

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 expressly understood and acknowledged by the FTC that in the course of its investigation of this matter, and by his entry into this Stipulated Order, defendant has made no statements to the FTC or taken any other action with respect to such investigation or entry of this Stipulated Order that would constitute a waiver of his privilege against self-incrimination under the Fifth Amendment to the Constitution of the United States.

THEREFORE, the Commission and defendant Peter Salzano having requested the Court to enter this Order, it is ORDERED, ADJUDGED, AND DECREED as follows:

FINDINGS

1. This Court has jurisdiction over the subject matter of this case and jurisdiction over the defendant. Venue in this district is proper.
2. The complaint states a claim upon which relief may be granted against defendant under Sections 5(a) and 13(b) of the FTC Act, 15 U.S.C. §§ 45(a) and 53(b).
3. The activities of defendant described in the complaint are in or affecting commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

4. Subject to the reservations and acknowledgments set forth above, defendant denies the allegations of the complaint except as to jurisdiction. Entry of this Order shall not constitute an admission of liability by defendant or a determination by this Court that the defendant has engaged in violations of the FTC Act or any act or practice alleged in the Complaint.

5. The defendant has waived all rights to seek judicial review or otherwise challenge or contest the validity of this Order.

6. Each party shall bear its own costs and attorneys' fees. Defendant has waived any claim that he may hold under the Equal Access to Justice Act, 28 U.S.C. § 2412 (as amended), concerning the prosecution of this action to the date of this Order.

7. On January 17, 2005, defendant filed a voluntary petition for relief under the reorganization provisions of Chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101 et seq., in the United States Bankruptcy Court for the District of New Jersey, Case No. 05-11415-RG. The Commission's action against the defendant, including the enforcement of a judgment obtained in this action other than a money judgment against defendant Peter Salzano, is not stayed by 11 U.S.C. § 362(a)(1), (2), (3), or (6) because it is an exercise of the Commission's police or regulatory power as a governmental unit pursuant to 11 U.S.C. § 362(b)(4) and thus falls within an exemption from the automatic stay.

8. Entry of this Order is in the public interest.

I. DEFINITIONS

For purposes of this Order, the following definitions shall apply:

1. "Bankruptcy Case" means the bankruptcy case filed by Peter Salzano and pending in the United States Bankruptcy Court for the District of New Jersey, Case No. 05-11415-RG.

