



*United States Attorney
Southern District of New York*

**FOR IMMEDIATE RELEASE
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**ACCOUNTANT FOR BERNARD L. MADOFF INVESTMENT SECURITIES, LLC
CHARGED IN FELONY INFORMATION FOR ACCOUNTING VIOLATIONS**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, and JOSEPH M. DEMAREST, JR., the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), announced today the filing of a felony Information in Manhattan federal court charging DAVID G. FRIEHLING, the accountant for Bernard L. Madoff Investment Securities, LLC ("BLMIS"), with securities fraud, aiding and abetting investment adviser fraud, and four counts of filing false audit reports with the United States Securities and Exchange Commission ("SEC"). The Information also contains an allegation requiring the forfeiture of all of FRIEHLING's proceeds from the alleged securities fraud.

According to the Information filed today in Manhattan federal court:

From 1991 through 2008, FRIEHLING was paid by BLMIS, purportedly to audit BLMIS's financial statements that were filed with the SEC and sent to certain BLMIS clients. FRIEHLING falsely certified that he had prepared and audited those financial statements, including balance sheets, statements of income, statements of cash flows, and reports on internal control, in accordance with Generally Accepted Auditing Standards ("GAAS") and Generally Accepted Accounting Principles ("GAAP"). In fact, he failed both to conduct audits that complied with those standards and to test internal controls as required under those standards. FRIEHLING also failed to maintain the requisite professional independence from his audit client, BLMIS, because he and/or his wife maintained an account with BLMIS that had a balance in excess of \$500,000.

FRIEHLING, 49, is charged with one count of securities fraud (Count One), one count of abetting investment adviser fraud (Count Two), and four counts of filing false audit reports with the SEC (Counts Three through Six). He faces a maximum penalty of 20 years in prison for Counts One and Three through Six, and 5 years in prison for Count Two. FRIEHLING appeared this morning before United States District Judge ALVIN K. HELLERSTEIN and entered a plea of not guilty. He remains released on bail. A status conference in the case is scheduled for October 1, 2009, at 11:00 a.m. before Judge HELLERSTEIN.

Mr. DASSIN praised the investigative work of the FBI and thanked the SEC for its assistance.

Assistant United States Attorneys MARC LITT, LISA A. BARONI, WILLIAM J. STELLMACH, BARBARA A. WARD, and SHARON FRASE are in charge of the prosecution.

The charges and allegations contained in the Information are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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