

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Rel. No. 66259 / January 26, 2012

INVESTMENT ADVISERS ACT OF 1940
Rel. No. 3366 / January 26, 2012

Admin. Proc. File No. 3-13655

In the Matter of

THEODORE W. URBAN

ORDER DISMISSING
PROCEEDING

On October 19, 2009, the Commission issued an order instituting administrative proceedings ("OIP") against Theodore W. Urban,¹ formerly the general counsel, executive vice president, and member of the Board of Directors of Ferris Baker Watts, Inc. ("FBW"), a registered broker-dealer and investment adviser.² The OIP alleged that FBW registered representative Stephen Glantz violated the anti-fraud provisions of the securities laws, that Urban was a supervisor of Glantz, and that Urban failed to exercise this supervision reasonably, within the meaning of Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940.³ In a decision issued September 8, 2010, an administrative law judge found that Glantz engaged in securities laws violations and that Urban was his supervisor. The law judge dismissed the proceedings against Urban, however, because she found that Urban did not fail to exercise that supervision reasonably.⁴

¹ Securities Exchange Act Rel. No. 60837 (Oct. 19, 2009), 96 SEC Docket 21500.

² FBW was acquired by the Royal Bank of Canada in 2008 and now operates under the name RBC Wealth Management.

³ 15 U.S.C. §§ 78o(b); 80b-3(f).

⁴ Initial Dec. Rel. No. 402 (Sept. 8, 2010), 99 SEC Docket 32157.

On appeal, the Commission is evenly divided as to whether the allegations in the OIP have been established. Accordingly, it is

ORDERED that the proceeding instituted against Theodore W. Urban be, and it hereby is, dismissed.⁵

By the Commission (Commissioners AGUILAR and PAREDES; Chairman SCHAPIRO and Commissioners WALTER and GALLAGHER not participating).

Elizabeth M. Murphy
Secretary

⁵ See Commission Rule of Practice 411(f), 17 C.F.R. § 201.411(f) ("In the event a majority of participating Commissioners do not agree to a disposition on the merits, the initial decision shall be of no effect, and an order will be issued in accordance with this result."); *Jeffrey Steinberg*, 58 S.E.C. 670 (2005) (dismissing proceeding where the "Commission [was] evenly divided as to whether the allegations . . . [were] established").

Urban has requested oral argument. Under Commission Rule of Practice 451(a), 17 C.F.R. § 201.451(a), we grant requests for oral argument with respect to the review of initial decisions of hearing officers except in "exceptional circumstances." However, "because the issues here have been thoroughly briefed, and given the resolution of this matter, we believe there is no prejudice" to Urban in denying his request for oral argument. *D.E. Wine Invs., Inc.*, 54 S.E.C. 1213, 1221 n.25 (2001). We therefore deny his request, and we deny as moot the pending motion of the amici curiae in this case to participate in oral argument.

We also deny Urban's Motion to Strike the Division's References to Information Not Admitted As Evidence in the Record, which primarily concerns evidence relevant to a determination of sanctions, a question we do not reach. Finally, we deny Urban's Motion to Adduce Additional Evidence Not in the Record, which seeks to introduce an index to the investigative file in this case, because the index is not material to Urban's assertion that the OIP failed to provide adequate notice of the underlying securities law violations at issue here. See Commission Rule of Practice 452, 17 C.F.R. § 201.452 (requiring that motions to adduce additional evidence "show with particularity that such evidence is material and that there were reasonable grounds for failure to adduce such evidence previously").