SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED September 30, 2014

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM to .

Commission File Number 1-10427

ROBERT HALF INTERNATIONAL INC.
(Exact name of registrant as specified in its charter)

Delaware	**94-1648752**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2884 Sand Hill Road Suite 200 Menlo Park, California	**94025**
(Address of principal executive offices)	**(zip-code)**

Registrant's telephone number, including area code: (650) 234-6000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of September 30, 2014:

135,957,949 shares of $.001 par value Common Stock

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ROBERT HALF INTERNATIONAL INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)
(in thousands, except share amounts)

	September 30, 2014	December 31, 2013
ASSETS		
Cash and cash equivalents	$ 290,876	$ 275,764
Accounts receivable, less allowances of $29,502 and $27,261	657,105	551,905
Current deferred income taxes	126,894	112,881
Other current assets	239,630	231,978
Total current assets	1,314,505	1,172,528
Goodwill	200,074	200,833
Other intangible assets, net	—	556
Property and equipment, net	109,708	112,644
Other assets	2,726	3,710
Total assets	$1,627,013	$1,490,271
LIABILITIES		
Accounts payable and accrued expenses	$ 142,661	$ 139,683
Accrued payroll costs and retirement obligations	468,047	396,042
Income taxes payable	13,060	—
Current portion of notes payable and other indebtedness	137	128
Total current liabilities	623,905	535,853
Notes payable and other indebtedness, less current portion	1,196	1,300
Other liabilities	29,329	33,475
Total liabilities	654,430	570,628
Commitments and Contingencies (Note F)		
STOCKHOLDERS' EQUITY		
Preferred stock, $.001 par value authorized 5,000,000 shares; issued and outstanding zero shares	—	—
Common stock, $.001 par value authorized 260,000,000 shares; issued and outstanding 135,923,034 shares and 137,466,421 shares	136	137
Capital surplus	912,978	868,120
Accumulated other comprehensive income	25,076	38,071
Retained earnings	34,393	13,315
Total stockholders' equity	972,583	919,643
Total liabilities and stockholders' equity	$1,627,013	$1,490,271

The accompanying Notes to Condensed Consolidated Financial Statements (Unaudited) are an integral part of these financial statements.

ROBERT HALF INTERNATIONAL INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net service revenues	$1,224,308	$1,075,119	$3,473,564	$3,162,031
Direct costs of services, consisting of payroll, payroll taxes, insurance costs and reimbursable expenses	719,088	637,641	2,051,405	1,882,155
Gross margin	505,220	437,478	1,422,159	1,279,876
Selling, general and administrative expenses	366,967	333,565	1,058,144	985,664
Amortization of intangible assets	—	433	557	1,300
Interest income, net	(108)	(233)	(570)	(773)
Income before income taxes	138,361	103,713	364,028	293,685
Provision for income taxes	53,177	37,355	142,153	108,375
Net income	$ 85,184	$ 66,358	$ 221,875	$ 185,310
Net income available to common stockholders—diluted	$ 85,184	$ 66,358	$ 221,875	$ 185,307
Net income per share (Note H):				
Basic	$ 0.64	$ 0.49	$ 1.65	$ 1.36
Diluted	$ 0.63	$ 0.48	$ 1.63	$ 1.35
Shares:				
Basic	134,054	135,727	134,690	136,469
Diluted	135,366	137,241	135,740	137,759
Cash dividends declared per share	$ 0.18	$ 0.16	$ 0.54	$ 0.48

The accompanying Notes to Condensed Consolidated Financial Statements (Unaudited) are an integral part of these financial statements.

ROBERT HALF INTERNATIONAL INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
COMPREHENSIVE INCOME:				
Net income	$85,184	$66,358	$221,875	$185,310
Foreign currency translation adjustments, net of tax	(15,281)	6,775	(12,995)	(4,486)
Total comprehensive income	$69,903	$73,133	$208,880	$180,824

The accompanying Notes to Condensed Consolidated Financial Statements (Unaudited) are an integral part of these financial statements.

ROBERT HALF INTERNATIONAL INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)
(in thousands, except per share amounts)

	Nine Months Ended September 30,	
	2014	2013
COMMON STOCK—SHARES:		
Balance at beginning of period	137,466	139,439
Net issuances of restricted stock	796	959
Repurchases of common stock	(2,808)	(3,377)
Exercises of stock options	469	1,265
Balance at end of period	135,923	138,286
COMMON STOCK—PAR VALUE:		
Balance at beginning of period	$ 137	$ 139
Net issuances of restricted stock	1	1
Repurchases of common stock	(3)	(3)
Exercises of stock options	1	1
Balance at end of period	$ 136	$ 138
CAPITAL SURPLUS:		
Balance at beginning of period	$ 868,120	$ 798,093
Net issuances of restricted stock at par value	(1)	(1)
Cash dividends ($.48 per share)	—	(12,256)
Stock-based compensation expense	29,960	28,559
Exercises of stock options—excess over par value	12,686	29,895
Tax impact of equity incentive plans	2,213	3,428
Balance at end of period	$ 912,978	$ 847,718
ACCUMULATED OTHER COMPREHENSIVE INCOME:		
Balance at beginning of period	$ 38,071	$ 43,779
Foreign currency translation adjustments, net of tax	(12,995)	(4,486)
Balance at end of period	$ 25,076	$ 39,293
RETAINED EARNINGS:		
Balance at beginning of period	$ 13,315	$ —
Net income	221,875	185,310
Repurchases of common stock—excess over par value	(126,828)	(118,957)
Cash dividends ($.54 per share and $.48 per share)	(73,969)	(54,718)
Balance at end of period	$ 34,393	$ 11,635

The accompanying Notes to Condensed Consolidated Financial Statements (Unaudited) are an integral part of these financial statements.

ROBERT HALF INTERNATIONAL INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in thousands)

	Nine Months Ended September 30,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$221,875	$185,310
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of intangible assets	557	1,300
Depreciation expense	36,170	34,995
Stock-based compensation expense—restricted stock and stock units	29,960	28,559
Excess tax benefits from stock-based compensation	(1,644)	(1,564)
Deferred income taxes	(11,167)	(23,540)
Provision for doubtful accounts	6,730	6,173
Changes in assets and liabilities:		
Increase in accounts receivable	(123,259)	(61,039)
Increase in accounts payable, accrued expenses, accrued payroll costs and retirement obligations	72,137	27,842
Increase in income taxes payable	36,991	11,015
Change in other assets, net of change in other liabilities	(10,530)	2,006
Net cash flows provided by operating activities	257,820	211,057
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(36,207)	(32,117)
Payments to trusts for employee benefits and retirement plans	(18,220)	(38,479)
Net cash flows used in investing activities	(54,427)	(70,596)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repurchases of common stock	(124,679)	(106,782)
Cash dividends paid	(72,752)	(65,612)
Decrease in notes payable and other indebtedness	(95)	(4,430)
Excess tax benefits from stock-based compensation	1,644	1,564
Proceeds from exercises of stock options	12,686	29,895
Net cash flows used in financing activities	(183,196)	(145,365)
Effect of exchange rate changes on cash and cash equivalents	(5,085)	(2,984)
Net increase (decrease) in cash and cash equivalents	15,112	(7,888)
Cash and cash equivalents at beginning of period	275,764	287,635
Cash and cash equivalents at end of period	$290,876	$279,747
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Non-cash items:		
Stock repurchases awaiting settlement	$ 2,152	$ 12,178

The accompanying Notes to Condensed Consolidated Financial Statements (Unaudited) are an integral part of these financial statements.

Note A—Summary of Significant Accounting Policies

Nature of Operations. Robert Half International Inc. (the "Company") provides specialized staffing and risk consulting services through such divisions as *Accountemps*®, *Robert Half*® *Finance & Accounting, OfficeTeam*®, *Robert Half*® *Technology, Robert Half*® *Management Resources, Robert Half*® *Legal, The Creative Group*®, and *Protiviti*®. The Company, through its *Accountemps, Robert Half Finance & Accounting*, and *Robert Half Management Resources* divisions, is a specialized provider of temporary, full-time, and project professionals in the fields of accounting and finance. *OfficeTeam* specializes in highly skilled temporary administrative support personnel. *Robert Half Technology* provides information technology professionals. *Robert Half Legal* provides temporary, project, and full-time staffing of attorneys and specialized support personnel within law firms and corporate legal departments. *The Creative Group* provides project staffing in the advertising, marketing, and web design fields. *Protiviti* provides business consulting and internal audit services, and is a wholly-owned subsidiary of the Company. Revenues are predominantly derived from specialized staffing services. The Company operates in North America, South America, Europe, Asia and Australia. The Company is a Delaware corporation.

Basis of Presentation. The unaudited Condensed Consolidated Financial Statements ("Financial Statements") of the Company are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and the rules of the Securities and Exchange Commission ("SEC"). The comparative year-end condensed consolidated statement of financial position data presented was derived from audited financial statements. In the opinion of management, all adjustments (consisting of only normal recurring adjustments) necessary for a fair statement of the financial position and results of operations for the periods presented have been included. These Financial Statements should be read in conjunction with the audited Consolidated Financial Statements of the Company for the year ended December 31, 2013, included in its annual report on Form 10-K. The results of operations for any interim period are not necessarily indicative of, nor comparable to, the results of operations for a full year.

Principles of Consolidation. The Financial Statements include the accounts of the Company and its subsidiaries, all of which are wholly-owned. All intercompany balances have been eliminated.

Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. As of September 30, 2014, such estimates included allowances for uncollectible accounts receivable, workers' compensation losses, and income and other taxes. Management estimates are also utilized in the Company's goodwill impairment assessment and in the valuation of stock grants subject to market conditions.

Advertising Costs. The Company expenses all advertising costs as incurred. Advertising costs for the three and nine months ended September 30, 2014 and 2013, are reflected in the following table (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Advertising costs	$ 11,251	$ 9,522	$ 30,881	$ 29,103

Internal-use Software. The Company capitalizes direct costs incurred in the development of internal-use software. Amounts capitalized are reported as a component of computer software within property and equipment.

Internal-use software development costs capitalized for the three and nine months ended September 30, 2014 and 2013, are reflected in the following table (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Internal-use software development costs	$ 7,010	$ 3,913	$ 17,846	$ 7,980

Note B—New Accounting Pronouncements

Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity. In April 2014, the Financial Accounting Standards Board ("FASB") issued authoritative guidance in regards to the criteria for reporting discontinued operations while enhancing disclosures in this area. Under the new guidance, only disposals representing a strategic shift in operations should be presented as discontinued operations. In addition, the new guidance requires expanded disclosures about discontinued operations that will provide financial statement users with more information about the assets, liabilities, income, and expenses of discontinued operations. The amendments in the authoritative guidance are effective in the first quarter of 2015 for public organizations with calendar year-ends. The Company does not expect the adoption of this guidance to have a material impact on its Financial Statements.

Revenue from Contracts with Customers. In May 2014, the FASB issued authoritative guidance that provides companies with a single model for use in accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance, including industry-specific revenue guidance. The new guidance requires a company to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. It also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance is effective for annual reporting periods beginning after December 15, 2016. Early adoption is not permitted. The guidance permits companies to either apply the requirements retrospectively to all prior periods presented, or apply the requirements in the year of adoption, through a cumulative adjustment. The Company is in the process of evaluating the impact of adoption of this guidance on its Financial Statements.

Note C—Other Current Assets

Other current assets consisted of the following (in thousands):

	September 30, 2014	December 31, 2013
Deposits in trusts for employee benefits and retirement plans	$ 174,355	$ 149,391
Other	65,275	82,587
	$ 239,630	$ 231,978

Note D—Property and Equipment, Net

Property and equipment consisted of the following (in thousands):

	September 30, 2014	December 31, 2013
Computer hardware	$ 149,644	$ 148,541
Computer software	305,823	288,532
Furniture and equipment	105,504	111,426
Leasehold improvements	113,732	118,868
Other	8,990	11,488
Property and equipment, cost	683,693	678,855
Accumulated depreciation	(573,985)	(566,211)
Property and equipment, net	$ 109,708	$ 112,644

Note E—Accrued Payroll Costs and Retirement Obligations

Accrued payroll costs and retirement obligations consisted of the following (in thousands):

	September 30, 2014	December 31, 2013
Payroll and benefits	$ 314,090	$ 238,252
Employee retirement obligations	99,982	96,461
Workers' compensation	28,574	26,671
Payroll taxes	25,401	34,658
	$ 468,047	$ 396,042

Included in employee retirement obligations is the following (in thousands):

	September 30, 2014	December 31, 2013
Deferred compensation plan and other benefits related to the Company's Chief Executive Officer	$78,055	$75,745

Note F—Commitments and Contingencies

On April 23, 2010, Plaintiffs David Opalinski and James McCabe, on behalf of themselves and a putative class of similarly situated Staffing Managers, filed a Complaint in the United States District Court for the District of New Jersey naming the Company and one of its subsidiaries as Defendants. The Complaint alleges that salaried Staffing Managers located throughout the U.S. have been misclassified as exempt from the Fair Labor Standards Act's overtime pay requirements. Plaintiffs seek an unspecified amount for unpaid overtime on behalf of themselves and the class they purport to represent. Plaintiffs also seek an unspecified amount for statutory penalties, attorneys' fees and other damages. On October 6, 2011, the Court granted the Company's motion to compel arbitration of the Plaintiffs' allegations. At this stage, it is not feasible to predict the outcome of or a range of loss, should a loss occur, from these allegations and, accordingly, no amounts have been provided in the Company's Financial Statements. The Company believes it has meritorious defenses to the allegations, and the Company intends to continue to vigorously defend against the allegations.

On March 13, 2014, Plaintiff Leonor Rodriguez, on her own behalf and on behalf of a putative class of allegedly similarly situated individuals, filed a complaint against the Company in the Superior Court of California, San Diego County. The complaint alleges that a putative class of current and former employees of the Company working in California since March 13, 2011 were denied compensation for the time they spent interviewing with clients of the Company as well as performing activities related to the interview process. Rodriguez seeks recovery on her own behalf and on behalf of the putative class in an unspecified amount for this allegedly unpaid compensation. Rodriguez also seeks recovery of an unspecified amount for the alleged failure of the Company to provide her and the putative class with accurate wage statements. Rodriguez also seeks an unspecified amount of other damages, attorneys' fees, and statutory penalties, including but not limited to statutory penalties on behalf of herself and other allegedly "aggrieved employees" as defined by California's Labor Code Private Attorney General Act ("PAGA"). On October 10, 2014, the Court granted a motion by the Company to compel all of Rodriguez's claims, except the PAGA claim, to individual arbitration. At this stage of the litigation, it is not feasible to predict the outcome of or a range of loss, should a loss occur, from this proceeding and, accordingly, no amounts have been provided in the Company's Financial Statements. The Company believes it has meritorious defenses to the allegations and the Company intends to continue to vigorously defend against the litigation.

Note F— Commitments and Contingencies (continued)

On September 5, 2014, Plaintiff Theresa Daniels, on behalf of herself and a putative class of salaried Recruiting Managers, filed a complaint in California Superior Court naming the Company as Defendant. The complaint alleges that salaried Recruiting Managers based in California have been misclassified under California law as exempt employees, and seeks an unspecified amount for unpaid overtime pay alleged to be due to them had they been paid as non-exempt hourly employees, as well as statutory penalties for alleged violations of the California Labor Code arising from such alleged misclassification. The complaint also alleges a claim under California Business and Professions Code section 17200 for unfair competition. The Plaintiff also seeks an unspecified amount for other damages, attorneys' fees, and statutory penalties. On or about September 17, 2014, the Plaintiff provided written notice to the California Labor and Workforce Development Agency of her alleged claims and it should be assumed that the Plaintiff will amend her complaint to allege a representative claim and seek penalties under the California Private Attorney General Act. At this stage of the litigation, it is not feasible to predict the outcome of or a range of loss, should a loss occur, from this proceeding, and accordingly, no amounts have been provided in the Company's financial statements. The Company believes it has meritorious defenses to the allegations in this case, and the Company intends to continue to vigorously defend against the litigation.

The Company is involved in a number of other lawsuits arising in the ordinary course of business. While management does not expect any of these other matters to have a material adverse effect on the Company's results of operations, financial position or cash flows, litigation is subject to certain inherent uncertainties.

Legal costs associated with the resolution of claims, lawsuits and other contingencies are expensed as incurred.

Note G—Stockholders' Equity

Stock Repurchase Program. As of September 30, 2014, the Company is authorized to repurchase, from time to time, up to 5.5 million additional shares of the Company's common stock on the open market or in privately negotiated transactions, depending on market conditions. The number and the cost of common stock shares repurchased during the nine months ended September 30, 2014 and 2013, are reflected in the following table (in thousands):

	Nine Months Ended September 30,	
	2014	2013
Common stock repurchased (in shares)	2,543	2,779
Common stock repurchased	$115,694	$ 97,594

Additional stock repurchases were made in connection with employee stock plans, whereby Company shares were tendered by employees for the payment of exercise price and applicable statutory withholding taxes. Repurchases of shares are funded with cash generated from operations. The number and the cost of employee stock plan repurchases made during the nine months ended September 30, 2014 and 2013, are reflected in the following table (in thousands):

	Nine Months Ended September 30,	
	2014	2013
Employee stock plan repurchased (in shares)	265	598
Employee stock plan repurchased	$11,137	$21,366

The repurchased shares are held in treasury and are presented as if constructively retired. Treasury stock is accounted for using the cost method. Repurchase activity for the nine months ended September 30, 2014 and 2013, is presented in the unaudited Condensed Consolidated Statements of Stockholders' Equity.

Repurchases of shares and issuances of cash dividends are applied first to the extent of retained earnings and any remaining amounts are applied to capital surplus.

Note H—Net Income Per Share

The calculation of net income per share for the three and nine months ended September 30, 2014 and 2013 is reflected in the following table (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Basic net income per share:				
Net income	$ 85,184	$ 66,358	$ 221,875	$ 185,310
Income allocated to participating securities—basic	—	—	—	3
Net income available to common stockholders—basic	$ 85,184	$ 66,358	$ 221,875	$ 185,307
Basic weighted average shares	134,054	135,727	134,690	136,469
Basic net income per share	$ 0.64	$ 0.49	$ 1.65	$ 1.36
Diluted net income per share:				
Net income	$ 85,184	$ 66,358	$ 221,875	$ 185,310
Income allocated to participating securities—diluted	—	—	—	3
Net income available to common stockholders—diluted	$ 85,184	$ 66,358	$ 221,875	$ 185,307
Basic weighted average shares	134,054	135,727	134,690	136,469
Dilutive effect of potential common shares	1,312	1,514	1,050	1,290
Diluted weighted average shares	135,366	137,241	135,740	137,759
Diluted net income per share	$ 0.63	$ 0.48	$ 1.63	$ 1.35

Potential common shares include the dilutive effect of stock options, unvested performance-based restricted stock, restricted stock which contains forfeitable rights to dividends, and stock units. The weighted average diluted common shares outstanding for the three and nine months ended September 30, 2014 and 2013, excludes the effect of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Total number of anti-dilutive potential common shares	—	386	1	188

Note I—Business Segments

The Company, which aggregates its operating segments based on the nature of services, has three reportable segments: temporary and consultant staffing, permanent placement staffing, and risk consulting and internal audit services. The temporary and consultant segment provides specialized staffing in the accounting and finance, administrative and office, information technology, legal, advertising, marketing and web design fields. The permanent placement segment provides full-time personnel in the accounting, finance, administrative and office, and information technology fields. The risk consulting segment provides business and technology risk consulting and internal audit services.

The accounting policies of the segments are set forth in Note A—"Summary of Significant Accounting Policies" in the Company's Annual Report on Form 10-K for the year ended December 31, 2013. The Company evaluates performance based on income or loss from operations before net interest income, intangible amortization expense, and income taxes.

Note I—Business Segments (continued)

The following table provides a reconciliation of revenue and operating income by reportable segment to consolidated results for the three and nine months ended September 30, 2014 and 2013 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net service revenues				
Temporary and consultant staffing	$ 954,225	$ 847,886	$2,722,833	$2,513,377
Permanent placement staffing	102,345	88,222	297,797	261,946
Risk consulting and internal audit services	167,738	139,011	452,934	386,708
	$1,224,308	$1,075,119	$3,473,564	$3,162,031
Operating income				
Temporary and consultant staffing	$ 97,660	$ 76,532	$ 263,901	$ 226,293
Permanent placement staffing	21,380	13,691	61,103	41,753
Risk consulting and internal audit services	19,213	13,690	39,011	26,166
	138,253	103,913	364,015	294,212
Amortization of intangible assets	—	433	557	1,300
Interest income, net	(108)	(233)	(570)	(773)
Income before income taxes	$ 138,361	$ 103,713	$ 364,028	$ 293,685

Note J—Subsequent Events

On October 29, 2014, the Company announced the following:

Quarterly dividend per share	$.18
Declaration date	October 29, 2014
Record date	November 25, 2014
Payment date	December 15, 2014

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain information contained in Management's Discussion and Analysis and in other parts of this report may be deemed forward-looking statements regarding events and financial trends that may affect the Company's future operating results or financial positions. These statements may be identified by words such as "estimate", "forecast", "project", "plan", "intend", "believe", "expect", "anticipate", or variations or negatives thereof or by similar or comparable words or phrases. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the statements. These risks and uncertainties include, but are not limited to, the following: the global financial and economic situation; changes in levels of unemployment and other economic conditions in the United States or foreign countries where the Company does business, or in particular regions or industries; reduction in the supply of candidates for temporary employment or the Company's ability to attract candidates; the entry of new competitors into the marketplace or expansion by existing competitors; the ability of the Company to maintain existing client relationships and attract new clients in the context of changing economic or competitive conditions; the impact of competitive pressures, including any change in the demand for the Company's services, on the Company's ability to maintain its margins; the possibility of the Company incurring liability for its activities, including the activities of its temporary employees, or for events impacting its temporary employees on clients' premises; the possibility that adverse publicity could impact the Company's ability to attract and retain clients and candidates; the success of the Company in attracting, training, and retaining qualified management personnel and other staff employees; the Company's ability to comply with governmental regulations affecting personnel services businesses in particular or employer/employee relationships in general; whether there will be ongoing demand for Sarbanes-Oxley or other regulatory compliance services; the Company's reliance on short-term contracts for a significant percentage of its business; litigation relating to prior or current transactions or activities, including litigation that may be disclosed from time to time in the Company's Securities and Exchange Commission ("SEC") filings; the ability of the Company to manage its international operations and comply with foreign laws and regulations; the impact of fluctuations in foreign currency exchange rates; the possibility that the additional costs the Company will incur as a result of health care reform legislation may adversely affect the Company's profit margins or the demand for the Company's services; the possibility that the Company's computer and communications hardware and software systems could be damaged or their service interrupted; and the possibility that the Company may fail to maintain adequate financial and management controls and as a result suffer errors in its financial reporting. Additionally, with respect to Protiviti, other risks and uncertainties include the fact that future success will depend on its ability to retain employees and attract clients; there can be no assurance that there will be ongoing demand for Sarbanes-Oxley or other regulatory compliance services; failure to produce projected revenues could adversely affect financial results; and there is the possibility of involvement in litigation relating to prior or current transactions or activities. Because long-term contracts are not a significant part of the Company's business, future results cannot be reliably predicted by considering past trends or extrapolating past results.

Critical Accounting Policies and Estimates

The Company's most critical accounting policies and estimates are those that involve subjective decisions or assessments and are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2013. Other than updates to estimates used in the Company's annual goodwill impairment assessment discussed below, there were no material changes to these critical accounting policies during the nine months ended September 30, 2014.

Goodwill Impairment. The Company assesses the impairment of goodwill annually in the second quarter, or more often if events or changes in circumstances indicate that the carrying value may not be recoverable in accordance with Financial Accounting Standards Board ("FASB") authoritative guidance. The Company completed its annual goodwill impairment analysis as of June 30, 2014, and determined that no adjustment to the carrying value of goodwill was required. There were no events or changes in circumstances since the annual goodwill impairment assessment that caused the Company to perform an interim impairment assessment.

The Company follows FASB authoritative guidance utilizing a two-step approach for determining goodwill impairment. In the first step the Company determines the fair value of each reporting unit utilizing a present value technique derived from a discounted cash flow methodology. For purposes of this assessment the Company's reporting units are its lines of business. The fair value of the reporting unit is then compared to its carrying value. If the fair value of the reporting unit exceeds the carrying value of the net assets assigned to that unit, goodwill is not impaired and no further testing is performed. The second step under the FASB guidance is contingent upon the results of the first step. To the extent a reporting unit's carrying value exceeds its fair value, an indication exists that the reporting unit's goodwill may be impaired and the Company must perform a second, more detailed impairment assessment. The second step involves allocating the reporting unit's fair value to its net assets in order to determine the implied fair value of the reporting unit's goodwill as of the assessment date. The implied fair value of the reporting unit's goodwill is then compared to the carrying amount of goodwill to quantify an impairment charge, if any, as of the assessment date.

The Company's reporting units are *Accountemps*, *Robert Half Finance & Accounting*, *OfficeTeam*, *Robert Half Technology*, *Robert Half Management Resources* and *Protiviti*, which had goodwill balances at September 30, 2014, of \$127.2 million, \$26.5 million, \$0 million, \$7.1 million, \$0 million and \$39.3 million, respectively, totaling \$200.1 million. There were no changes to the Company's reporting units or to the methodology of allocating goodwill to reporting units since the annual goodwill impairment assessment.

The goodwill impairment assessment is based upon a discounted cash flow analysis. The estimate of future cash flows is based upon, among other things, a discount rate and certain assumptions about expected future operating performance. The discount rate for all reporting units was determined by management based on estimates of risk free interest rates, beta and market risk premiums. The discount rate used was compared to the rate published in various third party research reports, which indicated that the rate was within a range of reasonableness. The primary assumptions related to future operating performance include revenue growth rates and profitability levels. In addition, the impairment assessment requires that management make certain judgments in allocating shared assets and liabilities to the balance sheets of the reporting units. Solely for purposes of establishing inputs for the fair value calculations described above related to its annual goodwill impairment testing, the Company made the following assumptions. The Company assumed that year-to-date trends through the date of the most recent assessment would continue for all reporting units through 2015, using unique assumptions for each reporting unit. In addition, the Company applied profitability assumptions consistent with each reporting unit's historical trends at various revenue levels and, for years 2016 and beyond, used a 5% growth factor. This rate is comparable to the Company's most recent ten-year annual compound revenue growth rate. The model used to calculate fair value goes out a total of 10 years with a terminal value calculation at the end of the 10 year period. In its most recent calculation, the Company used a 10.2% discount rate, which is slightly lower than the 10.5% discount rate used for the Company's test during the second quarter of 2013. This decrease in discount rate is attributable to decreases in the risk free rate, beta and the equity market risk premium.

In order to evaluate the sensitivity of the fair value calculations on the goodwill impairment test, the Company applied hypothetical decreases to the fair values of each reporting unit. The Company determined that hypothetical decreases in fair value of at least 70% would be required before any reporting unit would have a carrying value in excess of its fair value.

Given the current economic environment and the uncertainties regarding the impact on the Company's business, there can be no assurance that the Company's estimates and assumptions made for purposes of the Company's goodwill impairment testing will prove to be accurate predictions of the future. If the Company's assumptions regarding forecasted revenue or profitability growth rates of certain reporting units are not achieved, the Company may be required to recognize goodwill impairment charges in future periods. It is not possible at this time to determine if any such future impairment charge would result or, if it does, whether such charge would be material.

Recent Accounting Pronouncements

See Note B—"New Accounting Pronouncements" to the Company's Condensed Consolidated Financial Statements included under Part I—Item 1 of this report.

Results of Operations

Demand for the Company's temporary and permanent placement staffing services and risk consulting and internal audit services is largely dependent upon general economic and labor market conditions both domestically and abroad. Because of the inherent difficulty in predicting economic trends and the absence of material long-term contracts in any of our business units, future demand for the Company's services cannot be forecasted with certainty. We expect total Company results to continue to be impacted by general macroeconomic conditions in 2014.

The Company's temporary and permanent placement staffing services business has 341 offices in 42 states, the District of Columbia and 18 foreign countries, while Protiviti has 57 offices in 23 states and 11 foreign countries.

Non-GAAP Financial Measures

To help readers understand the Company's financial performance, the Company supplements its financial results prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") with revenue growth rates derived from non-GAAP revenue amounts. Variations in the Company's financial results include the impact of changes in foreign currency exchange rates and billing days. The Company provides "same billing days and constant currency" revenue growth calculations to remove the impact of these items. These calculations show the year-over-year revenue growth rates for the Company's reportable segments on both a reported basis and also on a same-day, constant-currency basis for global, U.S. and international operations. The Company has provided this data because management believes it better reflects the

Company's actual revenue growth rates and aids in evaluating revenue trends over time. The Company expresses year-over-year revenue changes as calculated percentages using the same number of billing days and constant currency exchange rates.

In order to calculate constant currency revenue growth rates, as-reported amounts are retranslated using foreign currency exchange rates from the prior year's comparable period. Management calculates a global, weighted-average number of billing days for each reporting period based upon input from all countries and all lines of business. In order to remove the fluctuations caused by comparable periods having different billing days, the Company calculates same billing day revenue growth rates by dividing each comparative period's reported revenues by the calculated number of billing days for that period, to arrive at a per billing day amount. Same billing day growth rates are then calculated based upon the per billing day amounts. The term "same billing days and constant currency" means that the impact of different billing days has been removed from the constant currency calculation.

The non-GAAP financial measures provided herein may not provide information that is directly comparable to that provided by other companies in the Company's industry, as other companies may calculate such financial results differently. The Company's non-GAAP financial measures are not measurements of financial performance under GAAP, and should not be considered as alternatives to actual revenue growth derived from revenue amounts presented in accordance with GAAP. The Company does not consider these non-GAAP financial measures to be a substitute for, or superior to, the information provided by GAAP financial results. A reconciliation of the same-day, constant-currency revenue growth rates to the as-reported revenue growth rates is provided herein.

Three months ended September 30, 2014 and 2013

Revenues. The Company's revenues were $1.22 billion for the three months ended September 30, 2014 compared to $1.08 billion for the three months ended September 30, 2013. Revenues from foreign operations represented 22.8% of total revenues for the three months ended September 30, 2014, compared to 23.6% for the three months ended September 30, 2013. The Company analyzes its revenues for three reportable segments: temporary and consultant staffing, permanent placement staffing, and risk consulting and internal audit services. For the three months ended September 30, 2014 revenues for each of the Company's reportable segments were up compared to the same period in 2013. The Company's growth was broad-based and reflective of improving labor markets and higher global demand for its professional staffing services. Year-over-year revenue growth rates accelerated during the quarter both in the United States and in the Company's international operations. Risk consulting and internal audit services also continued to post strong operating results. Contributing factors for each reportable segment are discussed below in further detail.

Temporary and consultant staffing services revenues were $954 million for the three months ended September 30, 2014, increasing by 12.5% compared to revenues of $848 million for the three months ended September 30, 2013. On a same-day, constant-currency basis, temporary and consultant staffing services revenues increased 12.3% for the third quarter of 2014 compared to the third quarter of 2013. In the U.S., revenues in the third quarter of 2014 increased 13.2%, or 13.0% on a same-day basis, compared to the third quarter of 2013. For the Company's international operations, 2014 third quarter revenues increased 10.4%, and on a same-day, constant-currency basis increased 9.9%, compared to the third quarter of 2013.

Permanent placement staffing revenues were $102 million for the three months ended September 30, 2014, increasing by 16.0% compared to revenues of $88 million for the three months ended September 30, 2013. On a same-day, constant-currency basis, permanent placement revenues increased 15.7% for the third quarter of 2014 compared to the third quarter of 2013. In the U.S., revenues for the third quarter of 2014 increased 21.8%, or 21.6% on a same-day basis, compared to the third quarter of 2013. For the Company's international operations, revenues for the third quarter of 2014 increased 6.3%, and on a same-day, constant-currency basis increased 5.6%, compared to the third quarter of 2013. Historically, demand for permanent placement services is even more sensitive to economic and labor market conditions than demand for temporary and consulting staffing services and this is expected to continue.

Risk consulting and internal audit services revenues were $168 million for the three months ended September 30, 2014, increasing by 20.7% compared to revenues of $139 million for the three months ended September 30, 2013. On a same-day, constant-currency basis, risk consulting and internal audit services revenues increased 18.3% for the third quarter of 2014 compared to the third quarter of 2013. In the U.S., revenues in the third quarter of 2014 increased 22.0%, or 19.9% on a same-day basis, compared to the third quarter of 2013. Contributing to the U.S. increase was continued growth in IT consulting, risk and compliance and internal audit services. The Company's risk consulting and internal audit services revenues from international operations increased 14.6%, and on a same-day, constant-currency basis increased 11.0%, compared to the third quarter of 2013.

A reconciliation of the non-GAAP year-over-year revenue growth rates to the as-reported year-over-year revenue growth rates for the three months ended September 30, 2014, is presented in the following table:

	Global	United States	International
Temporary and consultant staffing			
As Reported	12.5%	13.2%	10.4%
Billing Days Impact	-0.1%	-0.2%	-0.2%
Currency Impact	-0.1%	—	-0.3%
Same Billing Days and Constant Currency	12.3%	13.0%	9.9%
Permanent placement staffing			
As Reported	16.0%	21.8%	6.3%
Billing Days Impact	-0.1%	-0.2%	-0.2%
Currency Impact	-0.2%	—	-0.5%
Same Billing Days and Constant Currency	15.7%	21.6%	5.6%
Risk consulting and internal audit services			
As Reported	20.7%	22.0%	14.6%
Billing Days Impact	-2.1%	-2.1%	-2.0%
Currency Impact	-0.3%	—	-1.6%
Same Billing Days and Constant Currency	18.3%	19.9%	11.0%

Gross Margin. The Company's gross margin dollars were $505 million for the three months ended September 30, 2014, increasing by 15.5% compared to $437 million for the three months ended September 30, 2013. In the third quarter of 2014, gross margin dollars increased for all three of the Company's reportable segments compared to the third quarter of 2013. Gross margin as a percentage of revenues increased for the Company's temporary and consultant staffing services but was unchanged for its risk consulting and internal audit services segments on a year-over-year basis. Contributing factors for each reportable segment are discussed below in further detail.

Gross margin dollars from the Company's temporary and consultant staffing services represent revenues less direct costs of services, which consist of payroll, payroll taxes and insurance costs for temporary employees, and reimbursable expenses. Gross margin dollars for the Company's temporary and consultant staffing services division were $352 million for the three months ended September 30, 2014, compared to $307 million for the three months ended September 30, 2013. As a percentage of revenues, gross margin for temporary and consultant staffing services was 36.9% in the third quarter of 2014, up from 36.2% in the third quarter of 2013. This year-over-year improvement in gross margin was primarily attributable to higher conversion revenues, expansion of pay/bill spreads and lower fringe costs in the third quarter of 2014 compared to the third quarter of 2013. Conversion revenues are earned when a temporary position converts to a permanent position. As there are no direct costs related to conversion revenues, the gross margin percentage is favorably impacted as the mix of conversion revenues increases. Pay/bill spreads represent the differential between wages paid to temporary employees and amounts billed to clients.

Gross margin dollars from permanent placement staffing services represent revenues less reimbursable expenses. Gross margin dollars for the Company's permanent placement staffing division were $102 million for the three months ended September 30, 2014, compared to $88 million for the three months ended September 30, 2013. Because reimbursable expenses for permanent placement staffing services are de minimis, gross margin dollars are substantially explained by revenues previously discussed.

Gross margin dollars for risk consulting and internal audit services represent revenues less direct costs of services, which consist primarily of professional staff payroll, payroll taxes, insurance costs and reimbursable expenses. Gross margin dollars for the Company's risk consulting and internal audit division were $51 million for the three months ended September 30, 2014, increasing by 20.7% compared to $42 million for the three months ended September 30, 2013. As a percentage of revenues, gross margin for risk consulting and internal audit services in the third quarter of 2014 was 30.5%, unchanged from 30.5% in the third quarter of 2013.

Selling, General and Administrative Expenses. The Company's selling, general and administrative expenses were $367 million for the three months ended September 30, 2014, up 10.0% from $333 million for the three months ended September 30, 2013. As a percentage of revenues, the Company's selling, general and administrative expenses were 30.0% for the third quarter of 2014, down from 31.0% for the third quarter of 2013.

Selling, general and administrative expenses for the Company's temporary and consultant staffing services division were $254 million for the three months ended September 30, 2014, up 10.3% from $231 million for the three months ended September 30, 2013. As a percentage of revenues, selling, general and administrative expenses for temporary and consultant staffing services were 26.6% in the third quarter of 2014, down from 27.2% in the third quarter of 2013. For the third quarter of 2014, the decrease in selling, general and administrative expenses as a percentage of revenue is primarily due to improved operating leverage obtained by higher revenues.

Selling, general and administrative expenses for the Company's permanent placement staffing division were $81 million for the three months ended September 30, 2014, increasing by 8.7% compared to $74 million for the three months ended September 30, 2013. As a percentage of revenues, selling, general and administrative expenses for permanent placement staffing services were 79.1% in the third quarter of 2014, down from 84.4% in the third quarter of 2013. For the third quarter of 2014 compared to the third quarter of 2013, the decrease in selling, general and administrative expenses as a percentage of revenue is primarily due to improved operating leverage obtained by higher revenues.

Selling, general and administrative expenses for the Company's risk consulting and internal audit services division were $32 million for the three months ended September 30, 2014, increasing by 11.3% compared to $28 million for the three months ended September 30, 2013. As a percentage of revenues, selling, general and administrative expenses for risk consulting and internal audit services were 19.0% in the third quarter of 2014, down from 20.6% in the third quarter of 2013. For the third quarter of 2014 compared to the third quarter of 2013, the decrease in selling, general and administrative expenses as a percentage of revenue is primarily due to improved operating leverage obtained by higher revenues.

Operating Income. The Company's total operating income was $138 million or 11.3% of revenues, for the three months ended September 30, 2014, increasing by 33.0% from $104 million, or 9.7% of revenues, for the three months ended September 30, 2013. For the Company's temporary and consultant staffing services division, operating income was $98 million, or 10.2% of applicable revenues, up from $76 million, or 9.0% of applicable revenues, in the third quarter of 2013. For the Company's permanent placement staffing division, operating income was $21 million, or 20.9% of applicable revenues, up from an operating income of $14 million, or 15.5% of applicable revenues, in the third quarter of 2013. For the Company's risk consulting and internal audit services division, operating income was $19 million, or 11.5% of applicable revenues, up from an operating income of $14 million, or 9.8% of applicable revenues, in the third quarter of 2013.

Provision for income taxes. The provision for income taxes was 38.4% and 36.0% for the three months ended September 30, 2014 and 2013, respectively. The higher tax rate is primarily due to fewer available foreign tax benefits and a decrease in federal tax credits.

Nine months ended September 30, 2014 and 2013

Revenues. The Company's revenues were $3.47 billion for the nine months ended September 30, 2014, increasing by 9.9% compared to $3.16 billion for the nine months ended September 30, 2013. Revenues from foreign operations represented 23.2% and 24.3% of total revenues for the nine months ended September 30, 2014 and 2013, respectively. The Company analyzes its revenues for three reportable segments: temporary and consultant staffing, permanent placement staffing and risk consulting and internal audit services. In the first three quarters of 2014, revenues for all three of the Company's reportable segments were up compared to the first three quarters of 2013. Results were strongest domestically with demand also improving in several countries, most notably within Europe. Contributing factors for each reportable segment are discussed below in further detail.

Temporary and consultant staffing services revenues were $2.72 billion for the nine months ended September 30, 2014, increasing by 8.3% compared to revenues of $2.51 billion for the nine months ended September 30, 2013. On a same-day, constant-currency basis, temporary and consultant staffing services revenues increased 8.2% for the first three quarters of 2014 compared to the first three quarters of 2013. In the U.S., revenues in the first three quarters of 2014 increased 9.5%, or 9.4% on same-day basis, compared to the first three quarters of 2013. For the Company's international operations, revenues in the first three quarters of 2014 increased 4.5%, or 4.1% on a same-day, constant-currency basis, compared to the first three quarters of 2013.

Permanent placement revenues were $298 million for the nine months ended September 30, 2014, increasing by 13.7% compared to revenues of $262 million for the nine months ended September 30, 2013. On a same-day, constant-currency basis, permanent placement revenues increased 13.8% for the first three quarters of 2014 compared to the first three quarters of 2013. In the U.S., revenues in the first three quarters of 2014 increased 16.8%, or 16.7% on a same-day basis, compared to the first three quarters of 2013. Historically, demand for permanent placement services is even more sensitive to economic and labor market conditions than demand for temporary and consulting staffing services and this is expected to continue. For the Company’s international operations, revenues in the first three quarters of 2014 increased 8.5%, or 9.0% on a same-day, constant-currency basis, compared to the first three quarters of 2013.

Risk consulting and internal audit services revenues were $453 million for the nine months ended September 30, 2014, increasing by 17.1% compared to revenues of $387 million for the nine months ended September 30, 2013. On a same-day, constant-currency basis, risk consulting and internal audit services revenues increased 15.7% for the first three quarters of 2014 compared to the first three quarters of 2013. Contributing to the increase was higher demand in the U.S. In the U.S., revenues in the first three quarters of 2014 increased 20.1%, or 18.9% on a same-day basis, compared to the first three quarters of 2013. For the Company’s international operations, revenues in the first three quarters of 2014 increased 5.7%, or 3.7% on a same-day, constant-currency basis, compared to the first three quarters of 2013.

A reconciliation of the Non-GAAP year-over-year revenue growth rates to the as-reported year-over-year revenue growth rates for the nine months ended September 30, 2014, is presented in the following table:

	Global	United States	International
Temporary and consultant staffing			
As Reported	8.3%	9.5%	4.5%
Billing Days Impact	—	-0.1%	—
Currency Impact	-0.1%	—	-0.4%
Same Billing Days and Constant Currency	8.2%	9.4%	4.1%
Permanent placement staffing			
As Reported	13.7%	16.8%	8.5%
Billing Days Impact	-0.1%	-0.1%	—
Currency Impact	0.2%	—	0.5%
Same Billing Days and Constant Currency	13.8%	16.7%	9.0%
Risk consulting and internal audit services			
As Reported	17.1%	20.1%	5.7%
Billing Days Impact	-1.2%	-1.2%	-1.1%
Currency Impact	-0.2%	—	-0.9%
Same Billing Days and Constant Currency	15.7%	18.9%	3.7%

Gross Margin. The Company’s gross margin dollars were $1.42 billion for the nine months ended September 30, 2014, up from $1.28 billion for the nine months ended September 30, 2013. For the first three quarters of 2014 compared to the first three quarters of 2013, gross margin in dollars and as a percentage of revenues increased for all three of the Company’s reportable segments. Contributing factors for each reportable segment are discussed below in further detail.

Gross margin dollars from the Company’s temporary and consultant staffing services represent revenues less direct costs of services, which consist of payroll, payroll taxes and insurance costs for temporary employees, and reimbursable expenses. Gross margin dollars for the Company’s temporary and consultant staffing services division were $994 million for the nine months ended September 30, 2014, increasing by 9.4% compared to $908 million for the nine months ended September 30, 2013. As a percentage of revenues, gross margin for temporary and consultant staffing services was 36.5% in the first three quarters of 2014, up from 36.1% in the first three quarters of 2013.

Gross margin dollars from permanent placement staffing services represent revenues less reimbursable expenses. Gross margin dollars for the Company’s permanent placement staffing division were $298 million for the nine months ended September 30, 2014, increasing by 13.7% compared to $262 million for the nine months ended September 30, 2013. Because reimbursable expenses for permanent placement staffing services are de minimis, the increase in gross margin dollars is substantially explained by the increase in revenues previously discussed.

Gross margin dollars for risk consulting and internal audit services represent revenues less direct costs of services, which consist primarily of professional staff payroll, payroll taxes, insurance costs and reimbursable expenses. Gross margin dollars for the Company’s risk consulting and internal audit division were $131 million for the nine months ended September 30, 2014, increasing by 19.1% compared to $110 million for the nine months ended September 30, 2013. As a percentage of revenues, gross margin for risk consulting and internal audit services was 28.9% for the first three quarters of 2014, up from 28.4% in the first three quarters of 2013. The year-over-year margin increase expressed as a percentage of revenues is primarily due to an increase in staff utilization levels. Utilization is the relationship of the time spent on client engagements to the total time available for the Company's risk consulting and internal audit services staff.

Selling, General and Administrative Expenses. The Company's selling, general and administrative expenses were $1,058 million for the nine months ended September 30, 2014, increasing by 7.4% compared to $986 million for the nine months ended September 30, 2013. As a percentage of revenues, the Company's selling, general and administrative expenses were 30.5% for the first three quarters of 2014, down from 31.2% for the first three quarters of 2013. Contributing factors for each reportable segment are discussed below in further detail.

Selling, general and administrative expenses for the Company's temporary and consultant staffing services division were $730 million for the nine months ended September 30, 2014, up 7.0% from $682 million for the nine months ended September 30, 2013. As a percentage of revenues, selling, general and administrative expenses for temporary and consultant staffing services were 26.8% in the first three quarters of 2014, down from 27.1% in the first three quarters of 2013.

Selling, general and administrative expenses for the Company's permanent placement staffing division were $236 million for the nine months ended September 30, 2014, increasing by 7.5% compared to $220 million for the nine months ended September 30, 2013. As a percentage of revenues, selling, general and administrative expenses for permanent placement staffing services were 79.4% in the first three quarters of 2014, down from 84.0% in the first three quarters of 2013.

Selling, general and administrative expenses for the Company's risk consulting and internal audit services division were $92 million for the nine months ended September 30, 2014, increasing by 9.7% compared to $84 million for the nine months ended September 30, 2013. As a percentage of revenues, selling, general and administrative expenses for risk consulting and internal audit services were 20.3% in the first three quarters of 2014, down from 21.6% in the first three quarters of 2013. For the first three quarters of 2014 compared to the first three quarters of 2013, the decrease in selling, general and administrative expenses as a percentage of revenue is primarily due to improved operating leverage obtained by higher revenues.

Operating Income. The Company's total operating income was $364 million, or 10.5% of revenues, for the nine months ended September 30, 2014, increasing by 23.7% from $294 million, or 9.3% of revenues, for the nine months ended September 30, 2013. For the Company's temporary and consultant staffing services division, operating income was $264 million, or 9.7% of applicable revenues, up from $226 million, or 9.0% of applicable revenues, in the first three quarters of 2013. For the Company's permanent placement staffing division, operating income was $61 million, or 20.5% of applicable revenues, up from operating income of $42 million, or 15.9% of applicable revenues, in the first three quarters of 2013. For the Company's risk consulting and internal audit services division, operating income was $39 million, or 8.6% of applicable revenues, improving from $26 million, or 6.8% of applicable revenues, in the first three quarters of 2013.

Provision for income taxes. The provision for income taxes was 39.1% and 36.9% for the nine months ended September 30, 2014 and 2013, respectively. The higher tax rate is primarily due to fewer available foreign tax benefits and a decrease in federal tax credits.

Liquidity and Capital Resources

The change in the Company's liquidity during the nine months ended September 30, 2014 and 2013 is primarily the net effect of funds generated by operations and the funds used for capital expenditures, repurchases of common stock and payment of dividends. Cash and cash equivalents were $291 million and $280 million at September 30, 2014 and 2013, respectively. Operating activities provided $258 million during the nine months ended September 30, 2014, which was partially offset by $54 million and $183 million of net cash used in investing activities and financing activities, respectively. Operating activities provided $211 million during the nine months ended September 30, 2013, which was more than offset by $71 million and $145 million of net cash used in investing activities and financing activities, respectively.

Operating activities—Net cash provided by operating activities for the nine months ended September 30, 2014, was composed of net income of $222 million, adjusted for non-cash items of $61 million, and offset by changes in working capital of $25 million. Net cash provided by operating activities for the nine months ended September 30, 2013, was comprised of net income of $185 million, adjusted for non-cash items of $46 million, and offset by changes in working capital of $20 million.

Investing activities—Net cash used in investing activities for the nine months ended September 30, 2014, was $54 million. This was composed of capital expenditures of $36 million and deposits to trusts for employee benefits and retirement plans of $18 million. Net cash used in investing activities for the nine months ended September 30, 2013, was $71 million. This was comprised of capital expenditures of $32 million and deposits to trusts for employee benefits and retirement plans of $39 million.

Financing activities—Net cash used in financing activities for the nine months ended September 30, 2014, was $183 million. This included repurchases of $125 million in common stock and $73 million in cash dividends to stockholders, offset by proceeds of $13 million from exercises of stock options and $2 million in excess tax benefits from stock-based compensation. Net cash used in financing activities for the nine months ended September 30, 2013, was $145 million. This included repurchases of $107 million in common stock, $66 million in cash dividends to stockholders and $4 million in notes payable and other indebtedness, offset by proceeds of $30 million from exercises of stock options and $2 million in excess tax benefits from stock-based compensation.

As of September 30, 2014, the Company is authorized to repurchase, from time to time, up to 5.5 million additional shares of the Company's common stock on the open market or in privately negotiated transactions, depending on market conditions. During the nine months ended September 30, 2014 and 2013, the Company repurchased 2.5 million shares and 2.8 million shares of common stock on the open market for a total cost of $116 million and $98 million, respectively. Additional stock repurchases were made in connection with employee stock plans, whereby Company shares were tendered by employees for the payment of exercise price and applicable statutory withholding taxes. During the nine months ended September 30, 2014 and 2013, such repurchases totaled 0.3 million shares, at a cost of $11 million, and 0.6 million shares, at a cost of $21 million, respectively. Repurchases of shares have been funded with cash generated from operations.

The Company's working capital at September 30, 2014, included $291 million in cash and cash equivalents. The Company expects that internally generated cash will be sufficient to support the working capital needs of the Company, the Company's fixed payments, dividends, and other obligations on both a short-term and long-term basis.

On October 29, 2014, the Company announced a quarterly dividend of $.18 per share to be paid to all shareholders of record as of November 25, 2014. The dividend will be paid on December 15, 2014.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to the impact of foreign currency fluctuations. The Company's exposure to foreign currency exchange rates relates primarily to the Company's foreign subsidiaries. Exchange rates impact the U.S. dollar value of the Company's reported earnings, investments in its foreign subsidiaries, and the intercompany transactions with its foreign subsidiaries.

For the nine months ended September 30, 2014, approximately 23% of the Company's revenues were generated outside of the U.S. These operations transact business in their functional currency. As a result, fluctuations in the value of foreign currencies against the U.S. dollar, particularly the Canadian dollar, British pound, Euro, and Australian dollar have an impact on the Company's reported results. Revenues and expenses denominated in foreign currencies are translated into U.S. dollars at the monthly average exchange rates prevailing during the period. Consequently, as the value of the U.S. dollar changes relative to the currencies of the Company's non-U.S. markets, the Company's reported results vary.

Fluctuations in currency exchange rates impact the U.S. dollar amount of the Company's stockholders' equity. The assets and liabilities of the Company's non-U.S. subsidiaries are translated into U.S. dollars at the exchange rates in effect at period end. The resulting translation adjustments are recorded in stockholders' equity as a component of accumulated other comprehensive income.

ITEM 4. Controls and Procedures

Management, including the Company's Chairman and Chief Executive Officer and the Vice Chairman and Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation, the Chairman and Chief Executive Officer and the Vice Chairman and Chief Financial Officer concluded that the disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports the Company files and submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in the Company's internal controls over financial reporting identified in connection with the evaluation required by Rule 13a-15 of the Securities Exchange Act of 1934 that occurred during the Company's last fiscal quarter that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. Legal Proceedings

On September 5, 2014, Plaintiff Theresa Daniels, on behalf of herself and a putative class of salaried Recruiting Managers, filed a complaint in California Superior Court naming the Company as Defendant. The complaint alleges that salaried Recruiting Managers based in California have been misclassified under California law as exempt employees, and seeks an unspecified amount for unpaid overtime pay alleged to be due to them had they been paid as non-exempt hourly employees, as well as statutory penalties for alleged violations of the California Labor Code arising from such alleged misclassification. The complaint also alleges a claim under California Business and Professions Code section 17200 for unfair competition. The Plaintiff also seeks an unspecified amount for other damages, attorneys' fees, and statutory penalties. On or about September 17, 2014, the Plaintiff provided written notice to the California Labor and Workforce Development Agency of her alleged claims and it should be assumed that the Plaintiff will amend her complaint to allege a representative claim and seek penalties under the California Private Attorney General Act. At this stage of the litigation, it is not feasible to predict the outcome of or a range of loss, should a loss occur, from this proceeding, and accordingly, no amounts have been provided in the Company's financial statements. The Company believes it has meritorious defenses to the allegations in this case, and the Company intends to continue to vigorously defend against the litigation.

The Company's Form 10-Q for the fiscal quarter ended March 31, 2014 contained disclosure regarding a complaint filed in the Superior Court of California, San Diego County, by Plaintiff Leonor Rodriguez. On October 10, 2014, the Court granted a motion by the Company to compel all of Rodriguez's claims, except her claim under California's Labor Code Private Attorney General Act, to individual arbitration. As previously reported by the Company, the Company believes it has meritorious defenses to the allegations and the Company intends to continue to vigorously defend against the litigation.

There have been no material developments with regard to the other legal proceedings previously disclosed in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2013 and its quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2014.

ITEM 1A. Risk Factors

There have not been any material changes with regard to the risk factors previously disclosed in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2013.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

	Total Number of Shares Purchased		Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Maximum Number of Shares that May Yet Be Purchased Under Publicly Announced Plans (c)
July 1, 2014 to July 31, 2014	244,003		$ 48.90	244,003	6,541,699
August 1, 2014 to August 31, 2014	480,741	(a)	$ 48.69	466,769	6,074,930
September 1, 2014 to September 30, 2014	526,881	(b)	$ 49.98	526,687	5,548,243
Total July 1, 2014 to September 30, 2014	1,251,625			1,237,459	

(a) Includes 13,972 shares repurchased in connection with employee stock plans, whereby Company shares were tendered by employees for the payment of applicable withholding taxes and/or exercise price.

(b) Includes 194 shares repurchased in connection with employee stock plans,whereby Company shares were tendered by employees for the payment of applicable withholding taxes and/or exercise price.

(c) Commencing in October 1997, the Company's Board of Directors has, at various times, authorized the repurchase, from time to time, of the Company's common stock on the open market or in privately negotiated transaction depending on market conditions. Since plan inception, a total of 98,000,000 shares have been authorized for repurchase of which 92,451,757 shares have been repurchased as of September 30, 2014.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosure

Not applicable.

ITEM 5. Other Information

Part-Time Employment Agreements

The Company has previously entered into Part-Time Employment Agreements with each of Harold M. Messmer, Jr., M. Keith Waddell, Paul F. Gentzkow, Robert W. Glass and Steven Karel. Such agreements provide that, after retirement, the individual will be retained part-time to provide advice and counsel for four years and will be prohibited from competing with the Company or soliciting its employees during that period. In return, the individual will receive annual compensation during the part-time employment equal to 8% of the average annual cash base salary and bonus for each of the last five complete calendar years preceding retirement. On October 29, 2014, the agreements were amended to change the compensation to 8% of the average of the five highest years during the last ten years before retirement, which, the Company has been advised, is also used in the analogous context of computing retirement benefits. In addition, the Company entered into a Part-Time Employment Agreement with Michael C. Buckley, Executive Vice President, Chief Administrative Officer and Treasurer.

Stock Incentive Plan

The Company's Stock Incentive Plan was amended to change the definition of retirement for employees of the Company's Protiviti division. No other changes were made.

ITEM 6. Exhibits

3.1	Restated Certificate of Incorporation, incorporated by reference to Exhibit 3.1 to Registrant’s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2009.
3.2	By-Laws, incorporated by reference to Exhibit 3.2 to Registrant’s Annual Report on Form 10-K for the fiscal year ended December 31, 2003.
10.1	Form of Part-Time Employment Agreement, as amended and restated.
10.2	Stock Incentive Plan, as amended and restated.
31.1	Rule 13a-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certification of Chief Executive Officer.
32.2	Section 1350 Certification of Chief Financial Officer.
101.1	Part I, Item 1 of this Form 10-Q formatted in XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ROBERT HALF INTERNATIONAL INC.
(Registrant)

/S/ M. KEITH WADDELL

M. Keith Waddell
Vice Chairman, President and Chief Financial Officer
(Principal Financial Officer and
duly authorized signatory)

Date: October 31, 2014

EXHIBIT 10.1

The amended and restated Part-Time Employment Agreement substantially in the form attached hereto has been entered into by the Registrant with each of Harold M. Messmer, Jr., M. Keith Waddell, Paul F. Gentzkow, Robert W. Glass and Steven Karel, and a new Part-Time Employment Agreement substantially in the same form has been entered into by the Registrant with Michael C. Buckley. Pursuant to Instruction 2 to Item 601 of Regulation S-K, the individual agreements are not being filed.

PART-TIME EMPLOYMENT AGREEMENT

The Part-Time Employment Agreement made as of April 21, 2009, between Robert Half International Inc. ("Company") and _______________ ("Employee"), is amended and restated to read in its entirety as set forth herein, effective as of October 29, 2014.

Whereas, Employee currently serves as an Executive Officer of Company.

Whereas, Company wishes to make arrangements now to insure the availability of the advice, counsel and experience of Employee after Employee retires as an executive officer and Company considers such services to be very important in view of the personal service nature of Company's business and Employee's vital role in helping to build such business.

NOW, THEREFORE, Company and Employee agree as follows:

1. Engagement. Commencing on the Part‑Time Employment Commencement Date, Employee shall become a part-time employee of the Company during the Part-Time Employment Period upon the terms and conditions hereinafter set forth. Nothing herein shall in any way modify, affect or govern the terms and conditions of Employee's employment by Company prior to the Part-Time Employment Commencement Date. If Employee's full-time employment with Company shall terminate prior to the Part-Time Employment Commencement Date under any circumstances other than Employee's Retirement, this Agreement shall immediately terminate and be of no further force or effect.

2. Services. During the Part-Time Employment Period, Employee shall provide advice and counsel to Company at such time and in such manner as reasonably requested from time to time. Company agrees that Employee shall not be required to render more than 40 hours of services during any calendar quarter during the Part-Time Employment Period, nor shall Employee be required to (a) travel outside the United States, (b) travel more than 50 miles from Employee's then current principal home more than once in any year, or (c) render services during other than ordinary business hours. The terms of Employee's part-time employment during the Part-Time Employment Period are determined hereunder and no employee manual, policy statement or similar item issued from time to time by Company to its employees shall constitute part of this Agreement or modify, affect or govern the terms of the engagement of Employee during the Part-Time Employment Period.

3. Compensation.

(a) During the Part-Time Employment Period, Employee shall be paid a monthly salary equal to 1/12 of the product of (i) 8% and (ii) Employee's Applicable Compensation. Such salary shall be payable in accordance with the Company's standard payroll procedures and shall be subject to required withholding for income and other applicable taxes and contributions.

(b) Employee shall be reimbursed, upon presentation of proper receipts, for Employee's reasonable business expenses related to travel requested by Company. Company shall also, if requested by Employee, provide Employee with such computer equipment and support as Employee may need to render services hereunder.

(c) During the Part-Time Employment Period, any shares of restricted stock held by Employee on the Part-Time Employment Commencement Date shall remain outstanding and shall continue to vest in accordance with their existing terms.

(d) Effective on the Part-Time Employment Commencement Date, any unexercised option granted after January 1, 1999, and then held by Employee shall vest and shall no longer be subject to forfeiture. No portion of any such option, however, may be exercised until the original vesting date for such portion.

4. Other Employment. Except as provided in Sections 2 and 7 hereof, nothing herein shall be construed as in any way prohibiting or preventing Employee from accepting employment with any other entity subsequent to the Part-Time Employment Commencement Date.

5. Use of Name. Employee hereby consents to the use and publication, without further consideration, of his name, picture and image in training materials and other materials relating to the business of any of the RHI Companies, regardless of whether such use or publication is in the form of printed matter, photographs, audio tape, video tape, computer disk, electronic transmission, or otherwise. Such consent applies to both the use and publication of such items during Employee's engagement.

6. Disclosure or Misuse of Confidential Information. Employee shall not, at any time during the Part-Time Employment Period or thereafter, directly or indirectly, disclose, furnish or make accessible to any person, firm, corporation, or other entity, or make use of, any confidential information obtained at any time from any of the RHI Companies (whether prior or subsequent to the Part-Time Employment Commencement Date), including, without limitation, information with respect to the name, address, contact persons or requirements of any customer, client, applicant or employee of any of the RHI Companies (whether having to do with temporary or permanent employment) and information with respect to the procedures, advertising, finances, organization, personnel, plans, objectives or strategies of the RHI Companies. Employee acknowledges that such information is safeguarded by the RHI Companies as trade secrets. Upon termination of Employee's employment, Employee shall deliver to the RHI Companies all copies of all records, manuals, training kits, and other property belonging to the RHI Companies or used in connection with their business which may be in Employee's possession. The provisions of this Section shall survive termination of either Employee's employment or this Agreement for any reason.

7. Restrictive Covenant. In consideration and view of (i) the valuable consideration furnished to Employee by Company entering into this Agreement, (ii) Employee's access to confidential information and trade secrets of the RHI Companies and (iii) the value of such confidential information and trade secrets to the RHI Companies, during the period commencing on the Part-Time Employment Commencement Date and ending on the fourth anniversary thereof, Employee shall not render services to any other firm, person, corporation, partnership or other entity or individual engaged in the business of temporary, contract or permanent placement of individuals or in the staffing services business (including, but not limited to, any executive recruiting firm, employment agency or temporary personnel service). The covenants of Employee contained in this section are in addition to, and not in amendment, modification or replacement of, any obligations of Employee contained in any other agreement between Employee and Company.

8. Non-solicitation of Other Employees. In consideration and view of (i) the valuable consideration furnished to Employee by Company entering into this Agreement, (ii) Employee's access to confidential information and trade secrets of the RHI Companies, and (iii) the value of such confidential information and trade secrets to the RHI Companies, during the period commencing on the Part-Time Employment Commencement Date and ending on the fourth anniversary thereof, Employee shall not, directly or indirectly, solicit, induce, encourage (or assist any other person, firm, entity, business or organization in soliciting, inducing or encouraging) any employee of any of the RHI Companies to leave the employ of the RHI Companies. The covenants of Employee contained in this section are in addition to, and not in amendment, modification or replacement of, any obligations of Employee contained in any other agreement between Employee and Company.

9. Injunction. In view of Employee's access to confidential information and trade secrets and in consideration of the value of such property to the RHI Companies, Employee expressly acknowledges that the covenants set forth herein are reasonable and necessary in order to protect and maintain the proprietary and other legitimate business interests of the RHI Companies, and that the enforcement thereof would not prevent Employee from earning a livelihood. Employee further agrees that in the event of an actual or threatened breach by Employee of such covenants, the RHI Companies would be irreparably harmed and the full extent of injury resulting therefrom would be impossible to calculate and the RHI Companies therefore will not have an adequate remedy at law. Accordingly, Employee agrees that temporary and permanent injunctive relief would be appropriate remedies against such breach, without bond or security; provided, that nothing herein shall be construed as limiting any other legal or equitable remedies the RHI Companies might have.

10. Termination.

(a) Employee may terminate Employee's employment during the Part-Time Employment Period at any time on written notice to Company.

(b) Company may terminate Employee's employment during the Part-Time Employment Period at any time on written notice to Employee.

(c) If Employee's employment is terminated on or after the Part-Time Employment Commencement Date and prior to the fourth anniversary of the Part-Time Employment Commencement Date (1) by Employee as a result of a willful and material breach of this agreement by Company or (2) by Company other than a Termination for Cause or Termination for Nonperformance, Company shall continue to pay Employee the salary specified herein following Employee's Separation from Service (as such term is defined by Section 409A of the Internal Revenue Code) until the earlier of (i) the fourth anniversary of the Part-Time Employment Commencement Date, or (ii) any breach by Employee of the provisions of Sections 6, 7, or 8, hereof, provided that any such payment will not be made until six months after Employee's Separation from Service (as such term is defined by Section 409A) to the extent required to render such payment not subject to the excise tax under Section 409A.

(d) If Employee's engagement hereunder is terminated on or after the Part-Time Employment Commencement Date and prior to the fourth anniversary of the Part-Time Employment Commencement Date (1) by Employee as a result of a willful and material breach of this agreement by Company or (2) by Company other than a Termination for Cause, effective upon the date of such termination, (i) any outstanding unexercised options granted by Company after January 1, 1999, then held by Employee shall remain outstanding for the full length of their original term, and (ii) any unvested shares of restricted stock granted by Company then held by Employee shall vest and shall not be forfeited.

(e) If the Part-Time Employment Period ends on the fourth anniversary of the Part-Time Employment Commencement Date, then any outstanding unexercised options granted by Company subsequent to the date hereof and then held by Employee shall remain outstanding for the full length of their original term.

11. Waiver. Failure of any party to insist upon strict compliance with any of the terms, covenants and conditions hereof shall not be deemed a waiver or relinquishment of the right to subsequently insist upon strict compliance with such term, covenant or condition or a waiver or relinquishment of any similar right or power hereunder at any subsequent time.

12. Amendment. No provision of this Agreement may be changed or waived except by an agreement in writing signed by the party against whom enforcement of any such waiver or change is sought.

13. Severability. The provisions of this Agreement are severable. If any provision is found by any court of competent jurisdiction to be unreasonable and invalid, that determination shall not affect the enforceability of the other provisions. Furthermore, if any of the restrictions against various activities is found to be unreasonable and invalid, the court before which the matter is pending shall enforce the restriction to the maximum extent it deems to be valid. Such restrictions shall be considered divisible both as to time and as to geographical area, with each month being deemed a separate period of time and each one mile radius from any office being deemed a separate geographical area. The restriction shall remain effective so long as the same is not unreasonable, arbitrary or against public policy.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of California, except with respect to Sections 6, 7, 8 and 9, which shall be governed by and construed in accordance with the law of the jurisdiction in which an activity in violation thereof occurred or threatens to occur and with respect to which legal and equitable relief is sought. In no event shall the choice of law be predicated upon the fact that Company is incorporated or has its corporate headquarters in a certain state.

15. Entire Agreement. This Agreement contains all of the agreements, conditions, promises and covenants between the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, representations, arrangements or understandings, whether written or oral, with respect to the subject matter hereof.

16. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall constitute one agreement.

17. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of Company (including its direct and indirect subsidiaries) and its successors and assigns. This Agreement may not be assigned by Employee.

18. Third Party Beneficiary. Each of the RHI Companies is a third party beneficiary of this Agreement and each of them has the full right and power to enforce rights, interests and obligations under this Agreement without limitation or other restriction.

19. Definitions.

"Applicable Compensation" for an Employee is the mean Yearly Cash Compensation for the five full calendar years during the ten full calendar years preceding the Part-Time Employment Commencement Date that had the highest Yearly Cash Compensation.

"Yearly Cash Compensation" for an Employee for a calendar year means the sum of the base salary and cash bonus paid to him for such year, including amounts paid under the Annual Performance Bonus Plan or any successor plan.

"Termination for Cause" shall mean termination by Company of Employee's employment by Company by reason of (a) Employee's willful dishonesty towards, fraud upon, or deliberate injury or attempted injury to Company which has resulted in material injury to Company, or (b) violation by Employee of the provisions of Section 6, 7, or 8 hereof which has resulted in material injury to Company; provided, however, that Employee's employment shall not be deemed to have been a "Termination for Cause" if such termination took place as a result of any act or omission believed by Employee in good faith to have been in the interest of Company.

"Termination for Nonperformance" shall mean termination by Company of Employee's employment by Company by reason of repeated failure by Employee, following written notice, to materially perform the service obligations contained in Section 2 hereof.

"Part-Time Employment Commencement Date" shall be the date of Employee's Retirement.

"Part-Time Employment Period" means the period of time commencing on the Part-Time Employment Commencement Date and ending on the earlier to occur of (a) the fourth anniversary of the Part-Time Employment Commencement Date or (b) the date on which this agreement is terminated in accordance with the terms hereof.

"Retirement" means any voluntary resignation by Employee of any and all officer positions held by Employee with any of the RHI Companies, accompanied by written notification to the Company by Employee that Employee wishes to become a part-time employee, on or after the later to occur of (a) Employee's 55^{th} birthday, or (b) the 20th anniversary of Employee's first day of service with Company as a director or full-time employee.

"RHI Companies" means Company and its subsidiaries and affiliates.

20. Indemnification. The Company shall indemnify Employee for all actions taken while performing services hereunder to the fullest extent permitted by Delaware law, the Certificate of Incorporation and the By-laws of the Company and by the terms of any indemnification agreement that has been or shall be entered into from time to time between the Company and Employee, which indemnification agreement shall remain in full force and effect

during the Part-Time Employment Period and shall cover the actions of Employee during the Part-Time Employment Period as if he were a director or an officer during the Part-Time Employment Period.

21. Attorneys' Fees. In the event of any litigation pertaining to this agreement, the prevailing party shall be reimbursed by the non-prevailing party for the prevailing party's reasonable attorney's fees and expenses incurred in such litigation.

22. Other Agreements. Employee's Retirement shall be deemed a voluntary termination of employment by Employee under the agreements and plans set forth on Schedule A hereto.

IN WITNESS WHEREOF, the parties have set their hands hereto.

ROBERT HALF INTERNATIONAL INC.

By ____________________________

____

Schedule A

Part-Time Employment Agreement

between

Robert Half International Inc. and Harold M. Messmer, Jr.

1. Employment Agreement dated as of October 2, 1985, as amended, between Robert Half International Inc. (formerly named Boothe Financial Corporation) and Harold M. Messmer, Jr.

2. Collateral Assignment Split Dollar Insurance Agreement dated as of November 15, 1996, between Robert Half International Inc. and the Messmer Family 1996 Trust, as amended.

3. Robert Half International Inc. Annual Performance Bonus Plan.

4. Robert Half International Inc. Deferred Compensation Plan.

5. Amended and Restated Severance Agreement between Robert Half International Inc. and Harold M. Messmer, Jr.

Schedule A

Part-Time Employment Agreement

between

Robert Half International Inc. and M. Keith Waddell

1. Collateral Assignment Split Dollar Insurance Agreement dated as of November 15, 1996, between Robert Half International Inc. and the Waddell 1996 Trust, as amended.

2. Robert Half International Inc. Annual Performance Bonus Plan.

3. Robert Half International Inc. Senior Executive Retirement Plan.

4. Amended and Restated Severance Agreement between Robert Half International Inc. and M. Keith Waddell.

Schedule A

Part-Time Employment Agreement

between

Robert Half International Inc. and Robert W. Glass

1. Collateral Assignment Split Dollar Insurance Agreement dated as of November 15, 1996, between Robert Half International Inc. and the Glass Family 1996 Trust, as amended.

2. Robert Half International Inc. Annual Performance Bonus Plan.

3. Robert Half International Inc. Senior Executive Retirement Plan.

4. Amended and Restated Severance Agreement between Robert Half International Inc. and Robert W. Glass.

Schedule A

Part-Time Employment Agreement

between

Robert Half International Inc. and Steven Karel

1. Collateral Assignment Split Dollar Insurance Agreement dated as of November 15, 1996, between Robert Half International Inc. and the Karel Family 1996 Trust, as amended.

2. Robert Half International Inc. Annual Performance Bonus Plan.

3. Robert Half International Inc. Senior Executive Retirement Plan.

4. Amended and Restated Severance Agreement between Robert Half International Inc. and Steven Karel.

Schedule A

Part-Time Employment Agreement

between

Robert Half International Inc. and Paul F. Gentzkow

1. Collateral Assignment Split Dollar Insurance Agreement between Robert Half International Inc. and the Gentzkow Trust Agreement, as amended.

2. Robert Half International Inc. Annual Performance Bonus Plan.

3. Robert Half International Inc. Senior Executive Retirement Plan.

4. Amended and Restated Severance Agreement between Robert Half International Inc. and Paul F. Gentzkow.

5. Employment Agreement dated March 24, 1986, between Robert Half of Minnesota, Inc. and Paul F. Gentzkow.

6. Severance Agreement dated October 1, 1991, between Robert Half International Inc. and Paul F. Gentzkow.

7. Agreement dated July 31, 1995, between Robert Half International Inc. and Paul F. Gentzkow.

Schedule A

Part-Time Employment Agreement

between

Robert Half International Inc. and Michael C. Buckley

1. Robert Half International Inc. Annual Performance Bonus Plan.

2. Robert Half International Inc. Senior Executive Retirement Plan.

EXHIBIT 10.2

ROBERT HALF INTERNATIONAL INC.

STOCK INCENTIVE PLAN

(As Amended and Restated October 29, 2014)

SECTION 1. ESTABLISHMENT AND PURPOSE.

The purpose of the Plan is to promote the long-term success of the Company and the creation of stockholder value by (a) encouraging Participants to focus on critical long-range objectives, (b) encouraging the attraction and retention of individuals with exceptional qualifications and (c) linking Participants directly to stockholder interests through increased stock ownership. The Plan seeks to achieve this purpose by providing for Awards in the form of Restricted Shares, Performance Shares, Stock Units, Performance Units, Options (which may constitute incentive stock options or nonstatutory stock options) or stock appreciation rights. Subject to approval by RHI's stockholders, this Plan supersedes the Existing Equity Plans, as described herein.

SECTION 2. DEFINITIONS.

"Adjustment Provisions" shall mean the terms and conditions applicable to the adjustment of an Award subject to a Performance Condition.

"Affiliate" shall mean any entity other than a Subsidiary, if RHI and/or one of more Subsidiaries own not less than fifty percent (50%) of such entity.

"Award" shall mean any award of an Option, a SAR, a Restricted Share a Performance Share, a Stock Unit or a Performance Unit under the Plan.

"Board of Directors" shall mean the Board of Directors of RHI, as constituted from time to time.

"Certification Date" means the date that the Committee makes its written certification of a Final Award.

"Change in Control" shall mean the occurrence of any of the following events:

(i) Any person or group (as such terms are defined in Section 13(d)(3) of the Exchange Act), other than an employee benefit plan sponsored by the Company or a corporation owned (directly or indirectly), by the stockholders of the Company in substantially the same proportions of the ownership of stock of the Company, shall become the beneficial owner of securities of RHI representing 20% or more, of the combined voting power of then outstanding securities ordinarily (and apart from rights accruing in special circumstances) having the right to vote in the election of directors, as a result of a tender or exchange offer, open market purchases, privately negotiated purchases or otherwise; provided, however, that a Change in Control shall not be deemed to include the acquisition by any such person or group of securities representing 20% or more of RHI if such party has acquired such securities not with the purpose nor with the effect of changing or influencing the control of RHI, nor in connection with or as a participant in any transaction having such purposes or effect, including, without limitation, not in connection with such party (A) making any public announcement with respect to the voting of such shares at any meeting to consider a merger, consolidation, sale of substantial assets or other business combination or extraordinary transaction involving RHI, (B) making, or in any way participating in, any "solicitation" of "proxies" (as such terms are defined or used in Regulation 14A under the Exchange Act) to vote any voting securities of RHI (including, without limitation, any such solicitation subject to Rule 14a-11 under the Exchange Act) or seeking to advise or influence any party with respect to the voting of any voting securities of RHI, directly or indirectly, relating to a merger or other business combination involving RHI or the sale or transfer of substantial assets of RHI, (C) forming, joining or in any way participating in any "group" within the meaning of Section 13(d)(3) of the Exchange Act with respect to any voting securities of RHI, directly or indirectly, relating to a merger or other business combination involving RHI or the sale or transfer of any substantial assets of RHI, or (D) otherwise acting, alone or in concert with others, to seek control of RHI or to seek to control or influence the management or policies of RHI.

(ii) The liquidation or dissolution of RHI.

(iii) A change in the composition of the Board of Directors occurring within a two-year period, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of RHI as of the date hereof, or (B) are elected, or nominated for election, to the Board of Directors with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to RHI). As a result of or in connection with any cash tender offer, merger, or other business combination, sale of assets or contested election, or combination of the foregoing, the persons who were directors of RHI just prior to such event shall cease within one year to constitute a majority of the Board of Directors.

(iv) RHI ceases to be an independent publicly owned corporation.

(v) RHI (A) merges or consolidates with or into another corporation in which the holders of the Stock immediately before such merger or reorganization do not, immediately following such merger or reorganization, hold as a group on a fully-diluted basis both the ability to elect at least a majority of the directors of the surviving corporation and at least a majority in value of the surviving corporation's outstanding equity securities, or (B) sells or otherwise disposes of all or substantially all of its assets.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Committee" shall mean a committee of one or more members of the Board of Directors appointed by the Board of Directors (or, as the context permits, a subcommittee of one or more members of the Board appointed by the Committee) to administer the Plan in accordance with the provisions hereof.

"Company" shall mean Robert Half International Inc., a Delaware corporation, and its Subsidiaries.

"Consultant" shall mean a consultant or advisor who provides bona fide services to the Company or an Affiliate as an independent contractor.

"Eligible Participant" shall mean (i) any individual who is a common-law employee of the Company or an Affiliate; (ii) a member of the Board of Directors; (iii) a member of the board of directors of a Subsidiary or an Affiliate; or (iv) a Consultant.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Executive Officer" shall mean an officer as defined in Rule 16a-1(f) under the Exchange Act, or any successor provision.

"Exercise Price" shall mean, in the case of an Option, the amount for which one Share may be purchased upon exercise of such Option, as specified in the applicable Stock Option Award. "Exercise Price," in the case of a SAR, shall mean an amount, as specified in the applicable SAR Award, which is subtracted from the Fair Market Value of a Share in determining the amount payable upon exercise of such SAR.

"Existing Equity Plans" shall mean RHI's Equity Incentive Plan, StockPlus Plan, Stock Option Plan for Field Employees, Restricted Stock Plan for Field Employees, and Outside Directors' Option Plan.

“Fair Market Value” shall mean the closing price on the New York Stock Exchange on the date the value is to be determined as reported in THE WALL STREET JOURNAL (Western Edition). If there are no trades on such date, the closing price on the latest preceding business day upon which trades occurred shall be the Fair Market Value.

“Final Award” shall mean the number of shares remaining subject to an Award after application of the Adjustment Provisions.

“ISO” shall mean an employee incentive stock option described in Code Section 422.

“Misconduct Termination” shall mean a termination by the Company of a Participant’s Service by reason of the Participant’s willful dishonesty towards, fraud upon, or deliberate injury or attempted injury to the Company, or by reason of the Participant’s willful material breach of any employment agreement with the Company, which has resulted in material injury to the Company; provided, however, that a Participant’s Service shall not be deemed to have terminated in a Misconduct Termination if such termination took place as a result of any act or omission believed by the Participant in good faith to have been in the interest of the Company.

“Nonstatutory Option” or “NSO” shall mean an employee stock option that is not an ISO.

“Option” shall mean an ISO or Nonstatutory Option granted under the Plan and entitling the holder to purchase Shares.

“Optionee” shall mean an individual or estate who holds an Option or SAR.

“Original Award” shall mean the number of shares initially granted pursuant to an Award made subject to a Performance Condition.

“Other Agreement” shall mean any written agreement, whether entered into prior to or subsequent to, the adoption of this plan or the making of an Award under this plan, between Participant and the Company.

“Outside Director” shall mean a member of the Board of Directors who is not a common-law employee of the Company.

“Outside Director Retirement” shall mean termination of an Outside Director’s Service after the later to occur of (i) the 7th anniversary of the Outside Director’s first day of service with RHI as a member of the Board of Directors or (ii) the Outside Director’s 62nd birthday.

“Participant” shall mean an individual or estate who holds an Award.

“Performance Condition” shall mean a performance condition based on a Performance Goal established with respect to an Award in accordance with the provisions hereof.

“Performance Goal” shall mean one or more of the following objective measurable performance factors, and any adjustments thereto, as determined by the Committee with respect to a Performance Period: (i) operating income; (ii) pre-tax or after-tax earnings; (iii) cash flow; (iv) sales or revenue; (v) expenses; (vi) gross or net profit margin; (vii) working capital; (viii) return on equity or assets; (ix) earnings per share; (x) stock price; (xi) price/earnings ratio; (xii) debt or debt-to-equity; (xiii) writeoffs; (xiv) cash; (xv) assets; (xvi) total shareholder return and/or (xvii) liquidity, either with respect to the Company and/or one or more of its operating units or with respect to one or more other companies or an index of companies; provided, however, that, if the Performance Condition is intended to satisfy the requirements of Code Section 162(m), it must be objective and any adjustments thereto must be objectively verifiable adjustments permitted and pre-established by the Committee in accordance with Code Section 162(m).

"Performance Period" shall mean the period of Service to which the Performance Condition relates, which period shall not be less than one year.

"Performance Share" shall mean a Restricted Share that has a Performance Condition attached. A Performance Share is a type of Restricted Share and any reference herein to Restricted Shares shall be deemed to also apply to Performance Shares unless the context clearly indicates otherwise.

"Performance Unit" shall mean a Stock Unit that has a Performance Condition attached. A Performance Unit is a type of Stock Unit and any reference herein to Stock Units shall be deemed to also apply to Performance Units unless the context clearly indicates otherwise.

"Plan" shall mean this Stock Incentive Plan of Robert Half International Inc., as amended from time to time.

"Protiviti Participant" shall mean a Participant who is an employee of Protiviti Inc. (a Subsidiary) or its Subsidiaries.

"Protiviti Retirement" shall mean any voluntary termination of employment with the Company and its subsidiaries by the Protiviti Participant on or after the later to occur of: (a) the first day coinciding with or after the Protiviti Participant's 60th birthday, (b) the Protiviti Participant's completion of at least 25 years of cumulative service to the Company, Arthur Andersen LLP, Deloitte Touche Tohmatsu, PricewaterhouseCoopers, KPMG International, Ernst & Young International, and/or any of their respective affiliates, or any other industry-related service acceptable to the Committee, and (c) five years after the date that the Protiviti Participant was first employed by Protiviti Inc.

"Purchase Price" shall mean the consideration for which one Share may be acquired under the Plan (other than upon exercise of an Option), as specified by the Committee.

"Restricted Share" shall mean a Share awarded under Section 6 of the Plan.

"Restricted Share Award" shall mean the agreement between RHI and the recipient of a Restricted Share, or the notice to the recipient, which contains the terms, conditions and restrictions pertaining to such Restricted Shares.

"RHI" shall mean Robert Half International Inc., a Delaware corporation.

"SAR" shall mean a stock appreciation right granted under the Plan.

"SAR Award" shall mean the agreement between RHI and an Optionee, or the notice to the Optionee, which contains the terms, conditions and restrictions pertaining to his or her SAR.

"Section 16 Participant" shall mean a Participant who is subject to Section 16 of the Exchange Act with respect to transactions in RHI securities.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Service" shall mean service as an Eligible Participant.

"Share" shall mean one share of Stock, as adjusted in accordance with the adjustment provisions of the Plan (if applicable).

"Staffing/Headquarters Participant" shall mean a Participant other than a Protiviti Participant.

"Staffing/Headquarters Retirement" shall mean any voluntary termination by a Staffing/Headquarters Participant of employment with the Company on or after the later to occur of (a) the Staffing/Headquarters

Participant's 55^{th} birthday, or (b) the 20th anniversary of the Staffing/Headquarters Participant's first day of service with the Company as a full-time employee.

"Stock" shall mean the common stock of RHI.

"Stock Option Award" shall mean the agreement between RHI and an Optionee, or the notice to the Optionee, which contains the terms, conditions and restrictions pertaining to his Option.

"Stock Unit" shall mean a bookkeeping entry representing the equivalent of one Share, as awarded under the Plan.

"Stock Unit Award" shall mean the agreement between RHI and the recipient of a Stock Unit, or the notice to the recipient, which contains the terms, conditions and restrictions pertaining to such Stock Unit.

"Subsidiary" shall mean any corporation, if RHI and/or one or more other Subsidiaries own not less than fifty percent (50%) of the total combined voting power of all classes of outstanding stock of such corporation. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

"Total and Permanent Disability" shall mean a (i) a physical or mental condition which, in the judgment of the Committee based on competent medical evidence satisfactory to the Committee (including, if required by the Committee, medical evidence obtained by an examination conducted by a physician selected by the Committee), renders the Participant unable to engage in any substantial gainful activity for the Company and which condition is likely to result in death or to be of long, continued and indefinite duration, or (ii) a judicial declaration of incompetence.

"Vested" or "Vesting" shall mean that the relevant portion of the Award has satisfied its Vesting Schedule and shall be released to the Participant or may be exercised by the Participant, as applicable.

"Vesting Schedule" shall mean the requirement that all or a portion of an Award may not be released or exercised, as applicable, until a specified period of time shall have lapsed.

SECTION 3. ADMINISTRATION.

(a) Committee Procedures. One or more Committees appointed by the Board of Directors shall administer the Plan. The Board of Directors shall designate one of the members of the Committee as chairperson. Unless the Board of Directors provides otherwise, the Compensation Committee shall be the Committee. The Board of Directors may also at any time terminate the functions of the Committee and reassume all powers and authority previously delegated to the Committee.

The Committee shall have membership composition which enables (i) Awards to qualify for exemption under Rule 16b-3 with respect to persons who are subject to Section 16 of the Exchange Act and (ii) Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code to so qualify. Only the Compensation Committee may make Award grants and administer the Plan with respect to Section 16 Participants.

The Compensation Committee may also appoint one or more separate subcommittees composed of one or more directors of RHI who need not qualify under either Rule 16b-3 or Section 162(m) of the Code, who may administer the Plan with respect to persons who are not subject to Section 16 of the Exchange Act and/or Awards that are not intended to qualify as "performance-based compensation" under Section 162(m) of the Code.

(b) Committee Responsibilities. Subject to the provisions of the Plan, the Committee shall have full authority and discretion to take the following actions:

(i) To interpret the Plan and to apply its provisions;

(ii) To adopt, amend or rescind rules, procedures and forms relating to the Plan;

(iii) To authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;

(iv) To determine when Awards are to be granted under the Plan;

(v) To select the Eligible Participants who are to receive Awards under the Plan;

(vi) To determine the number of Shares to be made subject to each Award;

(vii) To prescribe the terms and conditions of each Award, including (without limitation, as applicable) the Exercise Price or Purchase Price, the Vesting Schedule of the Award (including accelerating the Vesting of Awards), any Performance Conditions and any other provisions relating to such Award;

(viii) To prescribe the terms and conditions of each Option, including (without limitation) the Exercise Price, the Vesting Schedule or duration of the Option (including accelerating the Vesting of the Option), whether such Option is to be classified as an ISO or as a Nonstatutory Option, and the provisions of the Stock Option Award relating to such Option;

(ix) To amend any outstanding Award subject to applicable legal restrictions and to the consent of the Participant who entered into such agreement;

(x) To prescribe the consideration for the grant of each Award under the Plan and to determine the sufficiency of such consideration;

(xi) To determine whether Awards under the Plan will be granted in replacement of other grants under an incentive or other compensation plan of an acquired business;

(xii) To correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any Award;

(xiii) To take any other actions deemed necessary or advisable for the administration of the Plan;

(xiv) To determine, at the time of granting an Award or thereafter, that such Award shall Vest as to all or part of the Shares subject to such Award in the event of a Change in Control.

(xv) To accelerate the Vesting, or extend the post-termination exercise term, of Awards at any time and under such terms and conditions as it deems appropriate.

In addition, without amending the Plan, the Committee may grant Awards under the Plan to eligible employees or Consultants who are foreign nationals on such terms and conditions different from those specified in this Plan as may in the judgment of the Committee be necessary or desirable to foster and promote achievement of the purposes of the Plan, and, in furtherance of such purposes the Committee may make such modifications, amendments, procedures, subplans and the like as may be necessary or advisable to comply with provisions of laws in other countries in which the Company operates or has employees.

Subject to the requirements of applicable law, the Board of Directors may authorize one or more officers of RHI to grant Awards and the Committee may designate persons other than members of the Committee to carry out its responsibilities, and the Committee may prescribe such conditions and limitations as it may deem appropriate, except that the Board of Directors or the Committee may not delegate its authority with regard to Awards to persons subject to Section 16 of the Exchange Act or Awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code. All decisions, interpretations and other actions of the Committee shall be final and binding on all Participants, and all persons deriving their rights from a Participant. No member of the Committee shall be liable for any action that he has taken or has failed to take in good faith with respect to the Plan or any Award.

Except arising from any action taken, or failure to act, in bad faith, each member of the Committee, or of the Board of Directors, shall be indemnified and held harmless by RHI against and from (i) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or any agreement under the Plan, and (ii) from any and all amounts paid by him or her, with RHI's prior approval, in settlement thereof or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided he or she shall have given RHI a reasonable opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under RHI's Certificate of Incorporation or Bylaws, by contract, as a matter of law, or otherwise, or under any power that RHI may have to indemnify them or hold them harmless.

SECTION 4. ELIGIBILITY.

(a) General Rule. Only Eligible Participants may be granted Awards. In addition, only individuals who are employed as common-law employees by the Company may be granted ISOs.

(b) Limitation on Awards. In any fiscal year of RHI, no individual shall receive Awards covering in excess of 2,000,000 Shares in the aggregate; provided, however, that Outside Directors may only receive Awards covering up to 15,000 Shares in the aggregate per Outside Director in any fiscal year of RHI. The limitations under this Subsection shall be subject to adjustment pursuant to the adjustment provisions of the Plan.

SECTION 5. STOCK SUBJECT TO PLAN.

(a) Basic Limitation. Shares offered under the Plan shall be authorized but unissued Shares or treasury Shares. The maximum aggregate number of Shares subject to awards under the Plan on and after May 22, 2014 shall not exceed 6,500,000 Shares. These limits shall be subject to the provisions of the next Subsection and shall be subject to adjustment pursuant to the adjustment provisions of the Plan. No fractional Shares shall be issued under the Plan.

(b) Additional Shares. If, on or after May 22, 2014, Restricted Shares are forfeited, then such Shares shall again become available for Awards under the Plan. If, on or after May 22, 2014, Stock Units, Options or SARs are forfeited or terminate for any reason before being exercised, then the corresponding Shares shall again become available for Awards under the Plan. If Stock Units are settled, then such Stock Units shall be counted in full against the number of Shares available for Awards regardless of the number of Shares (if any) actually issued in settlement of such Stock Units. If SARs are exercised, then such SARs shall be counted in full against the number of Shares available for Awards regardless of the number of Shares (if any) actually issued in settlement of such SARs. In the event that withholding tax liabilities arising from an Award other than an Option or SAR are satisfied on or after May 22, 2014 by the withholding of Shares by the Company, then the Shares so withheld shall again become available for Awards under the Plan. In the event that withholding tax liabilities arising from an Option or SAR are satisfied by the withholding of Shares by the Company, then the Shares so withheld shall not be added to the Shares available for Awards under the Plan. In addition, Shares that are exchanged by a Participant or withheld by the Company as full or partial payment in connection with the exercise or settlement of an Option or SAR shall not be available for subsequent Awards under the Plan and Shares repurchased on the open market with the proceeds of an Option exercise shall not again be made available for issuance under the Plan.

SECTION 6. RESTRICTED SHARES AND PERFORMANCE SHARES.

(a) Restricted Share Award. Each grant of Restricted Shares or Performance Shares under the Plan shall be evidenced by a Restricted Share Award between the recipient and RHI. Such Restricted Shares shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan, including those specified in any Other Agreement. The provisions of the various Restricted Share Awards entered into under the Plan need not be identical.

(b) Payment for Awards. Subject to the following sentence and applicable law, Restricted Shares may be sold or awarded under the Plan for such consideration as the Committee may determine, including (without limitation) cash, cash equivalents, past services and future services. To the extent that an Award consists of newly issued Restricted Shares, the Award recipient shall furnish consideration with a value not less than the par value of such Restricted Shares in the form of cash, cash equivalents, or past services rendered to the Company, as the Committee may determine. To the extent an Award of Restricted Shares consists solely of treasury shares, the Award may be made without consideration furnished by the recipient.

(c) Vesting. Each Award of Restricted Shares shall be subject to a Vesting Schedule. Vesting shall occur, in full or in installments, upon satisfaction of the conditions specified in the Restricted Share Award or as specified in any Other Agreement. Unless the Restricted Share Award or an Other Agreement provides otherwise, each grant of Restricted Shares shall Vest with respect to twenty-five percent (25%) of the Shares covered by the grant on each of the first through fourth anniversaries of the date of grant, provided that the Participant's Service has not terminated on the applicable Vesting date. A Restricted Share Award may provide for accelerated Vesting in the event of the Participant's Protiviti Retirement, Staffing/Headquarters Retirement, a Change in Control, or, if specified at the time of grant, termination of employment, including as provided in any Other Agreement. To the extent that an Award of Restricted Shares has not Vested prior to, or concurrently with, termination of a Participant's Service, such Award shall immediately terminate.

(d) Voting and Dividend Rights. The holders of Restricted Shares awarded under the Plan shall have the same voting, dividend and other rights as RHI's other stockholders except as provided in Sections 6(f) and 12 hereof.

(e) Assignment or Transfer of Restricted Shares. Except as provided herein, or in a Restricted Share Award, or as required by applicable law, Restricted Shares shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily, involuntarily or by operation of law until such shares have satisfied any applicable Vesting Schedule and Performance Conditions. Any act in violation of this Subsection shall be void. However, this Subsection shall not preclude a Participant from designating a beneficiary who will receive any outstanding Restricted Shares in the event of the Participant's death, nor shall it preclude a transfer of Restricted Shares by will or by the laws of descent and distribution.

(f) Dividends on Restricted Shares that Have Not Vested. Dividends may not be paid with respect to any portion of a Restricted Share Award that has not Vested. Any dividends declared with respect to any portion of such a Restricted Share Award prior to the Vesting of such portion shall be accrued. Such accrued dividends shall be paid within 30 days following Vesting, provided that any requirements of Section 12(k) have been satisfied. If all or a portion of such a Restricted Share Award terminates prior to Vesting, any accrued and unpaid dividends with respect to that portion of the Award shall be forfeited. After Vesting, dividends shall be paid as normal at the same time and to the same extent as dividends are paid on other Shares, provided that any applicable provisions of Section 12(k) have been satisfied.

(g) Release of Restricted Shares to Participants. So long as a Restricted Share is subject to forfeiture pursuant to a Vesting Schedule or Performance Condition, it shall be retained by the Company and shall not be released to a Participant, but such a Restricted Share shall be promptly released thereafter, subject to Section 12 hereof.

SECTION 7. TERMS AND CONDITIONS OF OPTIONS.

(a) Stock Option Award. Each grant of an Option under the Plan shall be evidenced by a Stock Option Award between the Optionee and RHI. Such Option shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions which are not inconsistent with the Plan, including those specified in any Other Agreement. The Stock Option Award shall specify whether the Option is an ISO or an NSO. The provisions of the various Stock Option Awards entered into under the Plan need not be identical. A Stock Option Award may not provide that a new Option will be granted automatically to the Optionee when he or she exercises a prior Option and pays the Exercise Price.

(b) Number of Shares. Each Stock Option Award shall specify the number of Shares that are subject to the Option and shall provide for the adjustment of such number in accordance with the adjustment provisions of the Plan. The maximum aggregate number of ISOs awarded under the Plan shall not exceed the number of Shares subject to the Plan under Section 5(a). The limitation of this Subsection shall be subject to adjustment pursuant to the adjustment provisions of the Plan.

(c) Exercise Price. Each Stock Option Award shall specify the Exercise Price. The Exercise Price of an Option shall not be less than 100 percent (100%) of the Fair Market Value of a Share on the date of grant. Subject to the foregoing in this Subsection, the Exercise Price under any Option shall be determined by the Committee at its sole discretion. The Exercise Price shall be payable in one of the forms permitted under the Plan.

(d) Exercisability and Term. Unless the Stock Option Award or an Other Agreement provides otherwise, each Option shall become exercisable with respect to twenty-five percent (25%) of the Shares covered by such Option on each of the first through fourth anniversaries of the date of grant, provided that the Participant's Service has not terminated on the applicable date. The term of an Option shall be ten (10) years from the date of grant unless the Stock Option Award provides for a shorter term. A Stock Option Award may provide for accelerated Vesting in the event of the Optionee's Protiviti Retirement, Staffing/Headquarters Retirement, a Change in Control, or, if specified at the time of grant, termination of employment, including as provided in any Other Agreement, and may provide for expiration prior to the end of its term in the event of the termination of the Optionee's Service, subject to the provisions of any Other Agreement. Options may be awarded in combination with SARs, and such an Award may provide that the Options will not be exercisable unless the related SARs are forfeited. Subject to the foregoing in this Subsection, the Committee at its sole discretion shall determine when all or any installment of an Option is to become exercisable and when an Option is to expire.

(e) Nontransferability. Except as set forth in a Stock Option Award, or as provided by an Other Agreement, with respect to an NSO, during an Optionee's lifetime, his Option(s) shall be exercisable only by him and shall not be transferable, and in the event of an Optionee's death, his Option(s) shall not be transferable other than by will or by the laws of descent and distribution.

(f) Exercise of Options Upon Termination of Service. Each Stock Option Award shall set forth the extent to which the Optionee shall have the right to exercise the Option following termination of the Optionee's Service, and the right to exercise the Option of any executors or administrators of the Optionee's estate or any person who has acquired such Option(s) directly from the Optionee by bequest or inheritance. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Options issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination of Service. Unless the Stock Option Award or an Other Agreement provides otherwise, Options which are not Vested at the time of an Optionee's termination of Service shall expire upon such termination, and any Vested Options shall remain outstanding and exercisable until the earlier of 90 days following such termination and the expiration of the Option's term. Notwithstanding the foregoing, if exercise of an Option during the 90-day period described in the previous sentence would subject the Optionee to liability under Section 16 of the Exchange Act by reason of transactions by the Optionee prior to the Optionee's termination of service ("Prior Transaction"), such Option shall be exercisable until the earliest of (a) its normal termination date and (b) the 30th day after the first date upon which the Optionee would not be subject to Section 16 liability by reason of the Prior Transaction. Notwithstanding the foregoing, in the event of an Optionee's Misconduct Termination, effective as of the date notice of such termination is given by the Committee to the

Optionee, all of the Optionee's Options (whether or not Vested) shall automatically terminate and lapse, unless the Committee shall determine otherwise.

(g) Modification, Extension and Renewal of Options. Within the limitations of the Plan, the Committee may modify, extend or renew outstanding Options. The foregoing notwithstanding, no modification of an Option shall, without the consent of the Optionee, impair his rights or increase his obligations under such Option. Options may not be repriced without the approval of RHI's stockholders.

SECTION 8. PAYMENT FOR OPTION SHARES.

(a) General Rule. The entire Exercise Price of Shares issued under the Plan shall be payable in lawful money of the United States of America, as permitted under this Section. Payment may be made by any combination of the methods described in this Section.

(b) Cash. Payment may be made by cash, check, wire transfer or similar means, subject to the requirements of applicable law.

(c) Surrender of Stock. Payment may be made all or in part by surrendering, or attesting to the ownership of, Shares which have been owned by the Optionee or his representative for such period of time required to avoid RHI's recognition of additional compensation expense with respect to the Option for financial reporting purposes as a result of the surrender or attestation of such previously owned shares. Such Shares shall be valued at their Fair Market Value on the date when the new Shares are purchased under the Plan.

(d) Cashless Exercise. To the extent permitted by applicable law, payment may be made all or in part by delivery (on a form prescribed by the Committee) of an irrevocable direction to a securities broker to sell Shares and to deliver all or part of the sale proceeds to RHI in payment of the aggregate Exercise Price and applicable tax withholding.

(e) Other Forms of Payment. To the extent that a Stock Option Award so provides, payment may be made in any other form that is consistent with applicable laws, regulations and rules.

Notwithstanding anything to the contrary in this Section or in any agreement under the Plan, the Committee may disallow the use of any type of payment that the Committee determines, in its sole discretion, would result in adverse accounting or legal consequences to the Company or Affiliate.

SECTION 9. STOCK APPRECIATION RIGHTS.

(a) SAR Award. Each grant of a SAR under the Plan shall be evidenced by a SAR Award between the Optionee and RHI. Such SAR shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan, including those specified in any Other Agreement. The provisions of the various SAR Awards entered into under the Plan need not be identical. A SAR Award may not provide that a new SAR will be granted automatically to the holder thereof when he or she exercises a prior SAR.

(b) Number of Shares. Each SAR Award shall specify the number of Shares to which the SAR pertains and shall provide for the adjustment of such number in accordance with the adjustment provisions of the Plan.

(c) Exercise Price. Each SAR Award shall specify the Exercise Price, which may not be less than 100 percent (100%) of the Fair Market Value of a Share on the date of grant. A SAR Award may specify an Exercise Price that varies in accordance with a predetermined formula while the SAR is outstanding.

(d) Exercisability and Term. Unless the SAR Award or an Other Agreement provides otherwise, each SAR shall become exercisable with respect to twenty-five percent (25%) of the Shares covered by such SAR on each of the first through fourth anniversaries of the date of grant, provided that the Participant's Service has not terminated on the applicable date. The term of the SAR shall be ten (10) years from the date of grant unless the SAR Award provides for a shorter term. A SAR Award may provide for accelerated exercisability in the event of the Optionee's Protiviti Retirement, Staffing/Headquarters Retirement, a Change in Control, or, if specified at the time of grant, termination of employment, including as provided in any Other Agreement, and may provide for expiration prior to the end of its term in the event of the termination of the Optionee's Service, subject to the provisions of any Other Agreement. SARs may be awarded in combination with Options, and such an Award may provide that the SARs will not be exercisable unless the related Options are forfeited. A SAR may be included in an ISO only at the time of grant but may be included in an NSO at the time of grant or thereafter. A SAR granted under the Plan may provide that it will be exercisable only in the event of a Change in Control.

(e) Exercise of SARs. The SAR Award may provide that, upon exercise of a SAR, the Optionee (or any person having the right to exercise the SAR after his or her death) shall receive from RHI (a) Shares, (b) cash or (c) a combination of Shares and cash. Unless otherwise provided in the SAR Award or an Other Agreement, upon exercise of a SAR, the Optionee (or any person having the right to exercise the SAR after his or her death) shall receive Shares from RHI. The amount of cash and/or the Fair Market Value of Shares received upon exercise of SARs shall, in the aggregate, be equal to the amount by which the Fair Market Value (on the date of surrender) of the Shares subject to the SARs exceeds the Exercise Price. Unless the SAR Award or an Other Agreement provides otherwise, SARs which have not Vested at the time of an Optionee's termination of Service shall expire upon such termination, and any Vested SARs which have not been exercised shall remain outstanding and exercisable until the earlier of 90 days following such termination and the expiration of the SAR's term. Notwithstanding the foregoing, if exercise of a SAR during the 90-day period described in the previous sentence would subject the Participant to liability under Section 16 of the Exchange Act by reason of transactions by the Participant prior to the Participant's termination of Service, such SAR shall be exercisable until the earliest of (a) its normal termination date and (b) the 30^{th} day after the first date upon which the Participant would not be subject to Section 16 liability by reason of the prior transactions. Notwithstanding the foregoing, in the event of an Optionee's Misconduct Termination, effective as of the date notice of such termination is given by the Committee to the Optionee, all of the Optionee's SARs (whether or not Vested) shall automatically terminate and lapse, unless the Committee shall determine otherwise.

(f) Modification or Assumption of SARs. Within the limitations of the Plan, the Committee may modify, extend or renew outstanding SARs. The foregoing notwithstanding, no modification of a SAR shall, without the consent of the Optionee, impair his rights or increase his obligations under such SAR. SARs may not be repriced without the approval of RHI's stockholders.

SECTION 10. STOCK UNITS AND PERFORMANCE UNITS.

(a) Stock Unit Award. Each grant of Stock Units or Performance Units under the Plan shall be evidenced by a Stock Unit Award between the recipient and RHI. Such Stock Units shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan, including those specified in any Other Agreement. The provisions of the various Stock Unit Awards entered into under the Plan need not be identical.

(b) Payment for Awards. To the extent that an Award is granted in the form of Stock Units, no cash consideration shall be required of the Award recipients.

(c) Vesting Conditions. Each Award of Stock Units shall be subject to a Vesting Schedule. Vesting shall occur, in full or in installments, upon satisfaction of the conditions specified in the Stock Unit Award or as specified in any Other Agreement. Unless the Stock Unit Award or an Other Agreement provides otherwise, each grant of Stock Units shall become exercisable with respect to twenty-five percent (25%) of the Shares covered by the grant on each of the first through fourth anniversaries of the date of grant, provided that the Participant's Service has not terminated on the applicable date. A Stock Unit Award may provide for accelerated Vesting in the event of the Participant's Protiviti Retirement, Staffing/Headquarters Retirement, a Change in Control, or, if specified at the time of grant, termination of employment, including as provided in any Other Agreement. To the extent that an Award of Stock Units has not Vested prior to, or concurrently with, termination of a Participant's Service, such Award shall immediately terminate.

(d) Voting and Dividend Rights. The holders of Stock Units shall have no voting rights. Prior to settlement or forfeiture, any Stock Unit awarded under the Plan may, at the Committee's discretion, carry with it a right to dividend equivalents. Such right entitles the holder to be credited with an amount equal to all cash dividends paid on one Share while the Stock Unit is outstanding. Dividend equivalents may not be converted into additional Stock Units. Settlement of dividend equivalents may be made only in the form of cash. Prior to distribution, any dividend equivalents which are not paid shall be subject to the same conditions and restrictions as the Stock Units to which they attach.

(e) Form and Time of Settlement of Stock Units. Settlement of Vested Stock Units may be made in the form of (a) cash, (b) Shares or (c) any combination of both, as determined by the Committee. Methods of converting Stock Units into cash may include (without limitation) a method based on the average Fair Market Value of Shares over a series of trading days. Vested Stock Units may be settled in a lump sum or in installments. The distribution may occur or commence when all Vesting conditions applicable to the Stock Units have been satisfied or have lapsed, or it may be deferred, in accordance with applicable law, to any later date. The amount of a deferred distribution may be increased by an interest factor or by dividend equivalents. Until an Award of Stock Units is settled, the number of such Stock Units shall be subject to adjustment pursuant to the adjustment provisions of the Plan.

(f) Death of Recipient. Any Stock Units Award that becomes payable after the recipient's death shall be distributed to the recipient's beneficiary or beneficiaries. Each recipient of a Stock Units Award under the Plan shall designate one or more beneficiaries for this purpose by filing the prescribed form with RHI. A beneficiary designation may be changed by filing the prescribed form with RHI at any time before the Award recipient's death. If no beneficiary was designated or if no designated beneficiary survives the Award recipient, then any Stock Units Award that becomes payable after the recipient's death shall be distributed to the recipient's estate.

(g) Creditors' Rights. A holder of Stock Units shall have no rights other than those of a general creditor of RHI. Stock Units represent an unfunded and unsecured obligation of RHI, subject to the terms and conditions of the applicable Stock Unit Award.

(h) Assignment or Transfer of Stock Units. Except as provided herein, or in a Stock Unit Award, or as required by applicable law, Stock Units shall not be anticipated, assigned, attached, garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily, involuntarily or by operation of law. Any act in violation of this Subsection shall be void. However, this Subsection shall not preclude a Participant from designating a beneficiary who will receive any outstanding Stock Units in the event of the Participant's death, nor shall it preclude a transfer of Stock Units by will or by the laws of descent and distribution.

SECTION 11. NO RIGHTS AS A STOCKHOLDER

A Participant shall have no rights as a stockholder with respect to any Award until the date of the issuance of a stock certificate for any Shares covered by such award. No adjustments shall be made, except as provided in the adjustment provisions of the Plan.

SECTION 12. PERFORMANCE CONDITIONS.

(a) Any Award may be made subject to one or more Performance Conditions in addition to the Vesting Schedule imposed upon such grant.

(b) The determination as to whether any such grant is subject to a Performance Condition shall be made on or prior to the date of grant.

(c) The Performance Condition shall operate as specified in this Section.

(d) Except in the case of Awards not intended to qualify as "performance-based compensation" under Code Section 162(m), if an Award is made subject to a Performance Condition, the Committee shall be required to establish the Performance Period, Adjustment Provisions and Performance Goal for such Performance Condition no later than the time permitted by Section 162(m) of the Internal Revenue Code. In addition, the Compensation Committee shall determine how any forfeitures occurring as a result of a Performance Condition shall be allocated with respect to the Vesting Schedule of the Award.

(e) After the completion of the Performance Period relating to a Performance Condition, the Chief Financial Officer shall, with respect to each Award made subject to such Performance Condition, calculate the effect of the Adjustment Provisions on the Award and deliver such calculation to the Committee.

(f) The Committee shall review the information submitted by the Chief Financial Officer and certify, in writing, its determination with respect to the impact of the Adjustment Provisions on the Award and the Final Award.

(g) If a portion of an Award made subject to a Performance Condition shall Vest prior to the satisfaction of any Performance Condition applicable to such portion by reason of death, Total and Permanent Disability or, if applicable, a Change in Control, then the Performance Condition shall be cancelled and none of such Award shall be subject to reduction or forfeiture as provided by the Performance Condition. Such Award shall be treated in accordance with the terms of this Plan relating to Vested shares.

(h) If a portion of an Award made subject to a Performance Condition shall Vest prior to the satisfaction of any Performance Condition applicable to such portion for any reason other than death, Total and Permanent Disability or a Change in Control, such portion of the Award shall not be released to or exercised by the Participant until after the Certification Date. No such Vesting shall in any way be deemed a satisfaction, waiver or cancellation of the Performance Condition, and such portion shall remain subject to reduction and forfeiture as provided by the Performance Condition.

(i) Dividends may not be paid with respect to any Share subject to a Performance Condition until the Final Award with respect to such Share has been determined. Any dividends declared on any Shares prior to such determination shall be accrued. After determination of the Final Award, such accrued dividends shall be paid, subject to Section 6(f) hereof; provided, however, that if the Final Award is less than the Original Award, any accrued dividends attributable to the portion of the Award that has been forfeited shall also be forfeited. After determination of the Final Award has been made and Section 6(f) has been satisfied, dividends shall be paid as normal on such Shares at the same time and to the same extent as dividends are paid on other Shares.

SECTION 13. TERMINATION OF SERVICE; LEAVES OF ABSENCE.

Subject to the last sentence of this Section, a Participant's Service shall terminate when such person ceases to be an Eligible Participant as determined in the sole discretion of the Committee. A Participant's Service does not terminate if he or she is a common-law employee and goes on a bona fide leave of absence of less than six (6) consecutive months that was approved by the Company in writing and the terms of the leave provide for continued service crediting, or when continued service crediting is required by applicable law. However, for purposes of determining whether an Option is entitled to ISO status, a common-law employee's Service will be treated as terminating ninety (90) days after such employee went on leave, unless such employee's right to return to active work is guaranteed by law or by a contract. Service terminates in any event when the approved leave ends, unless such employee immediately returns to active work. The Committee determines which leaves count toward Service, and when Service terminates for all purposes under the Plan. Notwithstanding the foregoing, an Outside Director's Service shall terminate when he or she is neither a member of the Board of Directors or a Consultant to RHI.

SECTION 14. DEATH; TOTAL AND PERMANENT DISABILITY.

All Awards granted to any Participant shall Vest upon such Participant's death or termination of the Participant's Service due to Total and Permanent Disability.

SECTION 15. PERSONS SUBJECT TO SECTION 16 OF THE EXCHANGE ACT.

Any Award held by an individual who is a an Outside Director on both of (a) the grant date of such Award and (b) the effective date of a Change in Control, shall Vest upon the effective date of such Change in Control. Any Option or SAR Award held by an individual who is a Section 16 Participant at either or both of (a) the grant date of such Award or (b) the effective date of such individual's Outside Director Retirement, Protiviti Retirement or Staffing/Headquarters Retirement, as the case may be, shall Vest upon the effective date of such retirement. Any Options or SARs held by a Section 16 Participant which Vest by reason of the provisions of this Section or by reason of death or Total and Permanent Disability shall remain outstanding until the earlier of its exercise or its original term.

SECTION 16. ADJUSTMENT OF SHARES.

(a) Adjustments. In the event of a subdivision of the outstanding Stock, or stock split or reverse stock split, a declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the price of Shares, a combination or consolidation of the outstanding Shares (by reclassification or otherwise) into a lesser number of Shares, a recapitalization, reorganization, merger, liquidation, a spin-off, exchange of shares or a similar occurrence (as determined by the Committee in its sole discretion), the Committee shall make such adjustments as it, in its sole discretion, deems appropriate in one or more of:

(i) The number of Shares, Options, SARs, Restricted Shares and Stock Units available for future Awards under the Plan;

(ii) The per person per fiscal year limitations on Awards under the Plan and the maximum aggregate number of ISOs that may be awarded under the Plan;

(iii) The number of Shares covered by each outstanding Award;

(iv) The Exercise Price under each outstanding Option and SAR; or

(v) The number of Stock Units included in any prior Award which has not yet been settled.

Except as provided in this Section, a Participant shall have no rights by reason of any issue by RHI of stock of any class or securities convertible into stock of any class, any subdivision or consolidation of shares of stock of any class, the payment of any dividend or any other increase or decrease in the number of shares of stock of any class.

Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), the terms of outstanding Awards may not be amended to reduce the exercise price of outstanding Options or SARs or cancel outstanding Options or SARS in exchange for cash, other Awards or Options or SARs with an exercise price that is less than the exercise price of the original Options or SARs without stockholder approval.

(b) Dissolution or Liquidation. To the extent not previously exercised or settled, Options, SARs and Stock Units shall terminate immediately prior to the dissolution or liquidation of RHI.

(c) Reorganizations. In the event that RHI is a party to a merger or other reorganization, outstanding Awards shall be subject to the agreement of merger or reorganization. Such agreement may provide for:

(i) The continuation of the outstanding Awards by RHI, if RHI is a surviving corporation;

(ii) The assumption of the outstanding Awards by the surviving corporation or its parent or subsidiary;

(iii) The substitution by the surviving corporation or its parent or subsidiary of its own awards for the outstanding Awards;

(iv) Full exercisability or Vesting and accelerated expiration of the outstanding Awards; or

(v) Settlement of the full value of the outstanding Awards in cash or cash equivalents followed by cancellation of such Awards.

(d) Reservation of Rights. Except as provided in this Section, a Participant shall have no rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend or any other increase or decrease in the number of shares of stock of any class. Any issue by RHI of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to an Award or the Exercise Price. The grant of an Award pursuant to the Plan shall not affect in any way the right or power of RHI to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

SECTION 17. AWARDS UNDER OTHER PLANS.

RHI may grant awards under other plans or programs. Such awards may be settled in the form of Shares issued under this Plan. Such Shares shall be treated for all purposes under the Plan like Shares issued in settlement of Stock Units and shall, when issued, reduce the number of Shares available under the Plan.

SECTION 18. LEGAL AND REGULATORY REQUIREMENTS.

No Option may be exercised and no Stock may be issued or transferred pursuant to an award unless the Committee shall determine that such exercise, issuance or transfer complies with all relevant provisions of law, including, without limitation, the Securities Act, the Exchange Act, applicable state securities laws, and rules and regulations promulgated under each of the foregoing, and the requirements of any stock exchange upon which the Stock may then be listed or quotation system upon which the Stock may be quoted, and shall be further subject to the approval of counsel for RHI with respect to such compliance. If the Stock subject to this Plan is not registered under the Securities Act and under applicable state securities laws, the Committee may require that the Participant deliver to RHI such documents as counsel for RHI may determine are necessary or advisable in order to substantiate compliance with applicable securities laws and the rules and regulations promulgated thereunder. In no event shall RHI deliver, or be deemed obligated to deliver, cash in lieu of any Share by reason of any failure to satisfy the foregoing provisions.

So long as any restrictions or obligations imposed pursuant to this Plan shall apply to a Share, each certificate evidencing such Share shall bear an appropriate legend referring to the terms, conditions and restrictions. In addition, RHI may instruct its transfer agent that shares of Stock evidenced by such certificates may not be transferred without the written consent of RHI. Any attempt to dispose of such shares of Stock in contravention of such terms, conditions and restrictions shall be invalid. Certificates representing shares that have not Vested or with respect to which minimum withholding taxes have not been paid will be held in custody by RHI or such bank or other institution designated by the Committee.

SECTION 19. WITHHOLDING TAXES.

(a) General. To the extent required by applicable federal, state, local or foreign law, a Participant or his or her successor shall make arrangements satisfactory to RHI for the satisfaction of any withholding tax obligations that arise in connection with the Plan. RHI shall not be required to issue any Shares or make any cash payment under the Plan until such obligations are satisfied. In the event that such withholding taxes are not paid on a timely basis, as determined by RHI in its sole discretion, to the extent permitted by law RHI shall have the right, but not the obligation, to cause such withholding taxes to be satisfied by reducing the number of Shares or cash (if applicable) deliverable or by offsetting such withholding taxes against amounts otherwise due from the Company to the Participant. If withholding taxes are paid by reduction of the number of Shares deliverable to Optionee, such shares shall be valued at the Fair Market Value as of the date of exercise.

(b) Share Withholding. Unless otherwise provided by the Committee, a Participant may satisfy all or part of his or her minimum withholding or income tax obligations by having RHI withhold all or a portion of any Shares that otherwise would be issued to him or her or by surrendering all or a portion of any Shares that he or she previously acquired. Subject to applicable law and accounting considerations, such Shares shall be valued at their Fair Market Value on the date when taxes otherwise would be withheld in cash. A Participant may elect to surrender, or attest to the ownership of, previously acquired Shares in excess of the amount required to satisfy his or her minimum withholding or income tax obligations provided that such Shares have been held by the Participant for such period of time required to avoid RHI's recognition of additional compensation expense for financial reporting purposes as a result of the surrender or attestation of such previously owned shares.

SECTION 20. NO EMPLOYMENT OR REELECTION RIGHTS.

No provision of the Plan, nor any right or Award granted under the Plan, shall be construed to give any person any right to become, to be treated as, or to remain an Eligible Participant. RHI and its Subsidiaries and Affiliates reserve the right to terminate any person's Service at any time and for any reason, with or without notice. No provision of the Plan nor any right or Award granted under the Plan shall be construed to create any obligation on the part of the Board of Directors to nominate any Outside Director for reelection by RHI's stockholders, or confer upon any Outside Director the right to remain a member of the Board of Directors for any period of time, or at any particular rate of compensation.

SECTION 21. DURATION AND AMENDMENTS.

(a) Term of the Plan. The Plan, as set forth herein, shall terminate automatically on the meeting of the stockholders of RHI in 2019, unless re-adopted or extended by RHI's stockholders prior to or on such date and may be terminated on any earlier date by the Board of Directors or the Compensation Committee, as described in the next Subsection.

(b) Right to Amend or Terminate the Plan. The Board of Directors or, to the extent permitted by applicable laws, rules or regulations, the Compensation Committee may amend or terminate the Plan at any time and from time to time. Rights and obligations under any Award granted before amendment or termination of the Plan shall not be materially impaired by such amendment or termination, except with consent of the person to whom the Award was granted. An amendment of the Plan shall be subject to the approval of RHI's stockholders to the extent required by applicable laws, regulations or rules, including, but not limited to, any applicable rules or regulations of the New York Stock Exchange. In addition, no material amendment may be made to the plan without the approval of RHI's stockholders.

(c) Effect of Amendment or Termination. No Shares shall be issued or sold under the Plan after the termination thereof, except upon exercise of an Award granted prior to such termination. The termination of the Plan, or any amendment thereof, shall not adversely affect any Shares previously issued or any Awards previously granted under the Plan.

SECTION 22. PLAN EFFECTIVENESS.

This Plan shall become effective upon its approval by RHI's stockholders. Upon its effectiveness, the Plan shall supersede the Existing Equity Plans such that no further awards shall be made under the Existing Equity Plans. This Plan shall not, in any way, affect awards under the Existing Equity Plans that are outstanding as of the date this Plan becomes effective. If RHI's stockholders do not approve this Plan, no Awards will be made under this Plan and the Existing Equity Plans will continue in effect in accordance with their terms.

EXHIBIT 31.1

Certification Pursuant to Rule 13a-14 under the Securities Exchange Act of 1934

I, Harold M. Messmer, Jr., certify that:

1. I have reviewed this report on Form 10-Q of Robert Half International Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2014

/s/ Harold M. Messmer, Jr.

Harold M. Messmer, Jr.
Chairman & CEO

EXHIBIT 31.2

Certification Pursuant to Rule 13a-14 under the Securities Exchange Act of 1934

I, M. Keith Waddell, certify that:

1. I have reviewed this report on Form 10-Q of Robert Half International Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 31, 2014

/s/ M. Keith Waddell

M. Keith Waddell
Vice Chairman, President & CFO

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2014 of Robert Half International Inc. (the “Form 10-Q”), I, Harold M. Messmer, Jr., Chief Executive Officer of Robert Half International Inc., certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Robert Half International Inc.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Robert Half International Inc. and will be retained by Robert Half International Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Harold M. Messmer, Jr.

Harold M. Messmer, Jr.
Chief Executive Officer
Robert Half International Inc.

October 31, 2014

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2014 of Robert Half International Inc. (the “Form 10-Q”), I, M. Keith Waddell, Chief Financial Officer of Robert Half International Inc., certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Robert Half International Inc.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Robert Half International Inc. and will be retained by Robert Half International Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ M. Keith Waddell

M. Keith Waddell
Chief Financial Officer
Robert Half International Inc.

October 31, 2014