UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  

INVESTMENT ADVISERS ACT OF 1940  

ADMINISTRATIVE PROCEEDING  
File No. 3-13110  

ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 203(f) OF  
THE INVESTMENT ADVISERS ACT  
OF 1940, 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 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") against Kevin 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, and without admitting or denying the  
findings herein, except as to the Commission’s jurisdiction over him and the subject matter of  
these proceedings, and the findings contained in Section III.2 below, which are admitted,  
Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant  
to Section 203(f) of the Investment Advisers Act of 1940, 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. Respondent was a principal of, and associated with, Northshore Asset  
Management LLC, an unregistered investment adviser. Respondent, 52 years old, is a former  
resident of Greenwich, Connecticut, and is currently in the custody of the Federal Bureau of  
Prisons.
2. On May 19, 2008, a final judgment was entered by consent against Respondent, 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. Northshore Asset Management LLC, et al., 05 Civ. 2192 (WHP), in the United States District Court for the Southern District of New York.

3. The Commission’s complaint alleges, among other things, that Respondent misused and misappropriated investor and client funds.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act that Respondent be, and hereby is, barred from association with any investment adviser.

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.

Florence E. Harmon
Acting Secretary