

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4086 / May 18, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16540

In the Matter of

STEPHEN L. KIRKLAND,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
AND NOTICE OF HEARING

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”), against Stephen L. Kirkland (“Respondent” or “Kirkland”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Kirkland, 51, of Snellville, Georgia has a degree in ophthalmology and purports to have worked as an optician and an independent insurance agent. Kirkland holds himself out as an investment consultant, but has never been associated with any entity registered with the Commission. In conjunction with the sale of securities, Kirkland advised investors to use Westover Energy Trading Partners, LLC (“Westover”) as an investment adviser. From late 2008 through late 2010, Kirkland acted as an investment adviser, as that term is defined under Section 202(a)(11) of the Advisers Act.

B. PERMANENT INJUNCTION AGAINST STEPHEN L. KIRKLAND

2. On April 15, 2015, an Order of Permanent Injunction was entered by consent against Kirkland, permanently enjoining him from future violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder and Sections 206(1) and 206(2) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Stephen L. Kirkland and The Kirkland Organization, Inc., Civil Action No. 1:13-cv-3150-MHC, in the United States District Court for the Northern District of Georgia.

3. The Commission's complaint in the civil action alleged that from late 2008 through late 2010, Kirkland and The Kirkland Organization, Inc. ("TKO") repeatedly made false and misleading statements to investors and potential investors in the United States and abroad in connection with the sale of securities, including but not limited to: (a) if they invested with Kirkland and TKO through a managed account at Westover, there would be no risk of losing their principal; (b) they would earn 2% to 3% per month; (c) a specified New York real estate developer/owner was a manager of Westover; and (d) the New York real estate developer/owner's substantial wealth would be used to indemnify investors against loss. Investors in the United States and England invested at least \$800,000 with Kirkland and TKO based upon those false representations.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against

him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary pursuant to delegated authority.

Brent J. Fields
Secretary