

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 85878 / May 16, 2019**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19168**

**In the Matter of**  
  
**ROBERT M. SCHULMAN, Esq.**  
  
**Respondent.**

**ORDER OF FORTHWITH**  
**SUSPENSION PURSUANT TO RULE**  
**102(e)(2) OF THE COMMISSION'S**  
**RULES OF PRACTICE**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate to issue an order of forthwith suspension of Robert M. Schulman pursuant to Rule 102(e)(2) of the Commission’s Rules of Practice, 17 C.F.R.200.102(e)(2).<sup>1</sup>

**II.**

The Commission finds that:

1. Robert M. Schulman, 59, was an attorney admitted to practice law in the District of Columbia. Schulman was counsel to King Pharmaceuticals, Inc. when he received material nonpublic information regarding an upcoming merger of King and another company. Schulman communicated this information to his investment advisor, who traded on the basis of this information for the benefit of Schulman as well as certain of his investment advisor clients. The investment advisor made illegal profits of \$8,824 from his King trades, and generated \$319,550 in illegal profits for his advisory clients, including \$15,500 for Schulman.

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<sup>1</sup> Rule 102(e)(2) provides in pertinent part that “any person who has been convicted of a felony or a misdemeanor involving moral turpitude shall be forthwith suspended from appearing or practicing before the Commission.”

2. In March 2017, in the United States District Court for the Eastern District of New York, Schulman was found guilty following a two-week jury trial of one count each of securities fraud and conspiracy to commit securities fraud. Schulman was sentenced to three years of probation, and ordered to forfeit trading profits of \$15,500 and pay a \$50,000 fine. *See U.S. v. Klein et al., 2:16-cr-00442 (E.D.N.Y.)*. Schulman appealed his conviction to the United States Court of Appeals for the Second Circuit. On January 10, 2019, the Second Circuit upheld his conviction. *See USA v. Klein (Schulman)*, 913 F.3d 73 (2d Cir. 2019).<sup>2</sup>

### III.

In view of the foregoing, the Commission finds that Schulman has been convicted of a felony within the meaning of Rule 102(e)(2) of the Commission's Rules of Practice.

Accordingly, it is ORDERED that Robert M. Schulman is forthwith suspended from appearing or practicing before the Commission pursuant to Rule 102(e)(2) of the Commission's Rules of Practice.

By the Commission.

Vanessa A. Countryman  
Acting Secretary

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<sup>2</sup> On February 5, 2018, the District of Columbia Court of Appeals temporarily suspended Schulman from the practice of law based on his felony convictions for securities fraud and conspiracy to commit securities fraud in *USA v. Klein (Schulman)*.