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4 Attorneys for Plaintiffs

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 8 **IN THE UNITED STATES DISTRICT COURT**  
 9 **DISTRICT OF ARIZONA**

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 11 XCENTRIC VENTURES, LLC, an Arizona  
 corporation, d/b/a "RIPOFFREPORT.COM";  
 12 ED MAGEDSON, an individual

Case No:

13 Plaintiffs,

**VERIFIED COMPLAINT**

14 v.

15 WILLIAM "BILL" STANLEY, an  
 individual; WILLIAM "BILL" STANLEY  
 16 d/b/a DEFAMATION ACTION.COM;  
 WILLIAM "BILL" STANLEY d/b/a  
 17 COMPLAINTREMOVER.COM; WILLIAM  
 "BILL" STANLEY aka JIM RICKSON;  
 18 WILLIAM "BILL" STANLEY aka MATT  
 JOHNSON; ROBERT RUSSO, an  
 19 individual; ROBERT RUSSO d/b/a  
 COMPLAINTREMOVER.COM; ROBERT  
 20 RUSSO d/b/a DEFENDMYNAME.COM;  
 ROBERT RUSSO d/b/a QED MEDIA  
 21 GROUP, L.L.C.; QED MEDIA GROUP,  
 L.L.C.; QED MEDIA GROUP, L.L.C. d/b/a  
 22 DEFENDMYNAME.COM; QED MEDIA  
 GROUP, L.L.C. d/b/a  
 23 COMPLAINTREMOVER.COM;  
 DEFAMATION ACTION LEAGUE, an  
 24 unincorporated association; and INTERNET  
 DEFAMATION LEAGUE, an  
 25 unincorporated association;

26 Defendants.

JABURG & WILK, P.C.  
 ATTORNEYS AT LAW  
 3200 NORTH CENTRAL AVENUE  
 SUITE 2000  
 PHOENIX, ARIZONA 85012

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**VERIFIED COMPLAINT**

COMES NOW Xcentric Ventures, LLC, an Arizona corporation dba Ripoffreport.Com and Ed Magedson (“Plaintiffs”), through counsel undersigned, and for their Complaint allege and aver that:

**Parties**

1. Plaintiff Edward Magedson (“Magedson”) is a single man residing in Maricopa County.

2. Magedson is the Manager of Xcentric Ventures, LLC. (“Xcentric”).

3. Xcentric is a limited liability company organized under the laws of the State of Arizona.

4. Defendant William “Bill” Stanley (“Stanley”) is a person whose residency is unknown and whose conduct as alleged herein was directed towards Arizona with knowledge that his conduct would cause harm in Arizona.

5. Defendant William “Bill” Stanley does business as Defamationaction.com, and Complaintremover.com and uses the aliases Jim Rickson and Matt Johnson.

6. Defendant Robert Russo (“Russo”), is upon information and belief, a resident of the State of Maine whose conduct as alleged herein was directed towards Arizona with knowledge that his conduct would cause harm in Arizona.

7. Defendant Robert Russo does business as Complaintremover.com, Defendmyname.com, and QED Media Group, LLC.

8. Upon information and belief Defendant QED Media Group, L.L.C. is a limited liability company.

9. The state of organization of QED Media Group is unknown.

10. The Defamation Action League is an unincorporated association whose members include Stanley and Russo among others.

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1 11. The Internet Defamation League is an unincorporated association whose  
2 members include Stanley and Russo among others.

3 12. This Complaint alleges violations of Federal Racketeer Influenced And  
4 Corrupt Organizations (“RICO”) laws, and thus presents a federal question, over which  
5 this Court has exclusive jurisdiction pursuant to 28 U.S.C. §1331. The RICO statute  
6 expressly grants aggrieved private parties a cause of action in the district courts of the  
7 United States. 18 U.S.C. §1964(a), (c).

8 13. This Court has supplemental jurisdiction of the state law claims alleged in  
9 this Complaint under 28 U.S.C. §1367.

10 14. This action includes a claim for Declaratory Judgment under Rule 57,  
11 Federal Rules of Civil Procedure.

12 15. A substantial part of the events or omissions giving rise to the claims in this  
13 Complaint occurred in the District of Arizona. Therefore, venue is proper in the District of  
14 Arizona under 28 U.S.C. §1391.

### 15 Facts

16 16. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth  
17 herein by this reference.

18 17. Plaintiff Xcentric operates a consumer information and advocacy website at  
19 [www.ripoffreport.com](http://www.ripoffreport.com) (“Rip-off Report/ROR”), where consumers and other visitors to the  
20 website can post complaints regarding companies.

21 18. When a user of the ROR website posts a complaint about a company, the  
22 complaint is referred to as a “report.”

23 19. In late 2006 or early 2007, Defendants began emailing and calling  
24 Magedson stating that if he did not agree to remove reports on ROR, they would make  
25 Magedson’s life “hell.”

26 20. Magedson, in accordance with the policy of Xcentric and ROR, refused to  
27 remove any reports, and explained that ROR is immune from liability arising from content  
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1 on the website that was not authored by any agent of Xcentric pursuant to the  
2 Communications Decency Act.

3 21. Defendants began contacting Prolexic Technologies, a company that  
4 provides protection from Distributed Denial of Service (“DDoS”) attacks.

5 22. On or about January 29, 2007, Defendants began emailing Prolexic, stating  
6 that he was writing “on behalf of the Internet Defamation League Membership.” The  
7 emailed threatened Prolexic that “our membership will be calling and writing you and  
8 your upstream on a daily basis soon as you do not seem to want to do anything about this  
9 and claim you are only routing him and protecting him from DDOS... In short, we are  
10 going to make it as hard for you to do business as ED has made it for us to do business on  
11 the Internet. We do not want to hear you are only routing him...I am looking forward to  
12 your swift response.” Defendants signed the email “William Stanley, Internet Defamation  
13 League Membership.”

14 23. Defendants then followed through on the threats and began incessantly  
15 calling Prolexic multiple times a day.

16 24. Defendants threatened ROR that if ROR did not remove reports of  
17 Defendants’ clients, Defendants would do everything in their power to interfere with all of  
18 ROR’s service providers, such as Prolexic.

19 25. Defendants threatened Prolexic that if they did not discontinue providing  
20 services to ROR, they would be constantly harassed.

21 26. On or about January 30, 2007, Prolexic terminated its contract with Xcentric  
22 as a direct and proximate result of the Defendants’ threats and harassment.

23 27. On or about February 2, 2007, Defendant Stanley wrote to UltraDNS stating  
24 that by hosting ROR it is hosting “one of the most notorious and prolific extortionists on  
25 the Internet today.”

26 28. On or about February 2, 2007, Defendant Stanley and Defendant  
27 Defamation Action League posted a website called gigenetsucks.com and called for  
28 protests and harassment of Gigenet.

1           29. On or about February 2, 2007, Defendant Stanley posted on  
2 www.defamationaction.com his victory that he got the host to shut ROR down and that as  
3 part of the agreement; he cannot name the host that terminated ROR.

4           30. On or about February 2, 2007, Defendant Stanley posted information about  
5 Sterling Network and TecServ as ISP's that may be hosting ROR.

6           31. On or about February 2, 2007, Defendant Stanley publicly invited others to  
7 call ROR's ISP "as often as you can."

8           32. On or about February 2, 2007, Defendant Stanley bragged on scam.com that  
9 they accomplished the "bring down" of two security hosting layers.

10          33. On or about February 3, 2007, Defendant Russo threatened Magedson that  
11 his members would harass ROR's service providers until reports were removed. This  
12 conversation was recorded.

13          34. On February 5, 2007, Defendant Stanley called Magedson and threatened  
14 harm to him if reports were not removed. Defendant Stanley stated:

15                   Stanley: One hour Mother Fucker...I ain't no nice guy  
16 mother fucker. I am going to wipe your ass out. You got  
17 that? You decide what you wanna do, you can be in business  
18 or you can be out of business.... You mother fucker, one  
19 fucking hour. If I click on that thing in one hour, and it  
fucking works, your fucking ass is toast. You got that?

20                   Magedson: I don't understand, what are you going to do?

21                   Stanley: I'm gonna call Akamai and 23 hundred other  
22 Mother Fuckers are going to the (unintelligible) and they're  
23 gonna call Fucking net.net over and over and over again and  
24 your going to be fucking toast. And the next host you go to,  
I'm gonna fuck that host. You are not going to survive  
25 this...no fucking way.  
...the only thing you fucking understand is a sledge hammer,  
26 you know, you don't understand anything else...  
One fucking hour, Mother Fucker.

1           35. The conversation referenced above was recorded by Magedson.

2           36. On or about February 5, 2007 Defendant Russo threatened that he was  
3 putting ROR out of business within 48 hours. He also continued to threaten Magedson  
4 and told him to “check his mailbox.”

5           37. Magedson ultimately received two threatening letters that state, in part, that  
6 his “life is in danger,” that he “will soon be beaten to a pulp and pounced into the ground  
7 six feet under with a baseball bat and sleg (sic) hammer,” and “we will find you kill your  
8 dog and remove parts of your body one by one until your site is completely shut down.”  
9 The authors of these letters maintained they would make good on these threats if  
10 Magedson failed to remove specific companies from ROR. Copies of the letters are  
11 attached hereto as Exhibit “A.”

12           38. The letters further defamed Magedson and referred to him as a criminal with  
13 “criminal dealings.”

14           39. On or about February 6, 2007, Defendants Stanley and Defamation Action  
15 League put up a defamation site, <http://bryanvincentassociates.com> (“BVA”), which  
16 stated it is a protest site by the Defamation Action League and condemns BVA for hosting  
17 ROR. The site further referred to Magedson as a “scumbag,” and “internet extortionist” in  
18 addition to stating that he is a “wanted criminal that extorts individuals.”

19           40. Defendants made these statements in both the letter referenced above and on  
20 the BVA site knowing that they were false and that they would harm Magedson.

21           41. The statements by Defendants about Magedson are false, libelous, and  
22 defamatory. Magedson is not wanted by the authorities, and, indeed, works with  
23 numerous law enforcement officials to provide information for investigations. In  
24 addition, neither Magedson nor ROR are “extortionists.” ROR provides a service to  
25 companies to contact consumers who complain about the company, facilitate resolution of  
26 the customer complaints, and update the postings on ROR to reflect the resolution and the  
27 company’s commitment to customer satisfaction. This is the program that Defendants  
28 falsely refer to as “extortion.”

1           42.    On or about February 6, 2007, Defendant Stanley claimed that he made an  
2 agreement with Microsoft for MSN to not carry ROR results in search engines.

3           43.    On or about February 12, 2007, Defendant Stanley announced that  
4 Carpathia was providing services to ROR.

5           44.    On or about February 14, 2007, Magedson received another threatening  
6 telephone call from Defendant Russo.

7           45.    On or about February 16, 2007, Getnet terminated its business relationship  
8 with Xcentric as a direct and proximate result of the threats and harassment by  
9 Defendants.

10          46.    On or about February 17, 2007, Defendant Stanley emailed rocksolidcolo  
11 network (ISP) and asked it to discontinue providing hosting to ROR.

12          47.    On or about February 17, 2007, Defendant Stanley referred to Akamai as a  
13 “deep pocket” and encouraged lawsuits against Akamai.

14          48.    On or about February 17, 2007, the ROR website was not functioning and  
15 Magedson received a complaint that he is spamming. Plaintiffs learn that someone had  
16 spoofed ROR’s email address and sent spam.

17          49.    On or about February 17, 2007, Defendant Stanley bragged that ROR has  
18 been removed from Net Access Nac.net, Integra online.com, Akamai Technologies,  
19 Sterling Network, Carpathia, Prolexic, Gigenet, BVA Inc., TecServ, Omniseek and  
20 Getnet.

21          50.    On or about February 20, 2007, a person using an email address matching  
22 Stanley’s email address sent spam email to all of Xcentric’s customers asking them to stop  
23 doing business with Xcentric.

24          51.    On or about February 20, 2007, Defendants Stanley and Defamation Action  
25 League posted a website called internapwatch.com which is still posted on the internet  
26 which includes statements such as “Internap/Vitalstream Noc acknowledges they have an  
27 extortionist and spammers, but refuse to do anything about it. VitalStream added to  
28 protests in first escalation. Members start blogs and forums please.”

1           52. On or about February 20, 2007, a person using an email address matching  
2 Stanley's email address sent spam email to all of Xcentric's advertisers threatening that if  
3 they continue to advertise on ROR they will be harassed and negative information will be  
4 posted against them on the internet:

5  
6                   Any companies Advertising and/or supporting Ed Magedson's  
7 Extortion Schemes will be subject to PROTEST. We will use  
8 protest websites like <http://www.internapwatch.com/> We will  
9 also post on High ranking Blogs Forums and press release  
10 sites. These site and posts will be optimized for maximum  
11 effect on search engines.

12           53. On or about February 22, 2007, Defendants Stanley and Defamation Action  
13 League created PMGIsucks.com website against an ROR service provider, which website  
14 is still posted on the Internet. The PMGIsucks.com website includes statements such as,  
15 "PMGI: Professional Media Group is Partners with Extortionist Rip Off Report Founder  
16 Ed Magedson Internet Extortionist. Call and voice your opinion."

17           54. On or about March 5, 2007, Akamai Technologies terminated its business  
18 relationship with ROR stating that it was afraid it would be sued.

19           55. On or about March 6, 2007, Defendant Stanley posted on  
20 defamationaction.com bragging about "constant protest and complaining to ISPs and  
21 putting unrelenting pressure" on these providers.

22           56. On or about March 16, 2007, Defendants Stanley and Defamation Action  
23 League posted tiscalivatch.com and invited harassment of Tiscali for providing hosting  
24 services to ROR.

25           57. On or about May 3, 2007, Plaintiff's counsel had a telephone conversation  
26 with Robert Russo wherein she asked him where he could be served with a summons and  
27 complaint.

28           58. On or about May 4, 2007, Defendants Stanley and Defamation Action  
League posted websites at [mariaspeth.com](http://mariaspeth.com), [mariacrimispeth.com](http://mariacrimispeth.com) and



1 jaburgwilsucks.com making false and defamatory statements about Plaintiffs' counsel.  
2 These websites trace back to QED Media, LLC.

3 59. All three of these websites include photographs lifted from the official  
4 Jaburg & Wilk website. Jaburg & Wilk owns the copyrights to those photographs and has  
5 not given Defendants permission and authorization to copy the photographs. The  
6 activities of Defendants in copying these photographs constitutes criminal willful  
7 copyright infringement for financial gain pursuant to 17 U.S.C. §506.

8 60. On or about May 4, 2007, Defendants sent the following threatening email  
9 to Plaintiff's counsel which email included over 14,000 email addresses of lawyers:

10  
11 Here is the deal. We were not doing crap to your  
12 beloved ripoff report for the last couple of months. You took  
13 that as weakness and fired a shot across our bow. Now we  
14 have fired one back. Make no mistake about it. We WILL sink  
15 your battleship. This will include postings on each partner in  
16 your firm individually with Blogs, Message boards, press  
17 releases and emails to a very large list of Phoenix business and  
18 national law firms. Your firm will be a laughing stock. If you  
19 want we can go back to shutting down your ripoff report  
20 again. The reason it is up is because we beat its rank down  
21 enough to get links above it. You must be dumb as a rock to  
22 you think you can throw your weight around. Did you not get  
23 the point last time? Maria I promise you are barking up the  
24 wrong tree. As soon as I hear from you that you will stop  
25 making threats the sites come down. If you keep barking then  
26 we will do what we do best.

21 61. Since the end of January 2007, Defendants have made hundreds and perhaps  
22 thousands of threatening telephone calls to Prolexic, BVA, Getnet, Carpathia, Gigenet,  
23 and other service providers who do business with Plaintiff.

24 62. Defendants have posted hate sites and sent a barrage of threatening emails to  
25 various companies and individuals who provide services to ROR – the message always  
26 being that if they refuse to serve ROR, Defendants will leave them alone, and if they  
27 continue to serve ROR Defendants will put them and their clients out of business.  
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63. Additionally, Defendants' admit that their pattern is to call, spam or otherwise harass ROR's upstream (web service providers who supply bandwidth, hosting, anti-hacking and such) until those service providers refuse to provide services to ROR.

64. Defendant Stanley and/or Russo openly promote their services to "Remove negative information Remove Ripoff Report Remove complaints" which they promote through websites located at complaintremover.com and defendmyname.com. The complaintremover.com and defendmyname.com websites promise to remove negative information from Rip-off Report.

65. Defendants have never removed a Rip-off Report or caused a Rip-off Report to be removed.

66. Defendants' representations on their websites that they remove Rip-off Reports are false representations designed to entice companies to join their membership and fund their scheme to injure and harass Rip-off Report.

**COUNT ONE**  
(Defamation)

67. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth herein by this reference.

68. Defendants made false statements regarding Ed Magedson, including statements that he is a wanted criminal and an extortionist.

69. Defendants' words are defamatory because they bring Plaintiff Ed Magedson into disrepute, contempt or ridicule.

70. Defendants are liable not only for what was said, but also for what was insinuated.

71. The statements as made by Defendants were of and concerning Plaintiff.

72. Defendants are liable for presumed damages by reason of their reckless or intentional conduct.

1 73. Defendants made each and every defamatory statement concerning Plaintiff  
2 knowing that said statements were false; in the alternative, Defendants acted in reckless  
3 disregard of the truth in making each of the defamatory statements; in the alternative,  
4 Defendants were negligent in failing to ascertain the truth of the defamatory statements  
5 before making them.

6 74. Each and all of the statements made, separately or in conjunction with one  
7 another were and continue to be published by the Defendants by reason of evil motives  
8 and/or malice towards Plaintiff and were and are intended and designed to and did injure  
9 and defame and continue to injure and defame Plaintiff.

10 75. Defendants' statements, singularly or in combination, have exposed and  
11 continue to expose Plaintiff to public contempt. The statements have impeached and  
12 continue to impeach the honesty and integrity of the Plaintiff and leave Plaintiff's  
13 reputation severely damaged and subject him to ridicule in the eyes of his friends,  
14 acquaintances, business associates, and the general public.

15 76. By reason of the evil motives and malice of the Defendants, Plaintiff prays  
16 for punitive damages.

17 **COUNT TWO**  
18 (False light)

19 77. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth  
20 herein by this reference.

21 78. The actions and statements of defendants placed Plaintiff Ed Magedson in a  
22 false light.

23 79. The false light in which Plaintiff was placed would be highly offensive to a  
24 reasonable person.

25 80. Defendants knew that the statements and impressions he made were false, or  
26 Defendants acted in reckless disregard to the truth or falsity of the statements and  
27 implications they made.

28 81. Plaintiff was damaged by said actions, as above described.

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**COUNT THREE**  
(Declaratory Judgment)

82. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth herein by this reference.

83. A controversy has arisen between the Plaintiffs and the Defendants as to their respective rights.

84. Based on the facts alleged above, Plaintiffs request that this Court exercise its powers under the Declaratory Judgments Act, 28 U.S.C. §2201-02, to declare that the statements made by Defendants were and are false.

85. It is necessary and appropriate, in order to prevent irreparable injury to Plaintiffs that this Court enter such declaration.

86. Plaintiffs have no adequate remedy at law.

87. To the extent applicable and where authorized by law, Plaintiffs are entitled to attorneys' fees and costs incurred in securing declaratory relief.

**COUNT FOUR**  
(Conspiracy)

88. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth herein by this reference.

89. Defendants, and each of them, through a conspiracy, common enterprise and common course of conduct, have wrongfully and through misrepresentations, deprived Plaintiffs of their business relationships and profits stemming from their business activities, as is set forth more fully herein.

**COUNT FIVE**  
(Wrongful Intentional Interference with Contract)

90. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth herein by this reference.

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91. As is set forth more fully herein, Defendants have wrongfully and intentionally interfered with Plaintiffs' contractual relationships and potential contractual relationships with internet service providers, web hosts, internet service companies, advertisers and customers and continue to do so.

92. As is set forth more fully herein, Defendants have wrongfully and intentionally interfered with Plaintiffs' contractual relationships, including, but not limited to, its business relationships with Prolexic, Getnet, Carpathia, and Akamai Technologies.

93. As a direct and proximate result of Defendants' interference, Plaintiffs have been damaged and continue to suffer damages.

**COUNT SIX**  
(Violation of A.R.S. §13-1804)

94. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth herein by this reference.

95. Defendants repeatedly called, wrote and emailed Magedson, threatening him with destruction of his business and with physical harm, as set forth in detail above, if he did not comply with Defendants' request to remove businesses and postings from ROR.

96. The activities of Defendants described in this claim were taken intentionally and with full knowledge and appreciation of the intended results of the scheme to extort Plaintiffs.

97. Defendants repeatedly called, wrote and emailed those who do business with Xcentric, and threatened to do damage to their property if those service providers did not concede to their demands.

98. Defendants' actions amount to extortion under A.R.S. §13-1804.

99. Plaintiffs have been injured in their business and reputation by reasons of Defendants' extortionate scheme in an amount to be proven at trial.



1           110. Defendants Stanley and Russo are and were associated with Defendants  
2 Internet Defamation League, Defamation Action League, and QED Media Group, L.L.C.  
3 and have control over these enterprises such that they can conduct and participate in the  
4 conduct of these named Defendants.

5           111. Specifically, in January 2007, Defendants began emailing and calling  
6 Magedson stating that if he did not agree to remove posts (known as reports) on Rip-off  
7 Report, they would make Magedson's life "hell" as alleged herein. The details of the  
8 actions of Defendants are described herein.

9           112. As is set forth herein, Defendants committed extortion as set forth in 18  
10 U.S.C. §1961(1)(A).

11           113. As set forth herein, Defendants obstructed and affected commerce and the  
12 movement of a commodity in commerce, by extortion, attempted extortion and conspiracy  
13 to commit extortion as set forth in 18 U.S.C. §1961(1)(B) and 18 U.S.C. §1851.

14           114. As set forth herein, Defendants, with the intent to extort money or other  
15 thing of value, transmitted in interstate commerce communications, containing threats to  
16 injure the property and reputation of Plaintiff and Plaintiff's customers, advertisers and  
17 service providers in violation of 18 U.S.C. § 875(d).

18           115. As is set forth herein, Defendants willfully infringed a copyright as set forth  
19 in 18 U.S.C. §1961(1)(B) and 17 U.S.C. §506.

20           116. As is set forth herein, Defendants devised a scheme or artifice to defraud, or  
21 for obtaining money or property by means of false or fraudulent pretenses,  
22 representations, or promises, and transmitted false information by mail and/or wire in  
23 furtherance of that plan in violation of 18 U.S.C. §1341 and/or 1343.

24           117. The continued actions of Defendants described herein constitute numerous  
25 predicate acts sufficient to establish a "pattern of racketeering activity" as that term is  
26 defined in 18 U.S.C. §1961(1) and (5).

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1 118. The activities of Defendants described in this claim were taken intentionally  
2 and with full knowledge and appreciation of the intended results of the scheme to injure  
3 and/or destroy Plaintiffs' business.

4 119. Plaintiffs have been injured in their business and property and reputation by  
5 reason of the Defendants' extortionate scheme that comprises the violation of 18 U.S.C.  
6 §1962(c) as alleged herein.

7 120. Plaintiffs have been injured in their property and business as a direct and  
8 proximate cause of the racketeering activities of Defendants.

9 121. The damages in this case shall be determined at trial, plus the costs of this  
10 action and attorneys' fees. Plaintiffs are entitled to treble damages.

11  
12 **COUNT EIGHT**  
(RICO Conspiracy)

13 122. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth  
14 herein by this reference.

15 123. Defendants and other unnamed individuals associated with Defendants have  
16 combined, conspired, and agreed to violate 18 U.S.C. §1962(c) by agreeing to conduct an  
17 enterprise affecting interstate commerce, directly or indirectly, through a pattern of  
18 racketeering activity all in violation of 18 U.S.C. §1962(d). The acts in furtherance of this  
19 conspiracy are alleged herein.

20 124. Plaintiffs have been injured in their business and property by reason of the  
21 foregoing violations of 18 U.S.C. §1962(d) as alleged in this claim in an amount to be  
22 determined at trial. Plaintiffs are entitled to treble damages.

23  
24 **COUNT NINE**  
(Arizona RICO)

25 125. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth  
26 herein by this reference.



1 126. Defendants' acts as set forth above were committed for financial gain and  
2 were indictable under A.R.S. § 13-2310, Fraudulent Schemes and Artifices, and therefore  
3 constitute "racketeering" pursuant to A.R.S. § 13-2301(D)(4).

4 127. As a direct, proximate and foreseeable result of Defendants' racketeering  
5 activity, Plaintiffs have sustained injuries to their property and are entitled to the recovery  
6 of treble damages as well as costs and attorneys' fees incurred herein. A.R.S. § 13-  
7 2314.04(A).

8 128. By reason of the violations of A.R.S. § 13-2310 committed by Defendants,  
9 Plaintiffs have been damages in an amount to be proven at trial.

10  
11 **COUNT TEN**  
12 (Punitive Damages)

13 129. Plaintiffs incorporate all paragraphs of this Complaint as if fully set forth  
14 herein by this reference.

15 130. The instant action is an example of the overall systemic pattern of  
16 wrongdoing by Defendants.

17 131. All of the actions alleged herein were taken with substantial disregard of a  
18 known risk of harm to the Plaintiffs.

19 132. Awarding punitive damages to against Defendants is an appropriate remedy  
20 for Defendants' actions.

21  
22 WHEREFORE, Plaintiffs request that this Court enter judgment against the  
23 Defendants, and each of them, as follows:

- 24 A. For injunctive relief enjoining Defendants defaming Plaintiffs and from  
25 contacting, harassing, and/or threatening Plaintiffs' business associates or  
26 otherwise interfering with Plaintiffs' business.  
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- B. General, special, exemplary and punitive damages in an amount to be established at trial;
- C. For treble damages;
- D. For declaratory relief as requested;
- E. For prejudgment interest on damages stemming from violation of A.R.S. §13-2301 *et seq.*;
- F. For attorneys fees pursuant to 18 U.S.C. §1961 and pursuant to state law;
- G. For all costs incurred herein; and
- H. For such other and further relief as the Court deems just and proper.

**JURY DEMAND**

Plaintiff hereby demands a trial by jury.

DATED this 10<sup>th</sup> day of May, 2007.

**JABURG & WILK, P.C.**

s/Maria Crimi Speth  
Maria Crimi Speth  
Attorneys for Plaintiffs

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**VERIFICATION**

STATE OF ARIZONA     )  
County of Maricopa    ) ss

Ed Magedson, being first duly sworn, deposes and says that he is a Plaintiff in the foregoing Complaint, and Manager of Plaintiff, Xcentric Ventures, LLC d/b/a RIPOFFREPORT.COM, the named Plaintiff in the foregoing Complaint; that he has read the Complaint; that the allegations contained therein are true of his own knowledge except to those matters and things alleged on information and belief and that as to those matters and things, he believes them to be true.

*[Handwritten Signature]*  
Ed Magedson

Sworn and subscribed to before me this 5<sup>th</sup> day of May, 2007.



*[Handwritten Signature]*  
Notary Public

My Commission Expires:

\_\_\_\_\_

JABRIG & WILK, P.C.  
ATTORNEYS AT LAW  
3300 NORTH CENTRAL AVENUE  
SUITE 2100  
PHOENIX, ARIZONA 85012