



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Financial Practices

March 3, 2004

By Facsimile Transmission to (410) 532-2444

Stephen H. Sachs, Esq.
Wilmer, Cutler & Pickering
100 Light Street
Baltimore, Maryland 21202

Re: Venable, Baetjer and Howard, LLP

Dear Mr. Sachs

As you know, the Division of Financial Practices staff has conducted an investigation into possible violations by your client, Venable, Baetjer and Howard, LLP ("Venable"), of Section 521(b) of the Gramm-Leach-Bliley Act ("GLBA"), 15 U.S.C. § 6821(b), the so-called "pretexting" provision. This section prohibits the solicitation of persons to obtain customer information of financial institutions, knowing that the information will be obtained under false pretenses. The investigation focused on whether certain Venable attorneys violated this provision of the GLBA when they ordered such information regarding third parties from various information brokers.

Our investigation has revealed facts that raise significant concerns. In sum, we believe that certain Venable attorneys placed orders with information brokers to obtain sensitive financial information about consumers for litigation purposes, and that those brokers or their agents likely used pretexting to obtain that information. We know of no legal means, other than conventional discovery, or seeking a court order, to obtain the sensitive financial information of individual consumers without the consent of the consumer.

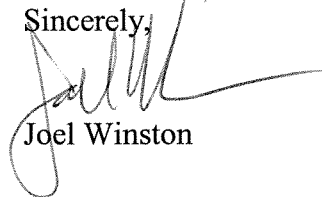
We further believe there was substantial information available that, at a minimum, should have put the attorneys on notice of the likelihood that this information would be obtained wrongfully. Finally, we believe that Venable failed to take adequate steps to educate its attorneys about the requirements of GLBA or put other measures in place to prevent such practices.

Despite these concerns, we have determined to close the investigation for several reasons. First, Venable has represented that it has taken steps to educate its attorneys and employees about the anti-pretexting provisions of the GLBA, and has taken additional steps to ensure that its attorneys and employees will not violate these provisions. Second, there were a limited number of instances in which Venable attorneys ordered financial information searches from brokers, the last of which was several years ago. Third, all of the orders were placed within a relatively short

time after enactment of the statute. Accordingly, it appears that no further action is warranted by the Commission at this time.

This closing is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel Winston", with a long horizontal flourish extending to the right.

Joel Winston

cc: David Medine, Esq.