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FORMER ENRON CHIEF ACCOUNTING OFFICER RICHARD CAUSEY SENTENCED TO 66 MONTHS IN PRISON FOR SECURITIES FRAUD

WASHINGTON – Richard A. Causey, former Enron Chief Accounting Officer, has been sentenced to 66 months in prison on a securities fraud charge related to the collapse of the Enron Corporation, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today.

Causey, of The Woodlands, Texas, pleaded guilty on Dec. 28, 2005, to one count of securities fraud. He was sentenced today before Judge Sim Lake of the U.S. District Court in the Southern District of Texas in Houston. In addition to the prison sentence and as part of his plea agreement, Causey agreed to forfeit \$1.25 million to the government, pay a \$25,000 fine and give up claim to any deferred compensation claims from Enron.

Causey admitted to conspiring with members of Enron's senior management to make false and misleading statements in Enron's filings with the Securities and Exchange Commission (SEC) – and in analyst calls – about the financial condition of Enron, which did not fairly and accurately reflect the company's actual financial performance as he knew it. Causey also admitted to participating with others in senior management in efforts to use Enron's public filings and public statements to mislead the investing public by making false and misleading statements and omitting facts about the true nature of Enron's financial performance.

Enron, once the nation's seventh largest company with stock trading as high as \$80 per share in August 1999, filed for bankruptcy protection on Dec. 2, 2001, and its stock became virtually worthless.

The investigation into Enron's collapse was conducted by the Enron Task Force, a team of federal prosecutors supervised by the Justice Department's Criminal Division and Special Agents from the FBI and Internal Revenue Service Criminal Investigation. The Task Force received considerable assistance from the SEC. All outstanding Enron-related matters are now being handled by the Fraud Section of the Criminal Division.

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