

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 64295 / April 13, 2011**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12737**

**In the Matter of**

**FOLGER NOLAN FLEMING DOUGLAS  
CAPITAL MANAGEMENT, INC.,  
NEIL C. FOLGER and  
DAVID M. BROWN,**

**Respondents.**

**ORDER APPROVING  
PLAN OF DISTRIBUTION**

On August 23, 2007, the Securities and Exchange Commission (“Commission”) issued a settled Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (Rel. No. IA-2639) against Folger Nolan Fleming Douglas Capital Management, Inc. (“Folger Nolan Capital Management”), Neil C. Folger, and David M. Brown. Pursuant to the Order, Folger Nolan Capital Management paid a total of \$244,921 in disgorgement and prejudgment interest to the Commission, and a Distribution Fund was established for subsequent distribution of these funds to eligible investors.

On March 1, 2011, the Commission issued a “Notice of Proposed Plan of Distribution and Opportunity for Comment” (“Notice”) in connection with this proceeding pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1103 (See Rel. No. 34-63994). This Notice advised interested parties that they could obtain a copy of the proposed plan of distribution of monies placed into the Distribution Fund (“Distribution Plan”) by printing a copy from the Commission’s public website or by submitting a written request to Brendan P. McGlynn, Assistant Regional Director, United States Securities and Exchange Commission, 701 Market Street, Suite 2000, Philadelphia, PA 19106.

The Notice also advised that all persons desiring to comment on the Distribution Plan could submit their views, in writing, within 30 days of the date of the Notice, to the Office of the Secretary, United States Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549-1090; by using the Commission's Internet comment form; or by sending an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). The Commission received no comments on the Distribution Plan.

The Distribution Plan states that monies from the Distribution Fund will be distributed to approximately 100 Folger Nolan Capital Management clients ("Eligible Clients") who were harmed by Folger Nolan Capital Management's conduct, utilizing a methodology delineated in the Distribution Plan. The Eligible Clients will not be required to make a claim or submit documentation to establish their eligibility. The Distribution Plan further describes the procedures that will be used to calculate and distribute the total amounts to be paid to Eligible Clients from the Distribution Fund.

The Division of Enforcement requests that the Commission approve the Distribution Plan as written. The Division also requests that the Commission approve the appointment of Brendan P. McGlynn, a Commission employee, as the Fund Administrator, as proposed in the Distribution Plan.

The Commission finds that the Distribution Plan provides for an appropriate distribution of the monies paid by Folger Nolan Capital Management pursuant to the Order.

Accordingly, IT IS HEREBY ORDERED, pursuant to Rule 1104 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1104, that the Distribution Plan is approved.

IT IS FURTHER ORDERED, pursuant to Rule 1105 of the Commission's Rules on Fair Fund and Disgorgement Plans, 17 C.F.R. § 201.1105, that Brendan P. McGlynn is appointed as the Fund Administrator in accordance with the terms of the Distribution Plan and that, in accordance with Rule 1105(c), 17 C.F.R. § 201.1105(c), no bond is required since the Fund Administrator is a Commission employee.

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

Elizabeth M. Murphy  
Secretary