

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 73765 / December 5, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-16298

In the Matter of

ROBERT A. HEMM

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT
TO SECTION 21C OF THE
SECURITIES EXCHANGE
ACT OF 1934, MAKING FINDINGS,
AND IMPOSING 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. Hemm (“Hemm” or “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 Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing 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:

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.

Summary

1. These proceedings arise out of insider trading by Robert A. Hemm. On July 20, 2011, Hemm purchased stock of SFN Group, Inc. ("SFN") on the basis of material nonpublic information that he learned from a relative. At the time, Hemm's relative was an advisor to one of the parties involved in a soon-to-be announced tender offer for SFN by Randstad Holding nv (the "Tender Offer"). Hemm's relative informed Hemm of the Tender Offer, and Hemm misappropriated that information -- in breach of his duty of trust and confidence to his relative -- by purchasing 5,000 shares of SFN stock just hours prior to Randstad's public announcement of the Tender Offer. Approximately two weeks after the announcement, Hemm sold the stock for a profit of \$21,763.

Respondent

2. **Robert A. Hemm**, 85 years old, is a resident of Pelham, New York.

Other Relevant Entities

3. **SFN Group, Inc.** was a Delaware corporation headquartered in Fort Lauderdale, Florida. SFN's common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and traded on the New York Stock Exchange under the symbol "SFN." SFN was a strategic workforce solutions provider, offering temporary and permanent staffing solutions.

4. **Randstad Holding nv** ("RAND") is a Dutch multinational human resource consulting firm headquartered in the Netherlands. RAND is listed on the NYSE Euronext Amsterdam. On July 20, 2011, RAND announced that the company had entered into a definitive agreement to acquire SFN through a cash tender offer. The transaction closed on September 2, 2011.

Background

5. On July 12, 2011, Hemm's relative began working on the Tender Offer. Prior to purchasing SFN stock on July 20, Hemm spoke several times to his relative, including several times on the day Hemm purchased SFN stock. On at least one of those occasions, Hemm's relative informed Hemm of the soon-to-be announced Tender Offer.

6. On the basis of that information, in the early afternoon of July 20, 2011, Hemm purchased a total of 5,000 shares of SFN common stock at an average price of \$9.23 per share in his and his wife's brokerage accounts.

7. By July 20, 2011, substantial steps had been taken in furtherance of the Tender Offer. Both SFN and RAND had signed confidentiality agreements, retained lawyers and investment bankers, and RAND had conducted extensive due diligence.

8. On July 20, 2011, after the market closed, RAND announced the Tender Offer, stating that RAND had agreed to acquire SFN for \$14.00 per share. On the next trading day, SFN's stock closed at \$13.93, an increase of \$4.71 per share, or 51%, from the prior day's close, on a trading volume of approximately 25.8 million shares (the previous day's volume was approximately 281,182 shares).

9. On August 8, 2011, Hemm sold his SFN shares at a profit of \$21,763.

10. Hemm knew that the information he obtained from his relative concerning the Tender Offer was material and non-public. By purchasing shares of SFN on the basis of that information, Hemm breached the duty of trust and confidence that he owed to his relative.

11. As a result of the conduct described above, Hemm violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder prohibiting fraud in connection with the purchase or sale of securities, and Section 14(e) of the Exchange Act and Rule 14e-3 thereunder, prohibiting trading while in possession of material nonpublic information that was acquired directly or indirectly from someone working on behalf of the offeror or target of a tender offer.

IV.

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

Accordingly, it is hereby ORDERED that:

A. Pursuant to Sections 21C of the Exchange Act, Respondent Hemm 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, and Section 14(e) of the Exchange Act and Rule 14e-3 thereunder.

B. Respondent shall, within 15 days of the entry of this Order, pay disgorgement of \$21,763, prejudgment interest of \$1,923, and a civil penalty of \$21,763 to the United States Treasury. If timely payment is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. Payment must be made in one of the following ways: (1) 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 (2) 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 Hemm as a 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 Andrew M. Calamari, Division of Enforcement, Securities and Exchange Commission, New York Regional Office, 200 Vesey Street, Suite 400, New York, New York, 10281-1022.

By the Commission.

Brent J. Fields
Secretary