UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 66737 / April 4, 2012

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3377 / April 4, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14835

In the Matter of : ORDER INSTITUTING ADMINISTRATIVE

JOHN M. WILLIAMS, : PROCEEDINGS PURSUANT TO RULE

Respondent. : 102(e) OF THE COMMISSION’S RULES OF

____________________________________ :

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the
public interest that public administrative proceedings be, and hereby are, instituted against John M.
Williams (“Respondent” or “Williams”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules
of Practice.¹

II.

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing,
may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has
been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his
or her misconduct in an action brought by the Commission, from violating or aiding and abetting
the violation of any provision of the Federal securities laws or of the rules and regulations
thereunder.
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, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Williams, age 38, worked for Deloitte Tax LLP (“Deloitte”) in Philadelphia, Pennsylvania as a tax manager until January 2010. Williams has passed the CPA exam but does not hold a CPA license.

2. Hi-Shear Technology Corp. ("Hi-Shear") was, at all relevant times, an issuer with its principal place of business in Torrance, California. Until its acquisition by Chemring Group PLC ("Chemring") on November 24, 2009, Hi-Shear common stock was listed on the NYSE Amex under the ticker symbol “HSR.” Hi-Shear designs and manufactures pyrotechnic, mechanical and electronic products for the defense and aerospace industries.

3. On March 2, 2012, the Commission filed a complaint against Williams in SEC v. John M. Williams (Civil Action No. 12-1126). On March 26, 2012, the court entered an order permanently enjoining Williams, by consent, from future violations of Sections 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Williams was also ordered to pay $6,803.18 in disgorgement of ill-gotten gains from his sales of stock, and $620.05 in prejudgment interest; and a $6,803.18 civil penalty.

4. The Commission’s complaint alleged, among other things, that Williams acquired nonpublic information concerning the acquisition of Hi-Shear by Chemring while providing tax services to Deloitte’s client Chemring. The Complaint also alleged that in violation of Deloitte’s policies and his employment agreement, Williams traded in the shares of Hi-Shear shortly before the September 16, 2009 announcement that Chemring would acquire Hi-Shear. The Complaint further alleged that although Deloitte required Williams to self-report his securities transactions, Williams did not report these trades, and was terminated for cause in January 2010.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Williams’ Offer.
Accordingly, it is hereby ORDERED, effective immediately, that:

A. Williams is suspended from appearing or practicing before the Commission as an accountant.

B. After five years from the date of this order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company’s financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent’s work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

   (a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board (“Board”) in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

   (b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the respondent’s or the firm’s quality control system that would indicate that the respondent will not receive appropriate supervision;

   (c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

   (d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

B. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission provided that his state CPA license is current and he has resolved all other disciplinary issues with the applicable state boards of accountancy. However, if state licensure is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission’s review may include consideration
of, in addition to the matters referenced above, any other matters relating to Respondent’s character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Elizabeth M. Murphy  
Secretary