

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 74108 / January 21, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16351

In the Matter of

ROBERT A. RAMSEY, CPA

Respondent.

**ORDER INSTITUTING CEASE-AND-DESIST
PROCEEDINGS PURSUANT TO SECTION
21C OF THE SECURITIES EXCHANGE ACT
OF 1934, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS AND A
CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Robert A. Ramsey (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Summary

1. These proceedings involve insider trading by Respondent in the securities of American Safety Insurance Holdings, Ltd. ("ASI") in advance of the June 3, 2013 announcement that Fairfax Financial Holdings Ltd. ("Fairfax Financial") had agreed to acquire ASI.

2. In the months prior to the June 3, 2013 announcement, Respondent misappropriated information about the sale of ASI from his friend and client Individual A, a senior ASI executive. Individual A provided Respondent with information in confidence about the possible sale in the course of seeking tax advice from Respondent. Respondent then traded on the basis of the information. After the announcement, Respondent sold his ASI shares for profits over \$130,000.

3. By virtue of his conduct, Respondent violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

Respondent

4. Robert A. Ramsey, CPA, age 50, resides in Centerville, Indiana. He is a self-employed accountant, licensed in Indiana. He is a friend of and was the personal tax accountant to Individual A, a senior ASI executive.

Other Relevant Entity and Person

5. ASI was headquartered in Hamilton, Bermuda and Atlanta, Georgia. Its common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and traded on the New York Stock Exchange, until ASI was acquired by Fairfax Financial pursuant an agreement announced on June 3, 2013.

6. Individual A, age 51, resides in Marietta, Georgia. He was a senior ASI executive.

Facts

7. On September 28, 2012, Individual A told Respondent in confidence that ASI was exploring a possible sale and retained Respondent to evaluate Individual A's personal tax liability

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

in the event of a sale. Individual A told Respondent to assume for this analysis that ASI would be sold for \$28 to \$30 per share. At the time, ASI was trading below \$19 per share. Respondent understood as Individual A's accountant and friend that the information he received from Individual A was confidential.

8. On the basis of material nonpublic information he misappropriated from Individual A, Respondent began acquiring ASI shares in October 2012 and continued to acquire shares through the following May. At one point, he opened a new brokerage account. Prior to the sale of his ASI shares, he only purchased shares of ASI in that account. He acquired a total of 18,650 shares. Respondent also told a friend to buy ASI shares.

9. On June 3, 2013, ASI announced that it had entered into an agreement with Fairfax Financial to be acquired for \$29.25 per share. After the announcement, the closing price was \$28.91, an increase of \$4.95 or 21% from the prior days' closing price. Respondent sold his ASI shares after the announcement for a profit of over \$130,000.

10. As a result of the conduct described above, Respondent violated Section 10(b) of the Exchange Act and Rule 10b-5.

IV.

In view of the foregoing, the Commission deems it appropriate, in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, pursuant to Sections 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondent shall cease and desist from committing or causing any violations and any future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Respondent shall, within 30 days of the entry of this Order, pay disgorgement of \$130,176 and prejudgment interest of \$5,974 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury in accordance with Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600.

C. Respondent shall, within 30 days of the entry of this Order, pay a civil money penalty in the amount of \$130,176 to the Securities and Exchange Commission for transfer to the general fund of United States Treasury in accordance with Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717. Payment must be made in one of the following ways:

(1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

(2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or

(3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Robert A. Ramsey as Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Stephen L. Cohen, Associate Director, Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549-5553.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Brent J. Fields
Secretary