

November 4, 2004, against NorVergence, and on July 22, 2005, a Default Judgment and Order for Permanent Injunction and Monetary Relief was entered against NorVergence (Civ.

No. 04-5414).

The FTC's complaint seeks a permanent injunction and other relief pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b). The FTC and defendant Peter Salzano ("defendant") have conferred through counsel and agreed to settlement of this action without adjudication of any issue of law or fact herein, and without any admission of liability by Peter Salzano. This Order resolves all matters arising from the

allegations in the complaint. The Commission and Peter Salzano consent to entry of this Order. It

is hereby understood and self-acknowledged by the FTC that in the course of its investigation of

4. Subject to the reservations and acknowledgments set forth above, defendant

_____ shall not

constitute an admission of liability by defendant or a determination by this Court that the

_____ engaged in violations of the FTC Act or any act or practice alleged in the

1. Misrepresenting that any product or service provides or will provide costs savings for a specified or long term.
2. Misrepresenting the nature, terms, effects, or predominant purpose of any

... of the product or service, including but not

V. MONETARY RELIEF

IT IS FURTHER ORDERED that:

- A. Judgment in the amount of \$50 million is entered against defendant as restitution for consumer injury. Provided, however, that upon satisfaction of the requirements of this

extent of the allowed general unsecured claim in the amount provided under Paragraph V(B) of this Order.

All funds paid pursuant to this section and Section VI of this Order shall be

deposited into a fund administered by the FTC or its designated agent to be used for equitable

VI. RIGHT TO REOPEN

IT IS FURTHER ORDERED that:

A. By agreeing to this Order, defendant reaffirms and attests to the truthfulness,

of the financial statements that he transmitted to the Commission on

July 6, 2005, and the supplement affidavit he signed and transmitted to the Commission on

the Commission's agreement to and the Court's

VII. RECORD KEEPING

[REDACTED]

X. COMPLIANCE MONITORING

THE COURT ORDERED that, for the purpose of monitoring and investigating

compliance with any provision of this Order:

A. Within 20 days of receipt of written notice from a representative of the

party, the party shall submit reports, sworn to under penalty of

45(a)(1)).

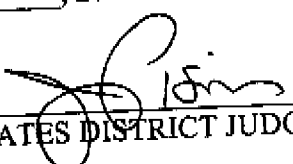
XI. ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANT

Defendant hereby certifies that it has received a copy of this Order within five days of receipt of this

XII. RETENTION OF JURISDICTION

A. IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter including protection, modification, and enforcement of this Order.

SO ORDERED, this 11th day of Sept, 2006.


UNITED STATES DISTRICT JUDGE

to the terms and conditions of the Stipulated Permanent Injunction