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FILED
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ANNE MILGRAM, Attorney General of New Jersey, on behalf of VINCENT OLIVA, Chief of the New Jersey Bureau of Securities, Plaintiff, v. SPANLOGIX CORPORATION, et al. Defendants.	SUPERIOR COURT OF NEW JERSEY CHANCERY DIV: GENERAL EQUITY ESSEX COUNTY DOCKET NO. ESX-C-0225-07 Civil Action **CONSENT ORDER AND FINAL JUDGMENT AS TO DEFENDANTS THOMAS D'INNOCENZI AND SPANLOGIX CORPORATION**

This matter was opened to the Court by Anne Milgram, Attorney General of New Jersey, on behalf of Vincent J. Oliva, Chief of the New Jersey Bureau of Securities ("plaintiff"), pursuant to the provisions of the New Jersey Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq., Deputy Attorney General Megan J. Harris appearing on behalf of plaintiff, Henry E. Klingeman, Esq. of Krovatin Klingeman LLC appearing on behalf of defendant Thomas D'Innocenzi ("D'Innocenzi"), and Rubin M. Sinins, Esq. of

Javerbaum Wurgaft et al. appearing on behalf of Spanlogix Corporation ("Spanlogix" or "the Corporation"). Plaintiff and defendants D'Innocenzi and Spanlogix have agreed to resolve any and all issues in controversy in this action related to D'Innocenzi and Spanlogix ("Defendants") on the terms set forth in this Consent Order and Final Judgment to avoid further litigation. The terms of the resolution have been reviewed by the Court, as confirmed by the entry of this Consent Order.

As to Defendants, the Chief of the New Jersey Bureau of Securities (the "Bureau Chief") makes the following **FINDINGS OF FACT AND CONCLUSIONS OF LAW:**

1. D'Innocenzi formed Spanlogix Corporation, a web site and e-learning development company, in or around August 2001 with former co-defendant Jenny Kotowich (formerly "Jenny Wan").

2. Spanlogix was incorporated in Delaware and had its principal place of business at 100 Overlook Center, Princeton, New Jersey.

3. D'Innocenzi acted as Spanlogix's President and Chief Executive Officer. Kotowich and D'Innocenzi were the only two principals and officers of Spanlogix.

4. Spanlogix, through D'Innocenzi, also established an office in Bangkok, Thailand, which the Corporation

referred to as "Spanlogix Asia." D'Innocenzi spent a significant portion of his time as principal of Spanlogix in Thailand and other locations in Asia.

5. In or around January 2002, Spanlogix began to issue and sell shares of stock in the Corporation (the "Spanlogix stock" or "the stock"). The Spanlogix stock was a security as the term "security" is defined at N.J.S.A. 49:3-49(m).

6. The Spanlogix stock was offered to purchasers/investors (the "investors") directly by the principals of Spanlogix or through one or more agents of the Corporation whom D'Innocenzi authorized. During the offering of Spanlogix stock, investors communicated with persons representing Spanlogix who used various aliases and typically represented that they were located in the Princeton or Bangkok offices of Spanlogix.

7. During 2002 and 2003, at a price of $2.00 per share, 438,040 shares of Spanlogix stock were sold to 83 investors, all of whom were residing outside of the United States at the time of offer and sale. Investors were instructed to wire payment for the purchase of Spanlogix stock to Spanlogix's bank account in Princeton, New Jersey, to send original transactional documents to Princeton, and

to send copies of the transactional documents to the Spanlogix office in Bangkok.

8. Neither the stock, nor anyone who offered or sold the stock, was registered at any time with the New Jersey Bureau of Securities (the "Bureau"). Each instance of offering or selling a security not registered with the Bureau constituted a violation of N.J.S.A. 49:3-60. Each instance of failing to register with the Bureau those persons who offered and sold the Spanlogix stock constituted a violation of N.J.S.A. 49:3-56.

9. In connection with the offer and sale of Spanlogix stock, Spanlogix and/or its authorized agents made numerous material misrepresentations to investors regarding the Corporation and its purpose for soliciting investment capital. Each instance of making an untrue material statement in connection with the offer and sale of Spanlogix stock constituted a violation of N.J.S.A. 49:3-52(b).

10. Spanlogix and its authorized agents also omitted material information regarding the Corporation and its purpose for soliciting investment capital from information provided to investors. Each instance of omitting to disclose material information in connection with the offer

and sale of Spanlogix stock constituted a violation of N.J.S.A. 49:3-52(b).

11. Defendants collected $876,080.00 directly from investors and disposed of the entire amount without gaining a profit on behalf of the Corporation or the investors.

12. During the time that Defendants were collecting and disposing of funds from investors, D'Innocenzi either knew or was reckless in not knowing that numerous material misrepresentations were being made to investors in connection with the sale of Spanlogix stock, and that material information was being omitted from information provided to investors.

13. D'Innocenzi did not at any time act to communicate accurate and truthful information to investors, nor did he cease to collect and dispose of investment capital during the time he knew or was reckless in not knowing that investors were receiving false and misleading information.

Without admitting or denying the Bureau Chief's legal and factual findings, Defendants consent to the form and entry of this Consent Order and Final Judgment.

IT IS on this 21st day of April, 2008,

ORDERED AND AGREED:

PERMANENT INJUNCTIVE RELIEF

1. Defendants are hereby enjoined from participating, directly or indirectly, in the issuance, sale, offer for sale, purchase, offer to purchase, promotion, negotiation, advertisement or distribution from or within New Jersey of any securities.

2. Defendants are hereby permanently enjoined from acting, directly or indirectly, as a broker-dealer, agent, investment adviser or investment adviser representative in the State of New Jersey pursuant to the definitions set forth at N.J.S.A. 49:3-49.

CIVIL MONETARY PENALTY

3. D'Innocenzi is assessed and shall pay, as a civil monetary penalty pursuant to N.J.S.A. 49:3-70.1, Seventy Five Thousand Dollars ($75,000.00) to the New Jersey Bureau of Securities. Payment shall be made through certified bank check or money order made payable to "State of New Jersey, Bureau of Securities," and delivered to the attention of the Bureau Chief at New Jersey Bureau of Securities, 153 Halsey Street, 6th Floor, Newark, New Jersey, 07101 no later than April 2, 2008, provided counsel

for D'Innocenzi receives a fully executed and filed copy of this Consent Order and Final Judgment no later than March 28, 2008. Otherwise, the payment described above shall be made within five (5) calendar days of the date counsel for D'Innocenzi receives a fully executed and filed copy of this Consent Order and Final Judgment.

4. Should D'Innocenzi fail to make payment of the civil monetary penalty as set forth above, this Consent Order and Final Judgment is void in its entirety. Should this Consent Order and Final Judgment become void, plaintiff reserves the right to reject renegotiation of its terms and proceed with litigation of this matter.

RESTITUTION

5. D'Innocenzi shall pay, in addition to a civil monetary penalty of $75,000.00, Two Hundred Thousand Dollars ($200,000.00) in restitution to the investors pursuant to N.J.S.A. 49:3-69(a)(2). Payment of restitution shall be made through certified bank check or money order made payable to "State of New Jersey, Bureau of Securities," and delivered to the attention of the Bureau Chief at New Jersey Bureau of Securities, 153 Halsey Street, 6th Floor, Newark, New Jersey, 07101 no later than April 2, 2008 provided counsel for D'Innocenzi receives a fully executed and filed copy of this Consent Order and

Final Judgment no later than March 28, 2008. Otherwise, the payment described above shall be made within five (5) calendar days of the date counsel for D'Innocenzi receives a fully executed and filed copy of this Consent Order and Final Judgment.

6. Should D'Innocenzi fail to make payment of restitution as set forth above, this Consent Order and Final Judgment is void in its entirety. Should this Consent Order and Final Judgment become void, plaintiff reserves the right to reject renegotiation of its terms and proceed with litigation of this matter.

7. In accordance with the attached "Schedule A," the Bureau will distribute $200,000.00 in restitution paid by D'Innocenzi on a pro rata basis to all investors who are located after reasonably diligent efforts. D'Innocenzi and the Corporation, through undersigned counsel, hereby certify that Schedule A is a complete list of persons and entities who purchased shares of Spanlogix stock.

8. Spanlogix is assessed the remaining amount of restitution owing to the investors in the amount of Six Hundred Seventy-Six Thousand Eighty Dollars ($676,080.00) pursuant to N.J.S.A. 49:3-69(a)(2). D'Innocenzi and the Corporation, through undersigned counsel, hereby certify that the Corporation is defunct, insolvent, and without

assets, liquid or otherwise, to make payment in part or in full of the restitution assessment set forth herein.

FINAL JUDGMENT

9. Final Judgment is hereby entered as to Defendant Thomas D'Innocenzi in the amount of Two Hundred Seventy-Five Thousand Dollars ($275,000.00), which represents a civil monetary penalty of $75,000.00 and restitution in the amount of $200,000.00.

10. Final Judgment is hereby entered as to Defendant Spanlogix Corporation in the amount of Six Hundred Seventy-Six Thousand Eighty Dollars ($676,080.00), which represents restitution in its entirety.

11. D'Innocenzi, through undersigned counsel, hereby certifies that he does not have possession of assets of the Corporation, nor has he transferred such assets to another person or entity. The parties to this Consent Order and Final Judgment agree, therefore, that payment by Defendant Thomas D'Innocenzi of the Two Hundred Seventy-Five Thousand Dollars ($275,000.00) Final Judgment amount entered as to him represents full and final satisfaction as to D'Innocenzi, individually and in any capacity relating to the Corporation, for the purpose of this Consent Order and Final Judgment. Provided plaintiff does not find that D'Innocenzi is in possession of assets of the Corporation,

whether in their original form or converted to another item(s) of value, plaintiff agrees that it will not seek to collect any portion of the Final Judgment amount of Six Hundred Seventy-Six Thousand Eighty Dollars ($676,080.00) entered as to the Corporation from D'Innocenzi in any manner or by any legal process.

GENERAL PROVISIONS

12. Upon its entry by the Court, this Consent Order and Final Judgment is immediately enforceable.

13. Nothing in this Consent Order and Final Judgment shall in any manner be construed to limit or affect the rights of any persons, other than plaintiff, who may have a claim against any defendant in this matter.

14. The parties to this Consent Order and Final Judgment acknowledge that for the purpose of enforcement of this Consent Order, New Jersey law shall govern the terms and provisions herein.

15. As used in this Consent Order and Final Judgment, the plural shall include the singular and the singular shall include the plural. In addition, "or" and "and" shall be interpreted conjunctively.

16. The signatories to this Consent Order and Final Judgment represent that they each have the authority to bind their respective parties to this Consent Order and

Final Judgment and have signed the document with full knowledge, understanding, and acceptance of its terms.

17. This Consent Order and Final Judgment constitutes the entire agreement between plaintiffs and Defendants with respect to its subject matter. Any addition, deletion or change to this Consent Order must be in writing and signed by all parties to be bound and must be approved and signed by the Court.

18. The parties to this Consent Order and Final Judgment have, with the aid of counsel, negotiated and fully reviewed its terms and therefore, uncertainty or ambiguity shall not be construed against the drafter.

19. Except as otherwise explicitly provided in this Consent Order and Final Judgment, nothing herein shall be construed to limit the authority of the New Jersey Attorney General or the Chief of the New Jersey Bureau of Securities to protect the interests of the State of New Jersey or the people of the State of New Jersey.

20. If any portion of this Consent Order and Final Judgment is held invalid or unenforceable by operation of law, the remaining terms of this Consent Order shall remain enforceable and in full effect.

21. This Consent Order and Final Judgment shall be binding upon the parties and their successors. In no event

shall assignment of any right, power or authority avoid compliance with the terms of this Consent Order.

22. Defendants shall not represent or imply that by virtue of this Consent Order and Final Judgment, any business practice or other act or practice hereinafter used or engaged in is required or approved, in whole or in part, by the New Jersey Attorney General, the New Jersey Bureau of Securities, or any other State of New Jersey agency or subdivision.

23. Any signature required for the entry of this Consent Order and Final Judgment may be executed in counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same Consent Order and Final Judgment.

Harriet F. Klein, J.S.C.

Defendant Thomas D'Innocenzi hereby consents to the form and entry of this Consent Order:

By: _____ Dated: 4/9/08

Henry E. Klingeman, Esq.
Krovatin Klingeman LLC
Attorneys for Defendant
Thomas D'Innocenzi

Defendant Spanlogix Corporation hereby consents to the form and entry of this Consent Order:

By: _____ Dated: _____

Rubin M. Sinins, Esq.
Javerbaum Wurgaft et al.
Attorneys for Defendant
Spanlogix Corporation

Plaintiff hereby consents to the form and entry of this Consent Order:

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Vincent J. Oliva, Chief of the New Jersey Bureau of Securities

By: _____ Dated: _____

Megan J. Harris
Deputy Attorney General

Defendant Thomas D'Innocenzi hereby consents to the form and entry of this Consent Order:

By: _____ Dated: _____

Henry E. Klingeman, Esq.
Krovatin Klingeman LLC
Attorneys for Defendant
Thomas D'Innocenzi

Defendant Spanlogix Corporation hereby consents to the form and entry of this Consent Order:

By: _____ Dated: 9/2/08

Rubin M. Sinins, Esq.
Javerbaum Wurgaft et al.
Attorneys for Defendant
Spanlogix Corporation

Plaintiff hereby consents to the form and entry of this Consent Order:

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Vincent J. Oliva, Chief of the New Jersey Bureau of Securities

By: _____ Dated: _____

Megan J. Harris
Deputy Attorney General

Defendant Thomas D'Innocenzi hereby consents to the form and entry of this Consent Order:

By: _____ Dated: _____

Henry E. Klingeman, Esq.
Krovatin Klingeman LLC
Attorneys for Defendant
Thomas D'Innocenzi

Defendant Spanlogix Corporation hereby consents to the form and entry of this Consent Order:

By: _____ Dated: _____

Rubin M. Sinins, Esq.
Javerbaum Wurgaft et al.
Attorneys for Defendant
Spanlogix Corporation

Plaintiff hereby consents to the form and entry of this Consent Order:

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Vincent J. Oliva, Chief of the New Jersey Bureau of Securities

By: _____ Dated: 4/17/08

Megan D. Harris
Deputy Attorney General