

ADMINISTRATIVE PROCEEDING
FILE NO. 3-12208

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
April 17, 2006

In the Matter of :
:
KEVIN HALL, CPA, and : STAY ORDER
ROSEMARY MEYER, CPA :
:

The Securities and Exchange Commission instituted this proceeding with an Order Instituting Proceedings on February 16, 2006, pursuant to 17 C.F.R. 201.102(e). A prehearing conference is currently scheduled for April 21, 2006. On April 14, 2006, the parties and the United States Attorney for the Southern District of New York (U.S. Attorney) jointly filed a stipulation and request for stay (Stay Request). The U.S. Attorney seeks leave to participate for the purpose of requesting a stay of this proceeding during the pendency of a criminal prosecution, United States v. Kaiser, S1 04 Cr 733 (SHS), arising out of the same facts at issue, pursuant to 17 C.F.R. § 201.210(c). The charges against the United States v. Kaiser defendants, former executives of U.S. Foodservice (USF), include fraudulent accounting during the time when Respondents Kevin Hall and Rosemary Meyer were auditors of USF's financial statements.

The U.S. Attorney's request for leave to participate for the purpose of requesting a stay will be granted, and the request for a stay, as limited below, will be granted consistent with 17 C.F.R. § 210(c)(3), which provides that such a "motion for stay shall be favored" and that a stay "may be granted for such a period and upon such conditions as the [Administrative Law Judge] deems appropriate."

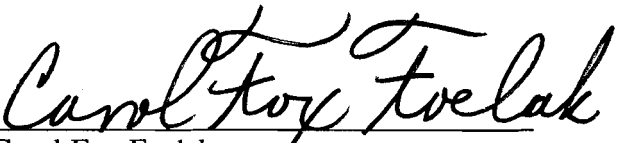
This proceeding will be stayed until the earliest of: (1) January 31, 2007; (2) the conclusion of testimony in United States v. Kaiser; (3) guilty pleas are entered resolving all pending charges against Michael Resnick and Mark Kaiser; or (4) dismissal of all charges against Michael Resnick and Mark Kaiser in United States v. Kaiser.

The documents that the Division of Enforcement (Division) are required to make available to Respondents pursuant to 17 C.F.R. § 201.230 (Investigative File) comprise approximately 700 boxes of documents and multiple transcripts. As the parties and the U.S. Attorney have agreed, Respondents will have access to the entire Investigative File except for (1) any witness interview memoranda not previously produced by the U.S. Attorney in United States v. Kaiser (Interview Memoranda) and (2) certain written communications between the

Government and counsel for USF and its parent company (Government Communications). The Interview Memoranda will be provided to Respondents on August 4, 2006, or at the time the Government discloses Jencks Act materials to the defendants in United States v. Kaiser, whichever is later.¹ The Respondents' access to the Investigative file is conditioned on their confidentiality agreement as detailed in the Stay Request.²

The Division will report on July 28, 2006, and every ninety days thereafter on the status of the prosecution in United States v. Kaiser, and the continued appropriateness of staying this proceeding. The April 21, 2006, prehearing conference will be rescheduled for February 9, 2007.

IT IS SO ORDERED.


Carol Fox Foelak
Administrative Law Judge

¹ As to the Government Communications, the Respondents and the Government agree to meet and confer after the conclusion of the stay regarding the production of such materials, and agree, if they are unable to agree regarding production, to present any issue regarding the same to the undersigned for determination.

² Additionally, the parties addressed the possibility of a need for a deposition pursuant to 17 C.F.R. § 201.233 during the stay. Also, the Respondents agreed not to interview any witness under oath or record or otherwise make a verbatim record or quotation from such an interview during the stay.