A. Schedule 2 has a series of e-mails including the original e-mail from Mike Foy to
9 me dated 1/26/01, which is Schedule 1, a follow up e-mail from me to him dated 2/16/01 asking
10 for an update on these accounts and Mike Foy's 2/20/01 e-mail response.

11 Q. Why did you not respond to Mr. Foy's e-mail for over two weeks?

12 A. I did respond to Mike Foy's 1/26/01 e-mail right away by asking him to talk to
13 Frank Lefler. I then followed up on these accounts two weeks after my original receipt which
14 makes it appear that I didn't respond until February 16.

15 Q. Did you receive Mr. Foy's February 20 e-mail in response to yours, as shown
16 on Schedule 2?

17 A. Yes.

18 Q. What, if anything, did you do after receiving that e-mail?

19 A. I agreed with Mr. Foy's recommendation to wait and see what happened the rest
20 of the month before deciding on stronger action.

21 Q. Did there come a time in April 2001 that you became aware that power to the
22 store had been disconnected?

23 A. Yes.

1 **Q. How did you become aware of this fact?**

2 A. I learned about it from Mike Foy.

3 **Q. What did you learn?**

4 A. I learned that the service had been disconnected by mistake on 4/10/01.

5 **Q. What, if anything, did you do in response to learning that power to the store**
6 **had been disconnected in error on April 10?**

7 A. I talked to Mr. Foy to ensure service had been reconnected.

8 **Q. After that time, did you personally become more involved in monitoring the**
9 **Sterling's Market accounts?**

10 A. Yes.

11 **Q. Did there come a time when you learned that service had again been**
12 **disconnected to the store on April 17, 2001?**

13 A. Yes.

14 **Q. Were you aware that the disconnection on April 17 was going to occur before**
15 **it actually happened?**

16 A. Yes.

17 **Q. How were you aware of that fact?**

18 A. I was engaged in internal discussions regarding disconnection of service to these
19 accounts prior to the disconnection.

20 **Q. Please identify Schedule 3 to your testimony.**

21 A. This is a copy of two e-mails. The original e-mail I received is from Ms.
22 Hoerschgen at the Missouri Public Service Commission dated 4/27/01 and the second e-mail is
23 my response to Ms. Hoerschgen dated 4/27/01.

1 **Q. Who is Janet Hoerschgen?**

2 A. Ms. Hoerschgen is the Consumer Services Manager at the Missouri Public
3 Service Commission.

4 **Q. Did you receive the e-mail from Ms. Hoerschgen that is shown at the bottom**
5 **of Schedule 3?**

6 A. Yes.

7 **Q. In the course of your duties as a Manager in Customer Relations in 2001, did**
8 **you have occasion to communicate on a regular basis with the Missouri Public Service**
9 **Commission?**

10 A. Yes.

11 **Q. Please explain.**

12 A. My department was responsible for responding to customer inquiries to the
13 Missouri Public Service Commission. As such, I had the occasion to communicate with the
14 Commission.

15 **Q. Was it your practice in 2001 to communicate by e-mail with staff of the**
16 **Commission on various matters pertaining to individual customer accounts?**

17 A. We were accustomed to communicating via e-mail with staff of the Commission
18 on customer issues.

19 **Q. Prior to Ms. Hoerschgen's e-mail to you of April 27, as reflected in Schedule**
20 **3, had you had any prior communications with her or anyone else from the Missouri Public**
21 **Service Commission concerning Sterling's Market?**

22 A. I believe I did.

1 Q. Does the top portion of Schedule 3, your responsive e-mail, accurately reflect
2 your understanding of the state of affairs with respect to the Sterling's Market accounts at
3 that time?

4 A. Yes.

5 Q. After power was disconnected to Sterling's Market on April 17, 2001, did you
6 have any discussions with anyone about the possibility of the Sterling's Market accounts
7 being placed in the name of a different customer?

8 A. Yes.

9 Q. With whom did you have those discussions?

10 A. Mike Foy.

11 Q. When did you have those discussions?

12 A. In the days following the disconnection of service on 4/17/01.

13 Q. What is a successor account?

14 A. A successor account is one in which a new customer takes responsibility for
15 service in an already existing premise.

16 Q. Please identify Schedule 4 to your testimony?

17 A. Schedule 4 is a proposal we received from Gateway Bank to get power restored to
18 Sterling's Market.

19 Q. When did you first see Schedule 4?

20 A. I'm sure I saw it shortly after Mike Foy received it.

21 Q. What did you do after receiving Schedule 4 from Mr. Kasen?

22 A. We reviewed it and then James Cook and I spoke to Mr. Kasen on the phone.

23 Q. Please identify Schedule 5 to your testimony?

1 A. This is an e-mail dated 5/03/01 from me to Mr. Foy and Mr. Cook describing a
2 telephone conversation Mr. Cook and I had with Mr. Kasen at Gateway Bank on 4/27/01

3 **Q. When did you prepare Schedule 5?**

4 A. I wrote the e-mail on 5/03/01.

5 **Q. Was it your regular practice in 2001 to prepare documents such as Schedule**
6 **5?**

7 A. It was my regular practice to document discussions and communications with
8 outside parties on sensitive accounts.

9 **Q. For what purpose?**

10 A. To document my conversation with Mr. Kasen and to provide a file note of what
11 was discussed during this conversation for Mr. Foy who was handling the Sterling's Market
12 accounts.

13 **Q. Who is James Cook?**

14 A. James Cook is a lawyer in AmerenUE's General Counsel department.

15 **Q. Does Schedule 5 accurately reflect what you and Mr. Cook discussed with**
16 **Mr. Kasen on April 27, 2001?**

17 A. Yes.

18 **Q. Why did it take several days after your conversation with Mr. Kasen on**
19 **April 27 to prepare Schedule 5?**

20 A. I would have made handwritten notes during our conversation with Mr. Kasen
21 and transcribed my notes on this e-mail to Mike Foy on 5/03/01.

1 Q. Is the conversation you and Mr. Cook had with Mr. Kasen on April 27 the
2 "conversation with Gateway Bank" you refer to in your e-mail to Ms. Hoerschgen which is
3 attached to your testimony as Schedule 3?

4 A. Yes.

5 Q. Please identify Schedule 6 to your testimony.

6 A. This is an e-mail from Mr. Foy to me dated 4/04/01 and my response dated
7 4/04/01.

8 Q. Did AmerenUE formally respond to Gateway Bank's proposal, as Mr. Foy
9 discusses in his e-mail to you at the bottom of Schedule 6?

10 A. Yes.

11 Q. Please identify Schedule 7.

12 A. This is a letter signed by Mr. Foy dated 5/7/01 and addressed to Mr. Mark Kasen
13 at Gateway Bank responding formally to Gateway Bank's proposal.

14 Q. Did you see this letter at or about the time it was sent to Mr. Kasen?

15 A. Yes.

16 Q. Did you have any input into this letter?

17 A. Yes.

18 Q. What input did you have?

19 A. I discussed the response and worked with Mr. Foy and Mr. Cook to ensure it was
20 an appropriate response given the particulars of the proposal from Gateway Bank.

21 Q. What happened next after AmerenUE responded to the bank's proposal?

22 A. Mr. Kasen and Mr. Foy continued to discuss the matter.

23 Q. Please identify Schedule 8 to your testimony?

1 A. This is an e-mail I received from Mr. Foy dated 5/7/01 addressed to Mr. Cook and
2 me in which Mr. Foy details a conversation he had with Mr. Kasen.

3 Q. Did a meeting eventually take place at some point in May 2001 between
4 representatives of AmerenUE and Sterling's Market?

5 A. Yes.

6 Q. When did that meeting take place?

7 A. May 16, 2001.

8 Q. What was the purpose of the meeting?

9 A. To negotiate an agreement for payment of the arrears, to establish an appropriate
10 customer of record and to ensure payment of future bills.

11 Q. At whose request was the meeting held?

12 A. Mr. Kasen at Gateway Bank asked for a face-to-face meeting and I agreed.

13 Q. Where did that meeting take place?

14 A. At AmerenUE's General Office Building.

15 Q. Who was present at the meeting?

16 A. Mr. Moody and his representatives from Gateway Bank--Brian McNamara, and
17 someone else from the Bank. I seem to recall him being introduced as the economic
18 development person at the bank. Harvey Pines of Newman, Frey and Gamache, Mike Foy,
19 Frank Lefler, and Sherry Moschner attended from AmerenUE.

20 Q. Who is Bert Schonlau?

21 A. The owner of Broadway Plaza at 8350 North Broadway, the CEO of P&B Real
22 Estate and ultimately the landlord for Sterling's Market.

1 **Q. When did you first learn that Mr. Schonlau and P&B Real Estate were the**
2 **landlord for Sterling's Market?**

3 A. I don't know an exact date when I learned that. However, I believe it was
4 sometime after the account was disconnected in April 2001 but before we had the meeting on
5 May 16.

6 **Q. Was Bert Schonlau or anyone else from P&B Real Estate present at the**
7 **meeting?**

8 A. No.

9 **Q. Did you expect Mr. Schonlau to be present at the meeting?**

10 A. I don't specifically recall whether I expected him to be there or not. However, I
11 was very clear with Mr. Moody and his representatives that Mr. Schonlau would need to sign any
12 agreement we reached since part of the agreement they were proposing called for him to take
13 responsibility for one of the meters that had been in the name of Sterling's Market.

14 **Q. How long did the meeting last?**

15 A. Several hours.

16 **Q. Do you recall what Mr. Moody said during the meeting?**

17 A. I don't recall specifics of the conversation. However, I do recall Mr. Moody
18 claiming he first became an owner of the store in September 1999. This surprised me since I
19 recall seeing newspaper articles citing him as the owner of the store earlier than this.

20 **Q. Do you recall what you said during the meeting?**

21 A. I remember introducing everybody and stating the general reasons we were
22 meeting. I know I specifically talked about the need for Bert Schonlau's involvement. I also

1 remember reacting with disbelief to Mr. Moody's complaints about the wiring situation and that
2 some of the bills didn't belong to Sterling's Market.

3 **Q. Why did you react that way?**

4 A. Because it was my understanding that the purpose for the meeting was to bring us
5 together to negotiate a settlement so that we could get some payment of the arrearages as well as
6 some kind of guarantee of future payments and ultimately restore the service so Mr. Moody
7 could reopen the store.

8 **Q. Did AmerenUE concede Mr. Moody's claims had merit?**

9 A. No. We focused on compromising some of the issues in the interest of reaching
10 an agreement.

11 **Q. Did you understand that the Bank and Mr. Moody agreed to do the same?**

12 A. Yes.

13 **Q. Did you voice that belief at the meeting?**

14 A. Yes. I remember specifically telling Brian McNamara that if what they wanted to
15 do was to rehash three year's worth of bills that wasn't going to happen at that meeting. That
16 was water under the bridge and that we needed to move forward or we were never going to be in
17 a position to open that store.

18 **Q. Was an agreement reached at the meeting with respect to the outstanding**
19 **bills of Sterling's Market or the reconnection of service to the store?**

20 A. We did not reach agreement at this meeting. Mr. McNamara wanted to review
21 statements for the various Sterling's Market accounts showing the billed amounts and the
22 payments.

1 Q. What happened next following the meeting with respect to Sterling's
2 Market?

3 A. We faxed Mr. McNamara information on the billed amounts and payments on the
4 various Sterling's Market accounts.

5 Q. Please identify Schedule 9 to your testimony?

6 A. This reflects the information we sent to Mr. McNamara after the meeting.

7 Q. Was Schedule 9 sent to Mr. McNamara?

8 A. I can't recall but I believe it was.

9 Q. Please identify Schedule 10 to your testimony.

10 A. This is the agreement that we ultimately reached with Mr. Moody and Mr.
11 Schonlau concerning the Sterling's Marketplace accounts.

12 Q. Who prepared Schedule 10?

13 A. Harvey Pines of Newman, Frey and Gamache.

14 Q. How were the terms contained in Schedule 10 arrived at?

15 A. The basic terms were discussed during our meeting with Mr. McNamara and Mr.
16 Moody on May 16 and finalized in discussions Mike Foy and Frank Lefler had with Mr.
17 Schonlau, Mr. Moody and Mr. McNamara.

18 Q. Did you have any involvement in getting the agreement executed?

19 A. No. I saw it before it was sent out to be signed but I left it to Mr. Lefler and Mr.
20 Foy to get it signed.

21 Q. Schedule 10 refers to the establishment of two new accounts, one called the
22 "Sterling Account" and one called the "Common Area Account." Were those accounts
23 established by AmerenUE following the execution of the May 18 agreement?

1 A. Yes.

2 Q. Under the terms of the agreement, who took responsibility for paying the
3 bills under the "Common Area Account?"

4 A. Mr. Schonlau, the owner of Broadway Plaza at 8350 North Broadway.

5 Q. Under the terms of the agreement, who took responsibility for paying the
6 bills under the "Sterling Account?"

7 A. Mr. Moody for Sterling's Market.

8 Q. Did you personally have any responsibility for setting up those accounts?

9 A. No.

10 Q. Did you personally have any responsibility for those accounts after they were
11 established?

12 A. Only indirectly in that I was the manager of the credit department and credit
13 department personnel.

14 Q. Who did directly?

15 A. Mike Foy and Frank Lefler were responsible for seeing that these accounts were
16 set up as agreed upon.

17 Q. Did P&B Real Estate comply with its part of the agreement?

18 A. No.

19 Q. What happened?

20 A. We received a faxed letter signed by Mr. Bert Schonlau and dated 6/01/01 stating
21 that all charges for meter numbers 01859500, 50688215 and 70593313 should be sent to Mr.
22 Moody at Sterling's Marketplace. He further stated that P&B Real Estate had nothing to do with
23 those three meters.

1 Q. Do you know if P&B Real Estate ever paid any of the bills sent to it for
2 service under the account established in its name following the May 18 agreement?

3 A. P&B Real Estate never paid any of the bills sent to it for service under the account
4 established in its name following the May 18 agreement.

5 Q. Did Sterling's Market perform its part of the agreement?

6 A. No.

7 Q. Does this conclude your rebuttal testimony?

8 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

STERLING MOODY, STERLING'S MARKET
PLACE AND STERLING'S PLACE, I,

Complainants,

v.

AMERENUE, UNION ELECTRIC CO. d/b/a
AMERENUE, and MIKE FOY, LEROY ETTLING,
and SHERRY MOSCHNER, as employees of
AmerenUE,

Respondents.

Case No. EC-2002-112

AFFIDAVIT OF SHERYL P. MOSCHNER

STATE OF MISSOURI

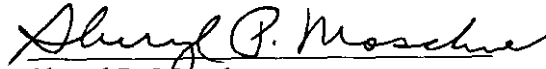
CITY OF ST. LOUIS

SS.

Sheryl P. Moschner, being first duly sworn on his oath, states:

1. My name is Sheryl P. Moschner. I am employed by Ameren Services as a Manager of Customer Relations.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of AmerenUE consisting of pages 1 through 14, including Schedules 1 through 10, all of which testimony has been prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. EC-2002-112 on behalf of AmerenUE.

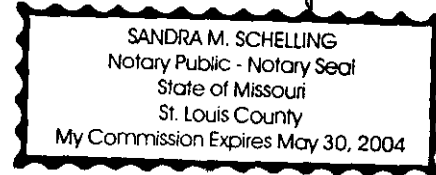
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.


Sheryl P. Moschner

Subscribed and sworn to before me this 30th day of May 2002.


Notary Public

My commission expires: May 30, 2004



Foy, Mike

From: FOY, MIKE
Sent: Friday, January 26, 2001 9:59 AM
To: Moschner, Sherry P
Subject: Sterling's MarketPlace- Aged Receivables

Sherry-

Sterling's MarketPlace currently has three CSS accounts, all at the same N. Broadway location, with a combined receivables balance of \$227k. We have no deposits on hand.

Historically, this customer has always been behind on his payments. Furthermore, there is a history of the customer offering checks that are later returned for insufficient funds. Since 1999, we have had 18 NG checks from this customer.

Due to the continued problems with this customer, over the last six months the senior credit representative has had a standing agreement with the customer that payments will be made twice a week. Payments have been random in frequency, and usually not enough to cover even the current billing. Most recently, in December of 2000, we received 3 payments, 2 for \$2000, and 1 for \$1500. The 2 checks for \$2000, totaling \$4,000, were returned for insufficient funds.

It should be noted that, according to a Sterling's executive, this customer is in negotiations with the City of East St Louis, in answer to that city's request that Sterling's open a new store there. If this were to happen, Ameren would have another premise operated by this same customer. I therefore believe it is important that we more aggressively pursue payment, perhaps even through service cuts. Of course, we would need to provide Ameren's corporate communications group with full details and background information if it were decided to take this stance.

Please advise as to how you wish us to proceed.

Thank you.

FOY, MIKE

From: FOY, MIKE
Sent: Tuesday, February 20, 2001 6:54 AM
To: Moschner, Sherry P
Subject: RE: Sterling's MarketPlace- Aged Receivables

Customer brought in \$2k two weeks ago, but we received no checks this past week as he had said we would. We probably ought to wait and see what happens the rest of this month before deciding what stonger actions we might want to pursue.

-----Original Message-----

From: Moschner, Sherry P
Sent: Friday, February 16, 2001 11:17 PM
To: FOY, MIKE
Subject: RE: Sterling's MarketPlace- Aged Receivables

Where are we with this account?

SPM

-----Original Message-----

From: FOY, MIKE
Sent: Friday, January 26, 2001 9:59 AM
To: Moschner, Sherry P
Subject: Sterling's MarketPlace- Aged Receivables

Sherry-

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Please advise as to how you wish us to proceed.

Thank you.

Skiera, Dena L

From: Moschner, Sherry P
Sent: Friday, April 27, 2001 3:43 PM
To: 'Hoerschgen, Janet'
Subject: RE: Sterling's Market

Hello, Janet.

We've had a number of inquiries from various entities inquiring how to put the service in someone else's name. We believe these are thinly disguised efforts by cohorts of Mr. Moody's to put the service in someone else's name so he can re-open the grocery store. Although we continue to get calls on a daily basis on behalf of Mr. Moody, no one has offered to make a good faith payment towards the \$263,000 arrears. Neither have we had anyone who's willing to guarantee payment of the past due arrears.

Today we had another conversation with Gateway Bank here in St. Louis. They are trying to put together a consortium of people to run the market (including Sterling Moody). We told them we'd be happy to look at whatever proposal they want to put together. I assume we'll hear from them next week with some type of proposal.

Have a good weekend.

Sherry Moschner

-----Original Message-----

From: Hoerschgen, Janet [mailto:jhoersch@mail.state.mo.us]
Sent: Friday, April 27, 2001 9:12 AM
To: 'smoschner@ameren.com'
Subject: Sterling's Market

Sherry, what is the status of Sterling's Market?

FYI-

**GATEWAY NATIONAL BANK**

3412 North Union Boulevard
St. Louis, Missouri 63115
(314) 389-3000

To: Mike Foy
From: Mark Kasen
Re: Sterling's Market
Date: May 2, 2001

Mike:

Gateway National Bank is working with the State of Missouri and the St. Louis Minority Business Council in order to set up working capital for Sterling's Market in order to re-open the store. The Ameren UE issue obviously needs to be resolved as part of the deal.

We are suggesting the following:

1. Immediate payment of \$20,000 deposit in order to restart the electric under the current landlord. This new service will not in any way deny any previous bills owed by Sterling's Market.
2. The landlord will be guaranteeing future monthly payments, on time every month.
3. We will meet with you in order to agree to a monthly payment in order to address any previous unpaid balances.

We are looking forward to a meeting which would include Brian McNamara, the bank president; Bert Schonlau, the landlord, and Sterling Moody, owner of Sterling's Market. We believe that there is a solution in all of this for you which will guarantee that you will be kept current on the new electric account, while at the same time addressing the past balances in a responsible manner. The details of such an agreement addressing the past balances will depend on the total amount owed and any requirements that you set.

WE NEED TO BE CAREFUL IF Schonlau is successor THAT WE ARE NOT
STUCK IF/WHEN HE SELLS SHOPPING CENTER.

MOSCHNER
SCHEDULE 4

Cook, James J

From: Moschner, Sherry P
Sent: Thursday, May 03, 2001 1:00 PM
To: Foy, Mike
Cc: Cook, James J
Subject: FW: Conversation with Mark Kasen, Gateway National Bank

Mike - This is my file note from conversation with Mr. Kasen.

Jim Cook and I talked to Mr. Mark Kasen, Gateway National Bank, at 3:40 p.m. on Friday, April 27. Mr. Kasen was calling on behalf of Sterling's Marketplace and wanted to know what it would take to get service turned back on. He indicated that the bank is working to put together a consortium of individuals (including Sterling Moody) who would have the financial resources to run the market. He said the bank would be willing to guarantee future payments.

We indicated the need to have some type of guarantee for the repayment of the \$263,000 in arrears. Mr. Kasen said that the bank was unwilling to guarantee payment of past debt but would work with us on a repayment agreement.

Jim Cook and I told Mr. Kasen we would be happy to look at any proposal the bank wanted to present to us, but we were extremely reluctant to completely separate the past due amounts from future payments.

In addition to the phone call from Mr. Kasen, Mr. Bordeaux of the NAACP and Solomon Rooks called on Sterling Moody's behalf. Otie Cowan returned the phone calls to both Mr. Bordeaux and Mr. Rooks and left messages for both that he was returning their calls of earlier today.

SPM

Cook, James J

From: Moschner, Sherry P
Sent: Friday, May 04, 2001 1:02 PM
To: Cook, James J
Cc: Foy, Mike
Subject: RE: Sterling's Market

- 1) We are not willing to accept Gateway Bank's unsatisfactory offer.
- 2) No one is stepping up to the plate with anything more substantial than Monopoly money.
- 3) We (Ameren) should not back down having come this far and weathered the storm to date.

Can't wait for our meeting to figure out where we go from here. By the way, Mike and I will come up to Legal--there are fewer interruptions up there (from my point of view).

Thanks.

SPM

-----Original Message-----

From: Foy, Mike
Sent: Friday, May 04, 2001 11:43 AM
To: Moschner, Sherry P; Cowan, Otis; Gallagher, Susan L; Cook, James J
Cc: Zdellar, Ronald C; Karman, Laurie; Gendron, Lisa K
Subject: Sterling's Market

Latest update:

Call volume regarding Sterling's has increased as it apparently important to have store opened this weekend.

Solomon Rooks continues to call, as does Jet Banks. Gateway Bank has sent a proposal that would restore service, but in the shopping center owner's name. We are drafting a response to this proposal, and anticipate providing our response to Gateway early next week. Representative lacy Clay's office has begun to call this week. They will call me Monday to determine what our position is re. the Gateway proposal.

Let me know of questions.

May 7, 2001

Mr. Mark Kasen
Gateway Bank
3412 North Union Blvd.
St Louis, MO 63115

Dear Mr. Kasen:

Regarding your proposal for service of Sterling's Market, while appreciative of your efforts, we find that we must reject the conditions offered.

First, you propose that the deposit to restore service be set at \$20,000. As stated to the landlord the week of April 29, 2000, the deposit for both accounts now in Sterling's name is \$45,000.

Second, you propose the landlord guarantee future payments, but no documentation of what would constitute this guarantee is offered. In reality, the only guarantee offered to Ameren is the deposits discussed above.

Third, you proposed that we meet to mutually agree on terms to pay the arrears. As indicated in our previous conversations, Ameren is certainly interested in reviewing an agreement to pay arrears. However, Mr. Moody's account history includes significant unpaid service billings, payments returned for insufficient funds and agreements to make partial payments that were never honored. If Mr. Moody will authorize us to discuss his account history with you, we would be happy to provide the specific details for your review.

Ameren remains willing to accept \$130,000 as a partial payment of the arrears. Ameren also remains willing to enter into a payment arrangement for the remainder of the arrears providing there is a substantive guarantee that the arrangement will be honored.

We look forward to concluding this matter in a satisfactory manner as soon as possible.

Sincerely,

Mike Foy
Customer Contact Center

MF:ssm



Foy, Mike

Subject: FW: Gateway Bank

-----Original Message-----

From: Foy, Mike
Sent: Monday, May 07, 2001 12:31 PM
To: Cook, James J; Moschner, Sherry P
Subject: Gateway Bank

Mr. Kasen has called, and explained that the \$45,000 is not an appropriate deposit, as a part is due to usage in the common areas. He wants to pay the deposit only on the account that has had service cut. This would be \$23,800. The other account would be in the landlord's name any way, and based on his payment history, Ameren should deal directly with Schonlau if we want deposits on any of this customer's accounts. I, after explaining that the wiring inside the mall was not Ameren's responsibility, said we could not determine what portion is attributable to the market. Mr. Kasen then asked if I wanted to make this deal, or if I wanted to break it !???!

Mr. Kasen asked for a meeting, here at Ameren, to discuss getting the agreement worked out. He stated that the bank will, in terms of any arrangement to pay off the arrears, guarantee that Ameren will get its money first, as the bank will take that payment directly from Sterling's deposits and transfer the funds to Ameren. (I did not ask what happens if Moody does not deposit anything)

Let me know how you want me to proceed.

Skiera, Dena L

From: Foy, Mike
Sent: Wednesday, May 16, 2001 4:49 PM
To: Moschner, Sherry P
Subject: Sterling's Recap

Attached is the summary



sterling recap.xls

[illegible]

May 18, 2001

Sterling Marketplace I, Inc.
c/o Sterling's Market
8350 North Broadway
St. Louis, Missouri 63147
Attention: Mr. Sterling Moody

P. & B. Real Estate, L.L.C.
8540 North Broadway
St. Louis, Missouri 63147
Attention: Mr. Engelbert Schonlau



Re: Dispute with respect to Meter Numbers 01859500,
50688215 and 70593313

Gentlemen:

This letter agreement (this "Agreement") sets forth the terms of the agreements reached between AmerenUE ("UE"), Sterling Marketplace I, Inc. ("Sterling") and P. & B. Real Estate, L. L. C. ("P. & B.") in connection with any and all disputes among such parties regarding amounts past due and owing to UE for utilities provided by UE to Sterling and P. & B., as evidenced by the readings shown on the electricity meters identified in the caption above.

With respect to meter numbers 01859500 and 50688215 and the corresponding account numbers 52300-02426 and 52300-02417 (hereinafter collectively referred to as the "Sterling Account"), Sterling hereby acknowledges and agrees that it is delinquent in the payment to UE of the sum of \$89,000.00 (the "Sterling Settlement Amount"). Sterling further agrees that commencing one month after the date of this Agreement, Sterling shall make consecutive monthly payments of \$2,000.00 per month (in addition to the regular monthly bill for services from UE), payable to UE by cashier's or certified check, such payments to be made on or before the due date of each regular monthly bill for services from UE, until such outstanding balance of \$89,000.00 is paid in full. Sterling further agrees that from the date of this Agreement, Sterling shall be solely responsible for the timely payment to UE of any charges incurred in connection with meter numbers 01859500 and 50688215. In the event Sterling is delinquent in its payments of any sums owed in connection with the payment to UE of the Sterling Settlement Amount or any and all future payments for charges incurred on the Sterling Account, UE reserves the right to discontinue all service under the Sterling Account without incurring any liability whatsoever to Sterling.

UE expressly reserves the right to collect any and all amounts outstanding and past due in excess of the Sterling Settlement Amount, and owed according to meter numbers 01859500 and/or 50688215, from any third parties that UE determines are responsible for such amounts outstanding and past due.

With respect to meter number 70593313 (the "Common Area Meter") and the corresponding account number 57300-01916 (the "Common Area Account"), it is agreed by the parties to this Agreement that commencing on the date hereof, payment of the charges incurred as shown on the Common Area Meter shall be the sole responsibility of P. & B. and that the name now shown on the Common Area Account shall be changed to be in the name of "P. & B. Real Estate, L.L.C."

Sterling and P & B hereby agree and acknowledge that \$124,526.06 is past due and owing to UE in connection with charges incurred to date as recorded on the Common Area Meter, and that Sterling and P. & B. shall be responsible only for the payment to UE of \$45,000.00 of such amount past due and owing (the "Common Area Settlement Amount"). It is acknowledged by the parties to this Agreement that Sterling and P& B have heretofore delivered to UE checks totaling \$45,000, however, notwithstanding the use of the words "successor accounts for P. & B. Real Estate" as appearing on that certain handwritten receipt, dated May 14, 2001, and signed by a representative of UE, Sterling and P.&B. hereby agree that the following checks delivered to UE on May 14, 2001, shall be applied only to the payment of the Common Area Settlement Amount:

Cashier's check #4406406972, dated May 10, 2001, in the amount of \$12,500.00;

Cashier's check #4406406993, dated May 14, 2001, in the amount of \$2,500.00; and

Check # LD 009275, dated May 14, 2001, in the amount of \$30,000.00.

(A copy of the above checks are attached to this Agreement as Exhibit "A".)

In the event Gateway National Bank does not honor any of the above listed checks, UE reserves the right to discontinue all service under the Common Area Account without incurring any liability whatsoever to Sterling and/or P. & B.

UE expressly reserves the right to collect any and all amounts outstanding and past due in excess of the Common Area Settlement Amount, and owed according to meter number 70593313, from any third parties that UE determines are responsible for such amounts outstanding and past due.

The parties hereto acknowledge and agree that there is an existing deposit in the amount of \$9,493.00 in the Common Area Account and that UE shall transfer such deposit to the Sterling Account.

The parties hereto agree to withdraw any complaints currently pending before the Missouri Public Service Commission (MPSC).

If you are in agreement with the terms and conditions contained in this Agreement, please indicate so by signing this Agreement and returning it to the undersigned. Once Sterling and P. & B. have signed this Agreement, UE shall restore the service it has heretofore discontinued.

Sincerely,
AmerenUE

By: Frank Reple

Agreed to this 18th day of May, 2001.

STERLINGS MARKETPLACE I, INC.

By: [Signature]

P. & B. REAL ESTATE, L.L.C.

By: Burt A. Schenck



4-144/810

No.LD 009275

GATEWAY NATIONAL BANK

ST. LOUIS, MISSOURI

DATE May 14 19 2001

PAY TO THIRTY THOUSAND AND NO/100***** AMOUNT \$30,000.00
 THE ORDER OF AMEREN UE

AMEREN UE

GATEWAY NATIONAL BANK

LOAN DISBURSEMENT
 FOR P & B REAL ESTATE LLC

REQUIRES TWO SIGNATURES

THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW

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THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICRO-PRINT SIGNATURE LINE. ABSENCE OF THESE FEATURES WILL INDICATE A COPY.

**GATEWAY NATIONAL BANK**

0810

4406406993

CASHIER'S CHECK

22-1676
960

PAY PAY EXACTLY \$2,500 DOL 00 CTS

DATE May 14, 2001

2,500.00

TO
 THE
 ORDER
 OF

AMEREN UE

STERLING MARKET PLACE

Lisa Gates Perry
 AUTHORIZED SIGNATURE

REMITTER:
 PAYABLE THRU
 FIRSTAR BANK OF MINNESOTA, N.A.
 ST. PAUL, MN

⑈096016765⑈00440 64069930⑈

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**GATEWAY NATIONAL BANK**

0810

4406406972

CASHIER'S CHECK

22-1676
960

PAY PAY EXACTLY \$12,500 DOL 00 CTS

DATE May 10, 2001

12,500.00

TO
 THE
 ORDER
 OF

AMEREN UE

STERLING MARKETPLACE

Lisa Gates Perry
 AUTHORIZED SIGNATURE

REMITTER:
 PAYABLE THRU
 FIRSTAR BANK OF MINNESOTA, N.A.
 ST. PAUL, MN

⑈096016765⑈00440 64069723⑈

MOSCHNER
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