

**Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Bonzi Software, Inc.
File No. 042-3016**

The Federal Trade Commission has accepted, subject to final approval, an agreement containing a consent order from Bonzi Software, Inc., Joe Bonzi, and Jay Bonzi (“respondents”).

The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement or make final the agreement’s proposed order.

This matter involves the advertising and promotion of Bonzi InternetALERT software. According to the FTC complaint, the respondents represented that Internet ALERT significantly reduces the risk of unauthorized access into computers and the data stored in them. The FTC alleges that in fact InternetALERT does not significantly reduce this risk.

The proposed consent order contains provisions designed to prevent the respondents from engaging in similar acts and practices in the future.

Part I.A. of the order prohibits the respondents from misrepresenting the extent to which InternetALERT or any other software product or service that is marketed as enhancing security will reduce the risk of unauthorized access into a computer. Part I.B. also prohibits the respondents from misrepresenting the extent which any such product or service will maintain, protect, or provide security features that will enhance the security or privacy of any computer, or any data that is stored in a computer, including personally identifiable information.

Part II prohibits the respondents from making any misrepresentations concerning the performance, benefits, or efficacy of any computer software product or service that is marketed as enhancing security or privacy.

Part III of the order requires respondents to pay refunds to current InternetALERT subscribers who opt to cancel their subscriptions. Subscribers who cancel their subscriptions will receive from the respondents a refund that represents the unused portion of their InternetALERT subscription.

Part IV of the proposed order would require respondents to notify their retailers, affiliates, and similar third parties that advertise, promote, or sell InternetALERT to discontinue making any of the claims prohibited by the order.

Parts V through IX of the order require respondents to keep copies of relevant advertisements and materials substantiating the claims made in the advertisements; to provide copies of the order to certain of their current and future personnel; to notify the Commission of changes in corporate structure; and to file compliance reports with the Commission. Part X provides that the order will terminate after twenty (20) years under certain circumstances.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.