

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 82838 / March 9, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18394

In the Matter of

DEBORAH D. KELLEY,

Respondent.

ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Deborah D. Kelley (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over her and the subject matter of these proceedings, and the findings contained in paragraph III.2 below: and consents to the entry of this Order Instituting Public Administrative Proceedings Pursuant To Section 15(b) Of The Securities Exchange Act Of 1934, Making Findings, And Imposing Remedial Sanctions (“Order”), as set forth below.

III.

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

1. Deborah D. Kelley, age 59, resides in Piedmont, California. From January 2012 to September 2015, Kelley was a registered representative of a registered broker-dealer based in Birmingham, Alabama, and its successor, a registered broker-dealer based in St. Louis, Missouri.

From October 2015 to December 2016, Kelley was a registered representative of a registered broker-dealer based in New York, New York.

2. On May 30, 2017, Kelley pled guilty to one count of conspiracy to commit securities fraud, in violation of 18 U.S.C. § 371, before the United States District Court for the Southern District of New York, in *United States v. Deborah Kelley*, 1:16-cr-837.

3. The count to which Kelley pled guilty alleged, among other things that, from on or about 2014 to 2016, Kelley willfully and knowingly committed securities fraud by engaging in a scheme with a co-conspirator, who served as a director of the New York State Common Retirement Fund (“NYSCRF”), to defraud NYSCRF. Specifically, the superseding information alleged, in relevant part, that Kelley paid for the co-conspirator’s ski trip to Park City, Utah, which the co-conspirator did not disclose to the NYSCRF.

4. As a result of this conduct, on September 29, 2017, Kelley was sentenced to three years of probation, with six months of home confinement and one thousand hours of community service. In addition, Kelley forfeited \$187,991.19 and was fined \$50,000.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Kelley’s Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Kelley be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Kelley be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order;

and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

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

Brent J. Fields
Secretary