



U.S. Securities and Exchange Commission

SEC Statement Regarding Andersen Case Conviction

FOR IMMEDIATE RELEASE 2002-89

Washington, D.C., June 15, 2002 — The Securities and Exchange Commission issued the following statement regarding the conviction of the accounting firm Arthur Andersen LLP:

Today, a jury in Houston, Texas, found Arthur Andersen LLP guilty of obstruction of justice. The Commission is deeply troubled by the underlying events that resulted in Andersen's conviction, especially insofar as the verdict reflects the jury's conclusion that Andersen engaged in conduct designed to obstruct SEC processes. In light of the jury verdict and the underlying events, Andersen has informed the Commission that it will cease practicing before the Commission by Aug. 31, 2002, unless the Commission determines another date is appropriate.

In the interim, the [orders and rules](#) the Commission announced on March 14 and released on March 18, 2002, following the indictment of Andersen remain in effect, and Andersen may continue to make required filings on behalf of its clients in compliance with those rules and orders, which contain provisions ensuring continuing Andersen quality control procedures. The Commission hopes this action will minimize any potential disruption to the capital markets and the affected issuers while those issuers complete certain pending or future filings, offerings and other activities. This relief is procedural in nature, is of finite duration and is intended solely to address temporary disruptions that the affected issuers may face as a result of Andersen's conviction.

The Commission continues to monitor closely these developments, particularly with respect to Andersen's public company clients who are in the process of having their financial statements audited. We have an obligation to protect investors, and, as we are announcing today, we have taken necessary actions to assure a continuing and orderly flow of information to investors and the capital markets.

The Commission's investigation into Enron Corp., and Andersen's role in it, is continuing.

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[Home](#) | [Previous Page](#)

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